# Globalization

[*Where globalization means, as it so often does, that the rich and powerful now have new means to further enrich and empower themselves at the cost of the poorer and weaker, we have a responsibility to protest in the name of universal freedom.*](http://www.brainyquote.com/quotes/quotes/n/nelsonmand447260.html)[*Nelson Mandela*](http://www.brainyquote.com/quotes/authors/n/nelson_mandela.html)

When I was a little girl, I lived in New Zealand. My parents, impacted by the politics of the United States and the Vietnam War, decided to move to New Zealand while they were still pregnant with me. My dad worked as a math teacher while raising four children. My family and parents loved living in New Zealand and settled in with friends, work and school. However, separated from their own parents across the globe, they began to feel isolated from their family. On a visit back to the States when I was just 8 years old, my parents made the decision to move back and live closer to their families in Los Angeles. In a conversation with my mother recently over Skype, my mom said that she wouldn’t have moved back if the situation existed today. Skype, texting, and facebook would have made her feel more connected to her family even though they were separated by thousands of miles. My grandparents would have been able to see the kids regularly though skype, pictures could have been posted immediately on the internet for the entire family to share, and it would have been easier to talk more frequently on the phone. In the 1970’s my parents only connection to their own parents was a phone call a few times a year and pictures and letters that had to be mailed. In the last 40 years, the world hasn’t gotten any smaller, but changing technology and travel has made it feel smaller. Today we can talk to, see, communicate with and maintain close intimate relationships with people all over the United States and the world.

Globalization has been a defining characteristic of the modern world. It comes with many positive characteristics like the ability to travel to any place in the world in less than a day or to communicate with people throughout the world on a daily basis. Facebook, cellphones, skyping allows us to call, text, or video chat with family, friends, and colleagues regardless of their location. Distance is no longer a barrier to maintaining close connected relationships. This open communication gives us a sense of connectedness to countries and people half way around the world. But this subjective element of globalization, a feeling of connectedness, is not the only aspect of globalization. Globalization also includes two other characteristics that are a little more pernicious. One is the reduction of culture diversity around the world to a single westernized version of McDonalds culture and the other is the creation of a global economy that increasingly makes poorer nations dependent on wealthier nations.

The creation of a single, global monoculture has been a boon for global corporations because they are able to sell their products to all parts of the world. Wal-Mart, McDonalds, Coca-Cola, and Gucci find a market in nations as culturally diverse as Italy, China, South Africa and Ecuador. American tourists may even find security in traveling to another country and still find a hamburger and fries to eat. Even though they may be thousands of miles away from home, they will recognize the familiar. But while corporations and culturally inept travelers may find solace in this homogenization of world cultures, it takes away the rich diversness of cultural traditions. It transfers a consumeristic shallow existence to a world of people who have lived with religious histories, cultural stories and traditions, goods and services unique to their lifestyle and environment, and languages that express ideas unique to their perspective. Rather than people thoughout a world that is authentic to their economic situation, local environment, and social connections, they are transferred into consumers and commodities of the biggest global corporations. While this creates a qualitative loss in cultural richness and diversity, there is also a quantitative loss as traditional people lose a means of producing income. The foods they grew, the clothes they made, the items they produced can no longer be sold or marketed. People find their way of life and income security that came with that lifestyle disappearing.

But an even greater loss is the environmental costs that come with eliminating local traditions and products that have been produced over a millenia in a way that is in natural harmony with the local environment and replacing them with products that are produced in the industrial process with chemical and toxic waste, leading to air, land and water pollution. It’s not just cultures that are eliminated, but healthy local environments as well. Factories and trucks have replaced villagers gathering for farming gardens, caring for lifestock, weaving baskets, firing clay and caring for children.

The final and probably the most important aspect of globalization is the rise of a global economy and the spread of corporations and their “stateless” finances. The rise of a “global economy” in the last couple of decades has lead to an increase in power and wealth among some of the top corporate players. These global corporations are no longer regulated by and loyal to any specific nation, but can shift their power around the world unbridled by the rules and dictates of any nation. This “statelessness”

* + 1. Global Economy – Globalization, while it has its aesthetic elements of shared ideas, what really defines globalization is the spread of capitalism and its economic policies throughout the entire world.
       1. European Exchange Rate came apart in 1992
       2. Marks demanded more than pounds – buy the better perceived currency making it more valuable
       3. Investors exchanging money can influence trade values as globalization increases – global investors all over the world
  1. World Systems Theory
     1. Wallerstein argues that globalization is not a new phenomenon of the twentieth and twenty first centuries but has grown and evolved over a millenia, beginning in the 1500’s. Europe served as the initial engine of globalization as it looked for resources throughout the world, using its military strength to secure those resources. Europe in the 16th century served as the core of globalization as they used labor throughout the world and their technological advances to bring wealth and resources home. Initially, Europe had only small advances in shipping and weapons, but as they garnered more and more labor and resources, this initially small advantage translated into the creation of a world power. Europe developed this wealth and power by exploiting the rest of the world and turning the world into a commodity for their own enrichment. The peripherial countries supplied the labor and raw resources that enabled Europes rise to power. This theory has roots in Marxism, as Wallerstein argues that just as the capitalist class exploits the labor of the working classes, building their wealth off the backs of the poor, the rich nations exploit the labor of the poor ones.
     2. This world pattern of exploitation moved through a series of stages in the last 500 years from colonization to current world capitalist policies. Military domination in the colonial error has been replaced by economic domination in the modern era.
     3. Wallerstein argues that the World system is world economy with all of the characteristics of any system in which money and resources flow in clearly defined directions, there are clear delineations of power, and differing nations are dependent on one another. One of the most clearly defining features of the world system is the power structure in which the core nations exploit poor peripherial nations. Peripherial nations become the suppliers of labor and resources, while the core countries become the producers of capital.
     4. Dependency – Third World poverty not a result of underdevelopment – but is the direct result of the First World making them dependent and taking their resources
     5. Core and Periphery
     6. World systems connected – first world wealth came from exploitation
     7. Additions to Theory – Sklair
        1. Transnational capitalist class
        2. Culture-ideology of consumerism
        3. Protest campaigns are co-opted – absorbed into the establishment
        4. Buy Red – AIDS campaign
  2. Global Environmental Problems
     1. Ozone Layer – CFC’s required global response
        1. Impacted well beyond nation-state borders
     2. Transfer of production and waste
     3. Acid Rain
     4. Global Warming
  3. Global Action – Problems facing unified action
     1. Requires surrender of state sovereignty
     2. Impacts domestic goals – requires compromises
     3. Always will come to the table selfishly – Each nation has interest groups pushing for their countries position

# World Trade Policies and Neocolonialism

* 1. Define Neocolonialism
     1. History and characteristics of colonialism
        1. Colonialism:  European military invasion of territories in Asia, Africa, Latin America.
           1. Colonizers extracted colonial resources to feed industrialization of Europe
           2. Administered territory:  enslavement or low wage-labor of indigenous populations
           3. All for purposes of development of European powers

Consequences, post-independence:  creation of dependent economies.

Independence left indigenous populations expected to take control of "independent" states that they, themselves, did not create.  Expected to follow norms of western, modern international system.

* + - 1. Neo-colonialism (**or neo-imperialism?)**, No longer about control of territory, but control of economies of "independent countries"
         1. Hegemony:  refers to  military and economic power of a country or bloc of countries over others.  With colonialism west achieved hegemony over colonies in a modern, international, capitalist system,

 which was maintained post-independence.

* + - * 1. Resources and labor still largely under foreign control: instead of colonial powers, now transnational corporations
        2. "Independent " countries expected to follow norms of western, modern international, capitalist system.
    1. Pull-out of military domination
    2. Corporations move in
    3. Kwame Nkrumah, who in 1957 became leader of newly independent Ghana, helped bring the term to general usage when as he was describing the new relationship between colonizer and colonized nations. His argument was simple, the basic relationship of control and exploitation was unchanged. While the methods had changed, the basic relationship did not. The term was explained in *Neo-Colonialism, the Last Stage of Imperialism* (1965) where monetary practices and investment are used to exploit poor countries for the gain of rich countries, increasing the gap between the rich and the poor.
    4. Colonial powers retain presence for raw resources
    5. Power and dependence based on economic regulations rather than military power
  1. World Bank
     1. International Monetary Fund – program of loans to secure profit and manage global economic system
     2. Conditionality for loans.  Structural adjustment programs allow IMF to administer the economies of less developed countries (budgets, tax and labor policies)
  2. Comparative Advantage
     1. Whoever can sell some commodity or product the most cheaply is the one who should be selling it
  3. Political Structures of Neo-Colonialism/imperialism
     1. Polarization of society:  Large impoverished majority and tiny elite
        1. When colonizers left, group with closest ties to colonizers = elite.  Corruption increased power differentials
        2. To maintain order, dictatorship to preserve privilege of elite
        3. "Democratization" has often just meant procedural, not substantive democracy:  Right wing, corrupt leaders who maintain interests of elite.  These are the leaders who are more than willing to sign free trade agreements.  They will benefit, their people will, most often, not.
  4. Free Trade
     1. Goals of Free Trade: Washington Consensus:  "If you follow this path of capitalist development, you will be like us"
     2. NAFTA – North American Free Trade Agreement with Canada, United States and Mexico
     3. Signed in 1994 – reduce tariffs and trade barriers
     4. Retain intellectual property rights
     5. Negative Consequences
        1. Profit motive for companies to relocate in Mexico – cheaper wages – fewer environmental restrictions
        2. Metclad – requested hazardous waste landfill – awarded 15.5 million when Mexico refused
     6. CAFTA-DR:  even though NAFTA did not keep its promises to poor, and problems were evident, Washington and Central American leaders signed on to new agreement
     7. GATT – General Trade Agreement on Tariffs and Trade
        1. 182 countries participate
        2. Uruguay Round --> WTO
  5. World Trade Organization
     1. Body of nations – parallel organization to the United Nations, forum for negotiating disputes toward the goal of free trade
     2. Makes rulings of illegal trade barriers
  6. Environmental Regulations
     1. Often seen as trade barriers
     2. States or localities cannot override agreement
  7. Example of Africa
     1. Debt followed colonization
     2. Fractured governments, civil wars, debt made dictatorships possible
     3. Resource wars over minerals to increase profit and wealth
     4. Mine diamonds, gold, rubber, oil, coltan, coffee, cotton
     5. Increasing strip mining – but trade policies and IMF policies means profit is really property of colonist nations