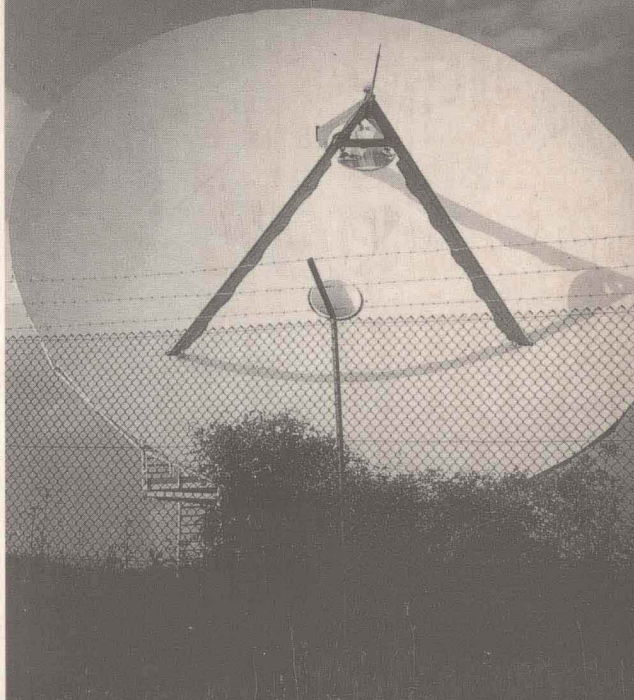


KEY IDEAS



GLOBALIZATION

Malcolm Waters

ROUTLEDGE



GLOBALIZATION

MALCOLM WATERS



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GLOBALIZATION

We are surrounded by globalizing developments: the emergence of the global communications industry; the growth of multinational enterprises; the influence of global financial markets; global warming; and international action on human rights. These have brought the idea of a global society into prominence. We now recognise that the constraints of geography are shrinking and that the world is becoming a single place. In this crisp and incisive book, Malcolm Waters provides a much needed guide to the concept in social theory and the social, economic and political consequences.

The first two chapters offer a critical summary of the main theories of globalization, outlining the standard contributions – modernization and convergence, the capitalist world-system, transnationalization and the global village – before moving on to tease out the common threads in the contemporary globalization theories of Robertson, Giddens, Harvey and Beck.

The succeeding chapters trace the effects of the process through the arenas of economy, politics and culture. Here the book gives a lively treatment to such topics as planetary environmentalism, the new international division of labour, the new world order, growing religious fundamentalism and democratization and marketization. These topics are integrated within a theoretical account that views globalization as the consequence of the new pre-eminence of culture in social life.

Malcolm Waters is Professor of Sociology at the University of Tasmania, Australia.

KEY IDEAS

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The Open University

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The Open University, Milton Keynes

Designed to complement the successful *Key Sociologists*, this series covers the main concepts, issues, debates and controversies in sociology and the social sciences. The series aims to provide authoritative essays on central topics of social science, such as community, power, work, sexuality, inequality, benefits and ideology, class, family, etc. Books adopt a strong individual 'line' constituting original essays rather than literary surveys and form lively and original treatments of their subject matter. The books will be useful to students and teachers of sociology, political science, economics, psychology, philosophy and geography.

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MASS MEDIA

PIERRE SORLIN, University of Paris III

He had bought a large map representing the sea,
Without the least vestige of land:
And the crew were much pleased when they found it to be
A map they could all understand.

‘What’s the good of Mercator’s North Poles and Equators,
Tropics, Zones, and Meridian Lines?’
So the Bellman would cry: and the crew would reply,
‘They are merely conventional signs!’

‘Other maps are such shapes, with their islands and capes!
But we’ve got our brave Captain to thank’
(So the crew would protest) ‘that he’s bought us the best –
A perfect and absolute blank!’

The Hunting of the Snark Lewis Carroll

Preface

Although conceivably surpassed by Tierra del Fuego or Outer Mongolia, Tasmania's geographical location makes it just about the perfect place from which to assess the extent of globalization. If one can sit here at the spatial edge of human society, looking northward across the vast desert continent of Australia and southward towards emptiness and desolation, knowing that one is thousands of kilometres from the 'global cities' of Tokyo, Frankfurt, or LA, and still feel that one is part of the world, then globalization truly is an impressive process. Tasmanians know that they live on one planet because other people's aerosol sprays have caused a carcinogenic hole in the ozone layer over their heads, because their relatively high rate of unemployment is due to a slump in the international commodities markets, because their children are exposed to such edifying role models as Robocop and The Simpsons, because their university is infested by the managerialist cultures of strategic planning, staff appraisal and quality control, just like everyone else's, because British TV-star scientists may drop in for a week to save their environment for them, and because their Gay community may at long last be able to experience freedom of sexual expression because it has

appealed to the human rights conventions of the United Nations. It has become a commonplace to argue that globalization and localization are Janus-faced aspects of the same process but in this little local society of less than half a million souls that truth comes home more fully than in most.

I would like to be able to say that this book took many grinding years to write and that it needed the support of armies of friends and colleagues. Actually, it was one of those fortunate projects that took on a life of its own so that the book almost wrote itself in a relatively short time. Nevertheless, some important thanks are due. Chris Rojek must have been 'thinking globally' when he passed through Hobart and commissioned the project. Martin Albrow, Routledge's reviewer for both the proposal and the manuscript, encouraged it from the outset. Rowena Stewart and Christina Parnell made the sort of skilful administrative contribution for which I have to thank them far too often. Scott Birchall and Robert Hall made sure that my attempt at political science was not entirely off the planet. My thanks also must go to my family: to my wife, Judith Homeshaw, an 'ex-pom' policy analyst who cheerfully responds to my jibes at her discipline with her own withering criticisms of mine; and to our children, Penny (currently on a Rotary International student exchange in Germany) and Tom (an adept at soccer, marketed here as 'the world game'), for keeping me up to date on developments in global popular culture, whether I want to be or not.

Malcolm Waters
Hobart, Tasmania

Abbreviations

AGIL	Adaptation/goal-attainment/integration/latent pattern-maintenance and tension management
APEC	Asia-Pacific Economic Council
ASEAN	Association of South-East Asian Nations
BINGO	Business international non-government organization
BT	British Telecom
CENTO	Central Treaty Organization
CFC	Chloro-fluoro carbon
CNN	Cable News Network
CPE	Centrally planned economy
DME	Democratic market economy
EC	European Community
ECSC	European Council for Security and Co-operation
EEC	European Economic Communities
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FDI	Foreign direct investment
G7	Group of seven leading industrial economies

xiv Abbreviations

GATT	General Agreement on Tariffs and Trade
GDP	Gross domestic product
IATA	International Air Transport Authority
IGO	International government organization
ILO	International Labour Organization
IMF	International Monetary Fund
INGO	International non-government organization
IPU	International Postal Union
IR	International Relations (academic discipline of)
ISA	International Sociological Association
ITU	International Telecommunications Union
JIT	Just-in-time production system
LDC	Less developed country
MAD	Mutually assured destruction
MDC	More developed country
MNC	Multinational corporation
MNE	Multinational enterprise
NAFTA	North American Free Trade Area
NATO	North Atlantic Treaty Organization
NIC	Newly industrializing country
NIDL	New international division of labour
NIEO	New International Economic Order
OECD	Organization for Economic Co-operation and Development
OED	<i>Oxford English Dictionary</i>
OPEC	Organization of Petroleum Exporting Countries
QCC	Quality control circle
SDR	Special drawing right
SEATO	South-East Asia Treaty Organization
TNC	Transnational corporation
UN	United Nations Organization
UNCTAD	United Nations Council for Trade and Development
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations International Children's Emergency Fund
UNRRA	United Nations Relief and Rehabilitation Administration
WHO	World Health Organization
WTO	World Trade Organization
WWF	Worldwide Fund for Nature

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1

A world of difference

Think global. Act local
Theodore Levitt

Social change is now proceeding so rapidly that if a sociologist had proposed as recently as ten years ago to write a book about globalization they would have had to overcome a wall of stony and bemused incomprehension. But now, just as postmodernism was *the* concept of the 1980s, globalization may be *the* concept of the 1990s, a key idea by which we understand the transition of human society into the third millenium. Curiously 'globalization' is far less controversial than 'postmodernism' (see Smart 1993). With the exception of the 'civilization analysts' that we shall mention in Chapter 3 most sociologists seem to accept that such a process is under way. Such controversies as there are appear to surround the issue of whether old Marxist or functionalist theories can be adapted to explain globalization or whether we need to construct novel arguments. This may be because sociological theories of change have almost always implied the universalization of the processes that they explain. Although it did not arise within sociology, the concept has therefore found instant appeal

2 Globalization

across a range of intellectual interests. It remains for sociology to connect the concept with its own vital theoretical traditions. This short book seeks to contribute to this task.

Although the word 'global' is over 400 years old (*OED* 1989 s.v. global) the common usage of such words as 'globalization', 'globalize' and 'globalizing' did not begin until about 1960.¹ *The Economist* (4/4/59) reported 'Italy's "globalised quota" for imports of cars has increased'; and in 1961 *Webster* became the first major dictionary to offer definitions of globalism and globalization. In 1962 *The Spectator* (5/10/62) recognized that: 'Globalisation is, indeed, a staggering concept'. (*OED* 1989 s.v. globalism, globalization, globalize, globalized).

The concept certainly staggered or stumbled into academic circles. Robertson (1992: 8) informs us that it was not recognized as academically significant until the early or possibly the mid-1980s but thereafter its use has become, well, globalized. Although he says that its pattern of diffusion is virtually impossible to trace, it is beyond reasonable doubt that he is himself centrally responsible for its currency in sociology. The many items he has published on the topic include what is possibly the first sociological article to include the word in its title (1985) although he had used the concept of 'globality' somewhat earlier (1983). Overall, the number of publications which use the word 'global' in their titles has now probably reached five figures but the processual term 'globalization' is still relatively rare. As at February 1994 the catalog of the Library of Congress contains only 34 items with that term or one of its derivatives in the title. None of these was published before 1987.

The definitions of globalization given in general dictionaries are often couched in such unhelpful terms as 'to render global' or 'the act of globalizing'. Even if we delete the tautology as in 'to render world-wide' or 'the act of diffusion throughout the world' this is misleading from a sociological point of view because it implies intentionality. Many aspects of globalization are indeed intentional and reflexive including both the increasing level of business planning for global marketing and action by the environmentalist movement to save the planet. However many globalizing forces are impersonal and beyond the control and intentions of any individual or group of individuals. The development of Islamic fundamentalism as a response to the effects of Western modernization or the decline of the American car industry are examples of just such effects.

Chapter 3 gives details of the various sociological definitions of globalization that seek to incorporate both the intentional and the non-intentional aspects of the process. However we need a working definition that will allow us to move forward to that analysis. Perhaps the best approach to such a definition might be to try to specify where the process of globalization might end, what a fully globalized world will look like. In a globalized world there will be a single society and culture occupying the planet. This society and culture will probably not be harmoniously integrated although it might conceivably be. Rather it will probably tend towards high levels of differentiation, multicentricity and chaos. There will be no central organizing government and no tight set of cultural preferences and prescriptions. Insofar as culture is unified it will be extremely abstract, expressing tolerance for diversity and individual choice. Importantly territoriality will disappear as an organizing principle for social and cultural life, it will be a society without borders and spatial boundaries. In a globalized world we will be unable to predict social practices and preferences on the basis of geographical location. Equally we can expect relationships between people in disparate locations to be formed as easily as relationships between people in proximate ones.²

We can therefore define globalization as: *A social process in which the constraints of geography on social and cultural arrangements recede and in which people become increasingly aware that they are receding.*

The concept of globalization is an obvious object for ideological suspicion because, like modernization, a predecessor and related concept, it appears to justify the spread of Western culture and of capitalist society by suggesting that there are forces operating beyond human control that are transforming the world. This book makes no attempt to hide the fact that the current phase of globalization is precisely associated with these developments. Globalization is the direct consequence of the expansion of European culture across the planet via settlement, colonization and cultural mimesis. It is also bound up intrinsically with the pattern of capitalist development as it has ramified through political and cultural arenas. However, it does not imply that every corner of the planet must become Westernized and capitalist but rather that every set of social arrangements must establish its position in relation to the capitalist West – to use Robertson's term, it must relativize itself. It must be said that in increasing sectors of

4 Globalization

the world this relativization process involves a positive preference for Western and capitalist possibilities. But globalization is also highly Europeanized in another sense. The de-territorialization of social and especially of political arrangements has proceeded most rapidly in the Western part of that continent – borders are becoming deemphasized and varieties of supra- and infranationalism are proliferating. This means that the model of globalization that is being globalized is itself a European model (i.e. developments within the EU are widely touted as the example for global de-territorialization; for example see Lash and Urry 1994: 281–3).

One of the theoretical debates about globalization surrounds when it began. As the review of theories in Chapter 3 will show, three possibilities can be specified:

- that globalization has been in process since the dawn of history, that it has increased in its effects since that time, but that there has been a sudden and recent acceleration;
- that globalization is cotermporal with modernization and the development of capitalism, and that there has been a recent acceleration; or
- that globalization is a recent phenomenon associated with other social processes called post-industrialization, post-modernization or the disorganization of capitalism.

The position taken in this book is that some measure of globalization has always occurred but that until about the middle of this millenium it was non-linear in its development. It proceeded through the fits and starts of various ancient imperial expansions, pillaging and trading oceanic explorations, and the spread of religious ideas. However the European middle ages, in particular, were a period of inward-looking territorialism that focused on locality, a slump in the globalization process. The linear extension of globalization that we are currently experiencing began in the fifteenth and sixteenth centuries, the 'early modern' period. Technically, and if one assumes that globalization is at least partly a reflexive process, globalization could not begin until that time because it was only the Copernican revolution that could convince humanity that it inhabited a globe. More importantly, until then the inhabitants of Eurasia-Africa, the Americas, and Australia lived in virtually complete ignorance of each other's existence. So the globalization process that is of most interest here is that associated with modernization.