

Zhang Xiaoying

The Economist's

Construction of Globalization (1985–2010):

A Narrative Analysis with a Chinese Perspective



World Affairs Press

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图书在版编目(CIP)数据

《经济学家》全球化思想建构的叙事:1985~2010 = *The Economist's Construction of Globalization* (1985~2010): 英文 / 章晓英著. —北京:世界知识出版社, 2012. 6
ISBN 978-7-5012-4292-4

I. ①经… II. ①章… III. ①经济思想史—研究—西方国家—1985~2010—英文
IV. ①F091

中国版本图书馆 CIP 数据核字(2012)第 112339 号

- | | |
|------|--|
| 书 名 | 《经济学家》全球化思想建构的叙事:1985~2010
《Jingjixue Jia》Quanqiuhua Sixiang Jiangou de Xushi:1985~2010 |
| 作 者 | 章晓英 |
| 责任编辑 | 柏 英 |
| 责任出版 | 刘 喆 |
| 出版发行 | 世界知识出版社 |
| 地址邮编 | 北京市东城区干面胡同 51 号(100010) |
| 投稿信箱 | guojiwenti@yahoo.com.cn |
| 经 销 | 新华书店 |
| 印 刷 | 北京京科印刷有限公司 |
| 开本印张 | 720×1020 毫米 1/16 18 印张 |
| 字 数 | 381 千 |
| 版次印次 | 2012 年 7 月第一版 2012 年 7 月第一次印刷 |
| 标准书号 | ISBN 978-7-5012-4292-4 |
| 定 价 | 39.00 元 |

Preface

Globalization has been the term that more than any other has come to define the character of the last thirty years, not just for the West, but also for the rest of the world as the impact of global economic forces has come to be felt in Shanghai as much as in New York. Now, as Western economies suffer the effects of the worst recession since the Great Crash of 1929, there is even more emphasis on globalization as an impersonal force of history, out of control, dictating the course of events.

Yet the very unevenness of economic performance between different countries: the steady, though slightly reduced growth of China's economy; the stability of Germany as compared with the downward spiral of Greece; the serene advance of Australia and the relatively strong performance of Latin American countries; all of these examples should make us wary of assuming that globalization is a one-size-fits-all process. Countries and their governments respond to it in different ways, with varying results, and the most powerful of all can indeed also shape it to suit their own interests.

It is the widely assumed all-embracing, world changing sense of globalization, its association with the historical changes we experience, which demands that we adopt a theoretical stance toward it. We need to take account of fundamental features of the human condition. To echo Marx, we make our

own history, but not under conditions of our own choosing, and globalization is produced by, as well as shapes, human practices. It is as much an ideological product as an economic process. There is no iron necessity that compels countries to adopt World Trade Organization rules, and their motives for joining it may be as much political as economic.

The corollary of this theoretical understanding is that scholarly research into the origins and direction of globalization requires as much attention to be devoted to way we talk about it as to its impact on material wellbeing. For it is produced discursively, that is through political argument and public debate, through policy documents and speeches, above all through the ideas which are promoted by those who have the power to change opinion. Globalization is a phenomenon of language as much as of trade and industry.

It is on the basis of considerations of this kind that Dr. Zhang has devoted serious study to the development of globalization thinking over a thirty year period in the pages of one of the two or three most influential voices of Western capitalism, namely the London based magazine with worldwide circulation, *The Economist*.

The author's intellectual background makes her particularly well qualified to discover the key components that contribute to the construction of an ideology with Anglo-American origins. As well as being a graduate in British Studies she has been a long-term specialist in English language requirements for aspiring international journalists at the celebrated Beijing Foreign Languages University. Acutely aware of the nuanced use of language for public debate that every journalist must command, she has thus been able to analyse *The Economist's* account of globalization both by comparing it with scholarly understandings of its nature but also as an example of the professional practice of journalism.

Coming to the topic of globalization from such an intellectual standpoint results in a distinctive appreciation of its nature, one which does not assimilate it to economics, sociology, international relations or similar social science discipline, but sees it as a multifaceted phenomenon of the historical present, the story of our time as told in everyday encounters and public discussion. For this reason her chosen method is to study narrative, using the latest

computer aided methods for textual analysis which show how *The Economist* has constructed the story of globalization as the latest stage in the worldwide recognition of the benefits of free trade and open boundaries, to fit a liberal ideological commitment which goes back to the very founding of magazine in the mid-nineteenth century.

In order to assess the likely durability of this commitment and the tenacity with which it is held, Dr. Zhang examines also as a potentially contrasting case *The Economist's* treatment of climate change, where there is a widespread view that this must require concerted action by governments to mitigate its effects, something difficult to square with the free market principles that are held to underpin globalization. One of the most fascinating findings of her work is that the globalization narrative is sustained by erecting effectively a firewall between stories on it and those on climate change. The result is that a theme that surfaces from time to time in each case, namely the need for international cooperation, fails to achieve the same pivotal place in *The Economist's* world view as the benefits of economic exchange.

And this is where another singular advantage for Dr. Zhang's account becomes apparent, namely that she is Chinese, or rather, since this is not a question of race but of culture, she is a person born and educated in China and fully versed in its contemporary public discourse, the voice of a distinct civilization, with roots going back thousands of years, which has however assimilated from the West radical Marxist philosophy as well as Western social science and a knowledge of how markets work.

From her cultural standpoint she shows how it is possible to achieve the distance from the Western neoliberal project that escapes Westerners themselves, caught as they are between resignation and vehement opposition. She shows how it is possible to find distinct ideological pivots in the ideas of collaboration and cooperation and how in the Chinese idea of harmony they may become effective tools for managing the contemporary transformations which *The Economist* celebrates, and to the negative consequences of which the West so often reacts fatalistically.

This book belongs to what must become an increasingly important genre for the whole world in the coming period, namely Chinese studies of Western

culture. Often globalization has been thought of simply as the Westernization of the world. But events of recent decades suggest that not only do the drivers of change increasingly originate in other parts of the world, but the idea of the West as the source of the betterment of the human condition is more fragile and contestable than ever before. China is uniquely positioned to cast a light on the West which illuminates corners which it cannot see for itself. This book shows how Chinese scholarship, if it is willing to accept the challenge, can contribute the distinctive viewpoints that are essential for creating a genuinely global advancement of knowledge.

Martin Albrow

London School of Economics, May 2012

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Introduction

1. Why This Study?

The Economist, as a main voice for more than 160 years of Western liberalism, has played a very important role in conveying the world view of the West.^① Now the way the Western world view has driven the world not only to immense material wealth but also to the brink of disaster is dangerous and gives rise to a high level of concern. The author believes that Chinese thought in its fullness can contribute to correcting the one-sidedness of liberalism.

No study has probed into the process of development of Western ideology in the pages of *The Economist* in the complex and global world of today in terms of its tenacity, how it is sustained, and the factors that can lead it to change. In the last 30 years Western liberalism has been rewritten as globalization, an interpretation of the direction of world history from the West's point of view, but this fails to meet the present challenges of global issues (e.g. climate

① The world view of the West here mainly refers to the view of the Manchester School Liberalism which campaigns and endorses the radical economic policy such as laissez-faire, free trade, non-government interference in the economy and free enterprise capitalism.

change).^① This is where the quite independent features of Chinese theory (e.g. correlative world, harmony, and nature) can exercise a necessary influence on global thinking that can be adequate for the present crisis.

It is unhelpful to think in terms of West vs. East in today's global century. The two, although they appear to conflict, in reality are mutually interdependent and supportive. Instead of opposition, there is cooperation and alternation. The Western mainstream thinking of a separate and subordinate nature created by God is conducive for arousing man's inherently competitive and acquisitive instincts that lead to the creation of material wealth, but fails to cope with the consequences of his own selfishness. Complementarily, Chinese philosophy that emphasizes the inseparability of humanity and nature, thus the importance of respect for nature, prevents us from realizing our potential power to the full and is helpful to reign in the deep-rooted selfishness in human beings. Overall, the Western thinking of separation and the Chinese correlative thinking, in many aspects of our daily existence, are two correlative parts of the whole, complementary to each other like the sun and the moon.

According to the influential British historian Arnold J. Toynbee, Western philosophers see the universe as being caught in the ebb and flow of a rhythmic alternation of the integrating force of love and the disintegrating force of hate, a unity arising from plurality and a plurality arising from unity. In the eyes of Chinese philosophers, the universe is caught in the ebb and flow of a rhythmic alternation of the shadow force of yin and the sunshine force of yang: "Each in turn comes into the ascendant at the other's expense; yet even at the high tide of its expansion it never quite submerges the other, so that, when its tide ebbs, as it always does after reaching high-water mark, there is still a nucleus of the other element left free to expand, as its perpetual rival and partner contracts."^② Toynbee felt the Western rhythm of history interruptive and the yin-yang rhythm cyclical.

^① In this study, the terms "climate change" and "globe warming" are sometimes used interchangeably. In most cases, "global warming" is adopted.

^② Toynbee, A. (1935) *A Study of History, Volume 1* (2nd edn). Oxford: Oxford University Press, p.202.

Similarly, the influential Chinese historian Qian Mu has shown his deep understanding of Western history and Chinese history. He observed that Western history develops like a drama characteristic of different scenes which move forward with violent changes, and Chinese history reads like a poem which extends without abrupt changes but on harmonious rhythm. This is further illustrated by the way that the lives of three saints came to an end. Socrates died by drinking a cup of poison hemlock and Jesus Christ was crucified while Confucius died a natural death.^①

The world can not exist without either interruptive force or cyclical force, or either dramas or poems. It is the various forces of nature and diverse genres of literature that interact and connect to make the world what it is today. If nothing on earth is so permanent as never to change, then the system of complementary increasing and decreasing of the principle is continuous.

It is with such an intellectual and moral concern for the consequences of the dominant force of liberalism that the author comes to the inquiry of *The Economist's* reproduction of the mainstream Western ideology. It is hopeful that the insight gained from this inquiry will strike the reader as a fresh and stimulating account of globalization.

2. Why *The Economist*?

2.1 *The Economist*: The Model of a Successful Democracy

The Economist, founded in London by the Scottish banker and liberal politician James Wilson in 1843, is chosen as a representative publication for the elite of the West for three main reasons. First of all, it is a global publication with a profound global influence. This can be seen from its readership, circulation, distribution and writing style. In terms of readership, the journal

① Qian, M. (1996) *General Outline of Chinese History* (3rd edn). Beijing: Commercial Press, Preface, p.13.

reaches a highly targeted audience of sophisticated professionals, or the elite of the society. One of the former editors-in-chief Pennant-Rea referred to the journal's readers as those "with higher than average incomes, better than average minds but with less than average time."^① In respect of circulation, it enjoys global influence. Every week, over a million copies of *The Economist* are sold in over 200 countries, with more than four-fifths of its circulation outside the UK, its original country of publication. It has proven its relevance to decision-makers and opinion leaders across the world. Moreover, it has an efficient distribution system such as computerized newsstand tracking and subscription fulfillment services as well as hand delivery. Describing itself as a "Friday Viewspaper",^② *The Economist* is printed on Thursday night in five countries on three continents, ensuring prompt distribution in most major international trading centers on Friday morning and hence improving the topical value of *The Economist* for decision-makers throughout the world. In addition, the journal boasts of a unique writing style, following the principle of rational analysis of facts. The title of the journal "*The Economist*" denotes both its writing style as well as its mission. On the one hand, it refers to the idea of liberal economics, and on the other hand, it applies to people who approach problems by "putting arguments and doctrines to the test of the facts."^③

The journal's importance can be felt anytime, either in the past or the present. In the early days, even the British Foreign Secretary Lord Granville relied on *The Economist* for opinions. As he said in 1877: "I can say with truth that it has constantly happened to me that when unable, either from want of knowledge or from other circumstances, to come to conclusion, I have resolved to postpone the consideration of the matter till I had seen what the next *Economist* said about it."^④ It was named Magazine of the Year by Advertising Age and topped Adweek's Hot List for 2009 and 2010. The journal has been

① Edwards, R.D. (1993) *The Pursuit of Reason: The Economist 1843~1993*. Boston: Harvard Business School Press, p.72.

② Ibid.

③ Ibid., p.17.

④ Ibid., p.255.

generally recognized as a world famous brand, in parallel with the Beatles, the BBC, the British Royal Family and Scotch Whisky.

Second, the journal has taken on a liberal journey over the past 168 years. Founded to advance the repeal of the Corn Laws, a system of import tariffs, with the purpose to further the cause of free trade in the interests of national and international prosperity, *The Economist* conveys the key values of Western liberalism and speaks with a collective voice by being anonymous. As its website states that *The Economist* “has lived on, never abandoning its commitment to the classical 19th-century Liberal ideas of its founder.” It is no exaggeration for *The Times* to comment that “*The Economist* was the model of a successful democracy.”^① Bill Emmott, the former editor-in-chief, may well explain the reason why the journal has developed a resolute and unshakable faith in its liberal cause when he said that *The Economist* has “more experience and more facts with which to confirm the validity of those principles”.^②

Third, *The Economist* has a clearly articulated world vision characteristic of the conventional Western thought, which makes it distinguishing from others. It believes that free trade will lead to world economic integration, and global economic links will automatically create western democracy all over the world. John Micklethwait, editor-in-chief, declares in the journal’s website: “Our vision of the world, our style and our whole philosophy are different from other publications.”

2.2 Questions under Discussion

The study aims to enquire whether *The Economist*, has sustained its historic commitment to free trade by using the globalization strategy over the last 25 years. It investigates how far the idea of globalization represents a significant innovation in free trade thinking to confront the new challenges such as global warming. With the hopeful sign of an innovative advancement in free trade thinking, the study further asks if the dominant Western economic ideology

① *The Time*, 7 February, 1972.

② Edwards, R.D. (1993) *The Pursuit of Reason: The Economist 1843~1993*. Boston: Harvard Business School Press, Forward, p.viii.

truly paves the way for non-Western definition of globalization in the pages of *The Economist*. The detailed questions to be addressed are:

- A. **Definition of globalization:** What is *The Economist's* definition of globalization? And how is the concept of globalization defined?
- B. **Globalization as a strategy to sustain the free trade thinking:** What is *The Economist's* globalization story about? How is the globalization story constructed? Has the journal maintained the free trade principle through the use of globalization narrative?
- C. **Innovation in free trade thinking and its implications:** How far does the journal represent an innovative advancement in globalization and free trade thinking in order to respond to the emerging challenges such as global warming? What is its limitation?
- D. **Transcendence of *The Economist's* liberal globalization paradigm:** To cope with global warming more effectively, how can *The Economist*, still being caught in the dualistic view of the world, transcend its limitation by drawing strength and wisdom from the Chinese concept of “Hexie Shijie” which understands the world as one of correlations?

The answers to these questions are to be found by conducting a delicate level of textual analysis of *The Economist's* narratives of both globalization and global warming.

2.3 Sample Texts and Oxford Wordsmith Tools

By entering the key words “globalization” and “climate change” or “global warming” on the database of LexisNexis, this study collected 1886 globalization-related news stories published in *The Economist* since 1985 and 236 pieces about climate change and global warming published in the journal since 1980. The collected pieces are organized separately into two corpora named “G (Globalization)” and “GW (Global Warming)”. The “G” corpus has altogether 26 cubicles labeled from 1985 to 2010. Each cubicle contains the globalization-related texts published in one year. Similarly, the “GW” corpus