

Dimensions of Globalization

Globalization

process of expansions and growing linkages at the global level. Involves forces such as:

- people/labor
- objects/wealth & resources
- knowledge/ culture
- information & tech
- social structures (economic and political institutions)

Economic Globalization

Principal Actor: Market

- a) *Trade*- exchange of goods and services
- b) *Capital Flows*- international movement of money for investment or business production process
- c) *Labor Migration*- mobilization of labor across international borders

Integration of economies may be influenced by politics as political entities control & manage economic forces

Political Globalization

- Coming together to make decisions/policies
 - Alliances for int'l cooperation & developments
 - Global movements for organizations in other countries
- Example: Rice Tariffication Law**
- Removed restrictions on rice imports
 - Lower tariffs
 - Decline of price

Types of Globalization

Political and Economic

For example, the US war against Iraq in 1991 and 2003 certainly had an economic motivation; perhaps to gain more control over Iraq's oil.

Culture

- Food, TV, music, still affected by economic considerations e.g., profit, tariffs, policies and have economic consequences e.g., effect on demand and prices.

Religion

- Spread of religions especially Islam/Islamic fundamentalism

Science and Technology

- Access to scientific journals and collaborations among scientists
- Health & Medicine**
- Diseases can proliferate globally
 - spread of medical knowledge, expertise & technologies useful in treatment

Education

- Curriculum Standardization
- International school branches
- Student exchange

History of Globalization

History of Globalization

- Intercontinental trading routes for silk & spices in the early centuries

1st Century to 17th Century

1st Century- Silk & spices b/w Asia & Europe

15th Century- trading widened with *Scientific Revolution* with discoveries in the fields of astronomy, mechanics, physics, and shipping.

- Led to discovery of the Americas by Columbus and aided Magellan's circumnavigation which ended pre-Colombian Civilizations
- Connected East to the West; opened roads to spice islands and other supply of goods & resources

1st Wave (1860-1914)

Second wave (1946- Present)

Third wave (1989- Present)



History of Globalization (cont)

- **British Industrial Revolution** - gave birth to *twin engine of global trade*

- 1) Innovation of industrial machines to make iron, textiles, & manufactured goods
- 2) *Steam Engine*- steamships and trains that allowed transport of goods

- Second Industrial Revolution (cars & planes)

Institutions like the European union & other trade channels backed by the USA increased international trade

- Gave rise to the internet
- Global exports rose to about a quarter of global GDP in the 2000s
- *Trade*, which is the sum of imports & exports, grew about half of the world GDP
- In some countries, like Singapore, Belgium, and others, trade is worth much more than 100% of GDP.

In this "*global age*", the US sets the tone and leads the way.

World Wars (1914-1945)

World War I (1914-1918) ended globalization and reign of high societies in the West- war replaced trade, civilians died, infrastructures destroyed, countries closed borders, financial markets collapsed.

World War II (1939-1945) - trade as a percentage of world's GDP fell to 5% - a level not seen in more than a hundred years.

World Trade Org

- Encouraged international organizations to enter free-trade agreements. Trade once again rose to 1914 levels, and in 1989, export once again counted for 14% of the global GDP.

With the collapse of the Soviet Union & the wall dividing the East & West, globalization became an all-conquering force.

Theories of Globalization (Nature & Purpose)

1. Liberalism

- Human beings have a natural desire to exercise their basic freedoms & maximize their material well-being.
- Political liberties & economic welfare like:
 - 1) Technological development- especially communication & transportation
 - 2) Legal and Institutional undertakings to enable the liberalization of markets

Globalization as an extension of modernization

- Promote the necessity of institutional structures & standardization of processes

2. Political Realism

- The state as the principal actor of globalization
- Believe that states are innately self-serving, thus competition for power is inevitable.
- Existence of a dominant state is necessary in bringing stability to world order.
- Competition among power-hungry states generates global relations.

Globalization is used by major states like China, Japan, Great Britain, and USA

3. Constructivism

- *Apolitical Tendency*: concentrate on people's mental construction of the social world.
- Believes that one's personal perception & symbolic exchanges w/others help them construct ideas of the world, belongingness in the world, and the rules for social interaction.
- Globalization as a result of people's individual consciousness & inter-subjective communications.

Constructivists perceive themselves as citizens of a particular world.

4. Marxism

- "Capital by its nature drives beyond every spatial barrier to conquer the whole earth for its market".
- It results to a profit-oriented system that seeks unceasing expansion.
- Conquer earth for its market; capitalist exploitation



