

Can Globalisation Help?

– Keeping the faith in globalisation

The starting point for this paper is the assumption that increased global trade will ultimately make both developed and developing countries wealthier in accordance with the theory of comparative advantage. Rightly or wrongly, anti-globalisation writing makes it harder to sustain one's belief in the credibility of holding this as a goal. In this paper, I try to separate the economic development which neoclassical economics suggests will arise from globalisation and increased trade, from a series of associations with which it has, in some cases understandably, become entangled during the course of these debates. First I distinguish between anti-Americanism and anti-globalisation – both are emotional responses which have the same order of intuitive appeal as a moral abhorrence for extravagance in a global society of polarised incomes. Yet both are emotional responses which need to be assessed separately if one is to appreciate deeper problems which perhaps inform them.

I elucidate a third category of apparent injustice in order to describe the phenomenon of structural institutional characteristics which would seem to operate against development whilst dissimulating their own non-agency. The purpose of this category is to

distinguish as insidiously countervailing structural properties, elements which should be recognised as separable from the otherwise at least theoretically development-oriented principles of neoclassical economics. I will then delineate a rudimentary definition of modernity and hence try to divide modernity and development. At this point I capitalise on the work of Amartya Sen and yet note the limitations of making such a division within my own terms. Finally I respond to the question that this poses: “If development means bringing modernity to people who seem unlikely to have adequate information about the nature of the choice they are making, is there reason to be pessimistic about the effects upon cultural distinctiveness associated with the development which neoclassical models of globalisation promise?”

I would hope not to belittle unease about the existing global order; for example concerning the number of people dying as a result of malnutrition, starvation, as well as from preventable and curable diseases in a world where a small proportion of people grow increasingly wealthy. Over the course of the next ten minutes, eight or nine children will die of measles – for example – in the African continent, extrapolating from 2002 figures endorsed by UNICEF¹. Given that their deaths from this cause could be prevented for 25

¹UNICEF, ‘Measles initiative to vaccinate 14 million children in Kenya during one-week campaign’

cents each², something would seem to be going wrong here, especially whenever I elect to “supersize” my fast food meals at a commensurate rate. Yet I would argue that at present, the anti-globalisation movement is in danger of confusing three related phenomena. In consequence, the resentment and sense of moral reprehension which would ordinarily be triggered by severe inequalities of wealth and opportunity is in the present instance often misdirected. I would characterise the phenomena thus:

1. A second wave of globalisation *qua* trade and the exchange of ideas, goods and services is occurring. The first wave in the 19th century was alloyed with imperialism and enabled in large part by the steam engine and the telegraph³. This globalisation *qua* trade is again founded in technological development (telecommunications and data management) and has profound political and social consequences. This form of globalisation is bringing modernity to an increasing number of people.
2. The burgeoning of U.S. supremacy has been observed such that in the 20th century, *pax Britannia* gave way to the *pax Americana* of “America’s Century”.

<<http://www.unicef.org/newsline/02pr37measles.htm>>, posted: June 13th 2002, retrieved: May 5th 2004

² World Health Organisation, ‘745 000 children die of Measles each year, but all deaths are preventable through a novel, comprehensive immunization strategy’, <<http://www.who.int/mediacentre/background/2003/back5/en/>>, posted: 2003, retrieved: May 5th 2004

³Douglas Ayling, ‘Alternatives to Marx: an overview of models for ideological influence’,

<[http://www.ayling.com/content/documents/Academic/University of Notre Dame/Art and ideology.pdf](http://www.ayling.com/content/documents/Academic/University%20of%20Notre%20Dame/Art%20and%20ideology.pdf)>, p.14

The United States of America now has the dominant position globally in each of the following spheres: economic, cultural, political and military. It is by no means universally hegemonic nor is it unassailable in any given sphere, but considered as a group of interests that often cohere and overlap, the nation has been able to overcome collective action problems and exercise considerable global influence.

3. The institutional legacy of established dominance makes felt its ability to shape and perpetuate subsequent and continuing relations of influence at the infrastructural and psychological levels on a global scale.

To comment upon the third phenomenon first, I should explain that I am referring to an injustice perceived in the very terms of the “game” of globalisation. The following quotation from Joseph R. Stiglitz serves to illustrate a systemic imbalance in weighting:

Part of the problem lies with the international economic institutions, with the IMF, World Bank, and WTO, which help set the rules of the game. They have done so in ways that, all too often, have served the interests of the more advanced industrialized countries – and particular interests within those countries – rather than those of the developing world.⁴

In the rules of the game, not only do developing countries find themselves on the “wrong”

⁴ Joseph E. Stiglitz, *Globalisation and Its Discontents* (New York: W.W. Norton & Company, 2003), p.214,

end of a dichotomy with one privileged term, but constructive engagement with the terms of the debate becomes incompatible with the institutionalised power structures. Stiglitz asserts that upon the aftermath of the 1997 East Asian financial crisis, finding the normative authority of the Washington Consensus policies threatened – and with them the credibility of the U.S. Treasury and the IMF – the institutions both had a vested interest in defending the liberalisation of capital markets as a “sacred article of faith”⁵ by overlooking their own policy and lending failures to claim that “*the problem was not with capitalism, but with the Asian countries and their bad policies*”⁶. On a larger scale, there are surely systemic impulses which reinforce the authority and the agenda of “the West” at the expense of the interests of less powerful nations. Stiglitz continues on the IMF: “The Fund tries to defend its stance of institutional infallibility, saying that if it showed it was wavering in its conviction that its policies were correct, it would lose credibility – and the success of its policies requires that markets give it credibility”⁷. The performative aspect of power roles in situations involving contested credibility and legitimacy claims can motivate in favour of a blatant disregard for empirical reality.

⁵ ibidem, p.213.

⁶ ibid.

⁷ ib., p.231

The problem with confusing the first and second phenomena distinguished above would be that the effects of globalisation and the intensification of modernity as experienced at the individual level can end up becoming interpreted as the result of coordinated design and intent on the part of the nation which happened to be well-positioned at the time of network expansion. The systemic expansionist quality inherent to capitalism becomes (I suggest) misleadingly individualised to a given nation – in this case the USA – if the above categories are not distinguished.

Regarding the second phenomenon, it is perhaps best seen as the most recent manifestation of an historically recurring pattern, the latest in a succession of global power monopolies. For the purposes of this inquiry, I see this pattern and the imperial modes of behaviour that are concomitant with it as inevitable.

Whereas Stiglitz sees globalisation in terms of “the removal of barriers to free trade and the closer integration of national economies”⁸, Arturo Escobar characterises globalisation as “the radicalization of modernity”⁹. What exactly would it mean to frame globalisation as the spread of modernity and how would it alter our perception of the processes of change at

⁸ Stiglitz (2003), p.ix

⁹ Arturo Escobar, ‘Beyond the Third World: Imperial Globality, Global Coloniality, and Anti-Globalization Social Movements’ *Third World Quarterly* 25 (2004), p.5

work around the world?

First let us define globalisation as an intensification of the experience of modernity throughout the world. The following then would constitute a working definition of modernity:

Modernity – a sketch:

- The city as an economic engine with human parts
- The primacy of the rational post-enlightenment individual
- Hence democracy, human rights and the rule of law

Within this frame of reference, development comes to appear as a secondary consequence, or a name given to a set of associated phenomena, arising from the spread of modernity as a function of globalisation qua trade and exchange. Modernity has negative aspects, I would argue, in terms of what it would tend to make us into. I would delineate them thus:

- Depersonalisation of interactions
- The regimentation of individuals' time and thus biological and emotional rhythms
- The value of a life will tend to become subsumed to the ideal of productivity

However, given that in common usage “development” only has positive connotations (and underdevelopment is frequently associated with poverty, malnutrition, starvation, inadequate access to healthcare and largely agrarian society), it makes sense to ask the question: “Can we separate development from modernity in a coherent way?”

Amartya Sen’s approach to development as expounded in *Development as Freedom*¹⁰ would suggest that we can. He takes substantive freedom as dependent upon human capabilities and emphasises the importance of democratic public debate (and the basic political and civil rights undergirding it) both as an end of development in itself “*constitutive* of the process of development”¹¹; and as a means to develop a local “social ethics”¹² which would guide the direction of subsequent development in a rejection of any universalisable optimal norm. This would be Sen’s response to the encounter described by Stiglitz of “what globalization does to democracy”¹³ whereby “Countries are effectively told that if they don’t follow certain conditions, the capital markets or the IMF will refuse to lend them money. They are basically forced to give up part of their sovereignty”¹⁴. Sen puts man as the measure of all things back into modernity arguing that the difference between a

¹⁰ Amartya Sen, *Development as Freedom* (New York: Anchor Books, 2000)

¹¹ *ib.*, p.288

¹² *ib.*, p.297

¹³ Stiglitz (2003), p.247

¹⁴ *ib.*

human-capital focus and a human capabilities driven approach is that “The acknowledgement of the role of human qualities in promoting and sustaining economic growth – momentous as it is – tells us nothing about *why* economic growth is sought in the first place”¹⁵ and advocates instead a focus upon “the expansion of human freedom to live the kind of lives that people have reason to value”¹⁶.

Let us suppose that – as a result of this approach – a given society is able to choose to pursue what I hereby posit as some value-neutral Goods of development. The country chooses to focus on developing education with its attendant freedoms of social mobility; on providing healthcare with its potential for reducing pain, restoring capability and sustaining the lives of loved ones; and on building up technologies of communication such as rail and the internet which provide the infrastructural pre-requisites for more accountable democracy, economic growth, national cohesion and can promote richness in life texture. Would the resulting development not essentially necessitate all of the negative corollaries which I claim are among the hallmarks of modernity?

Whereas on the one hand, this avoids the extreme which Stiglitz claims is occasionally put forth by IMF officials to defend their silence on alternative economic

¹⁵ Sen (2000), p.295

¹⁶ *ib.*, p.295

proposals – “They say that it would simply confuse the developing countries”¹⁷; on the other hand, I suggest that it is possible to have too much confidence in democratic decision-making. When it comes to the cultural consequences of the advent of modernity in diverse parts of the globe, Sen depicts the issue of “Tradition, Culture and Democracy”¹⁸ as a choice between autocratically imposed choice versus individually and collectively determined choice¹⁹. I would claim that there are critical issues of imperfect information within this kind of democratic choice; that decisions can be made and sometimes are made, on the basis of cultural feelings of insecurity and inferiority; that for cultures in thrall to the powerful, the proposition becomes, “How can I become more like them?”, rather than a question posed in terms of what aspects of a nation’s cultural distinctiveness its people are prepared to sacrifice for greater economic efficiency.

I am inclined towards pessimism with regard to the cultural consequences of globalisation. It is my belief that in the context of a cultural aesthetic of egalitarianism, human nature will tend towards sacrifices of quality, self-discipline, training, complexity and deep historical texture for the sake of immediacy, ease of consumption and broad sentiments

¹⁷ Stiglitz (2003), p.231

¹⁸ Sen (2000), p.31

¹⁹ *ib.*, p.32

of solidarity. Furthermore, I suggest that the nature of the prevalent communication medium within the market skews the kinds of cultural practices that become perpetuated. The medium of television, for example, favours the promotion of those cultural practices whose merits can be more quickly and visually communicated.

In the end, I contend that a certain creeping homogeneity is inevitable and I expect that many of the decisions determining cultural preservation will be made unconsciously or with inadequate information. I cannot bring myself to advocate some form of elite intervention to guard against domestic cultural erosion however, firstly because the existence of any notionally “pure” culture is surely inconsistent with historical development and exogenous influence in the culture of any nation; and secondly, because to compromise individual choice in order to sustain indigenous cultural practice appears to my mind to be neither a desirable nor a sustainable transgression of individual freedom and represents the limits of the thinkable for the tradition within which I have been acculturated. I am however, encouraged by the instances of hybridity which I see as often the actual outcome of cultural globalisation in the third and fourth generations of British Indians²⁰, among generations growing up under the global reach of consumer brands and US-originated audio and visual

²⁰ see also: BBC News, ‘Asian Britain’, available at: <http://news.bbc.co.uk/1/hi/english/static/in_depth/uk/2002/race/asian_britain.stm>, posted: 2002, retrieved: May 5th 2004; “[Leicester’s] Sikhs and Hindus hold the biggest Diwali celebrations outside India”

media in parts of Peru, Nigeria, Sri Lanka, Russia, Japan, the UK.

To conclude, the ordinarily deterministic North American idiom states “You can take the boy out of the country, but you can’t take the country out of the boy”. In the context of this discussion, this should be cause to be less than pessimistic regarding the cultural consequences of globalisation. Fear of entropy towards cultural homogeneity would seem to be over-stated, although concerns about the link between modernity and development seem valid given a certain understanding of modernity. On the other hand, this paper makes the case for asserting an analytical distinction between the related phenomena of globalisation and Americanisation and notes that it is possible and perhaps even prudent to distinguish some of the systemic counter-developmental tendencies within the great institutional legacies of global capitalism, from the wealth increasing potential that the principles of neoclassical economics hold out. As we reflect upon the preventable deaths of eight or nine more children, it is precisely because the stakes are so high and the claims which neoclassical economics makes for the ameliorative properties of freer trade in globalisation are so beguiling, that questioning the viability of one’s faith becomes incumbent upon us.

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