THE CONTEMPORARY WORLD NOTES

MODULE 1 – APPROACHES AND DEFINITIONS OF GLOBALIZATION

Material 1 – The Essentials of Globalization – by Ritzer

- It can be argued that globalization is the most important change in human history.
- GLOBALIZATION is a transplanetary process or set of processes involving increasing liquidity and growing multi-directional flows as well as the structures they encounter and create. This definition does not assume that greater integration is an inevitable component of globalization. That is, globalization ca bring with it greater integration, but it can also serve to reduce the level of integration.
- A term that is closely related to Globalization is TRANSNATIONALISM - the processes that interconnects individuals and social groups across specific geo-political borders. A related concept is TRANSNATIONALITY – the rise of new communities and formation of new social identities and relations that cannot be defined as nation states.
- Globalization and transnationalism are often used interchangeably, but transnationalism is clearly a more delimited process. Transnationalism is limited to interconnections that cross geo-political borders. Globalization includes such connections but is not restricted to them and encompasses a far wider range of transplanetary processes (ex. relationships between people via the internet)

GLOBALIZATION	TRANSNATIONALISM
- Globalization includes such connections with that of Transnationalism, but is not restricted to them - Further, geo-political borders are one of the barriers encountered, and often, overcome, by globalization. - It exists in virtually every area of the world.	- A more delimited process than globalization. It is limited to the interconnections between geo-political borders. - It is most often used in thinking about, and research on, immigrants who move from one country to another. IT IS NOT NECESSARILY GLOBAL.

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CONCEPTUALIZING GLOBALIZATION

- GLOBALITY – omnipresence of the process of globalization
- METAPHOR – the use of one term to help us better understand another.
- "SOLID" – to describe epochs before the era of globalizations.
- "LIQUID" – describes the global world

➢ FROM SOLIDS TO LIQUIDS

- Before the current epoch of globalization, it could be argued that one of the things that characterized people, things, information, places, and much else was their greater SOLIDITY.
- SOLIDITY – having limited mobility. Describes a world in which, BARRIERS EXIST.
- As a result, people either did not go anywhere or they did not venture very far from where they were born; their social relationships was restricted to those nearby. Objects were tended to be used where they were produced.

- The global connections these technology enable, start local and travel globally, with limited reference to the national level.
- Starting in the late 80s, a new economic and political ideology arose, promoting the idea of the free market. PRIVATIZATION AND REDUCTION OF TRADE BARRIERS ENABLED GLOBAL FREE MARKET.
    - RESULT: Mass increase in global economic exchange.
- Given these realities, pressing questions have been emerging:
    - "How can we manage the global economy?"
    - "How to regulate and manage the global level activities given that the management of the world remained in the nation states?"
- Financial crisis, pandemics (COVID-19) offshore tax havens, illegal migration, and other environmental issues such as global warming, air pollution, or overfishing are directly linked the to lack of GLOBAL GOVERNANCE.
- Global institutions built in the framework of the nation state such as the World Bank, WTO and UN are ultimately an incomplete solution to global governance as they are undemocratic (inability of global institutions).
    - We need to recognize that the current nation state cannot manage the current context of the global economy. How do we go beyond the national level agenda?
    - WE NEED A CENTRALIZED GLOBAL GOVERNANCE. BUT IS IT POSSIBLE TO HAVE A CENTRALIZED GLOBAL GOVERNANCE?
- Networks are emerging for managing human activities as an alternative to the industrial framework.
    - More and more resources are flowing through information based network organizations.
    - These networks have cross-boundary connectivity.
    - These networks coordinate human activities and affairs, but there is uncertainty about the outcomes of this modality.
- MARKET SYSTEM: A new logic of commercial exchange has risen. These new market systems are at the heart of globalization.
    - Economies around the world are no longer governed by the nation state, and more by the rules of economics and flow of financial capital. Economies are controlled by the logic of the market.

GLOBALIZATION: THE MARKET LOGIC (1. GLOBALIZATION POWERED BY THE FREE MARKET)

- Markets have always been there, but before, have traditionally operated within the confines of their cultural, social, and political institutions of their society. Resources have been consumed by their families. Markets play a limited role in terms of decision making before the industrial period.
- Before the rise of market systems, political entities governed and made decisions for the ordering of societies. Nonetheless, the current situation is that the market system governs and makes decisions for the ordering of the society.
- MODERN ERA: The rise of capitalism and market system, particularly since the industrial revolution.
    - WITH URBANIZATION, MASS PRODUCTION AND SPECIALIZATION OF LABOR – the mass of people became dependent on the capitalist market system for their everyday livelihood.
- MARKET SYSTEM TAKES ON A NEW ROLE: it becomes an end themselves, instead of a means to an end that is controlled by the political elite. They take part in decision-making in relation to the allocation of resources.
- ECONOMY BINDS PEOPLE through interdependence. Market system needs independence from political control. Though this was challenged by planned economies such as USSR, it came to dominate.
    - The downfall of the USSR and the fall of the Berlin Wall was a manifestation of the need for the market system to be independent of social, cultural and political control.