

Globalisation: an introduction



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The World in 2009 - A Snapshot

- 200 independent political communities called states, of unequal power and size, sometimes with shifting or disputed boundaries (eg China, East Timor, Germany, Yugoslavia, Israel-Palestine)
- No higher political authority or unit above the state (no world government or binding international law)
- World of endemic violence (inter-state, intra-state, terrorism, regime change)
- Species almost unified under an international society of states and an interdependent, crisis-prone economic system (state capitalism)

What is globalisation?

- Processes of economic, technological and cultural change that have either escaped the sovereign control of states or been given away by governments
- Processes which make the world more interdependent on many levels - a single global economy? corporate globalisation? mono-culturalism?

Examples of globalisation today

Communications & TV

eg Email, WWW, mobile phones, satellite phones, satellites, cable, CNN-effect, war in real time, satellite navigation (GPS), entertainment & information, cyber-social networks, (Facebook, My Space, YouTube, Twitter), Google Earth

Economy

eg Credit cards, net banking, 24 hour trading, currencies as commodities, exposure to external shocks, market power, loss of sovereignty, global warming, global financial crises

More examples of globalisation

Culture

eg Hollywood, McDonalds, Coca-Cola, cultural imperialism, soft power of US, homogeneity v cultural diversity (Americanisation), organised crime, terrorism, religion, the English language, private business

Time & Distance

eg Compression of time, instantaneous communication, overcoming distance (travel), speed, technology, transmissible diseases, computer viruses

History of globalisation

- **A new phenomenon?** There were similar levels of economic interdependence in the early 20th century (British Empire)
- **Already described?** Marx explained and described how the spread of capitalism was simultaneously uniting and dividing the species in the mid 19th century
- **A human achievement?** An historical process comprising cumulative government decisions, not a natural occurrence or a gift of god
- **Pre-determined or inevitable?** May reverse gear, change form or direction - supporters, sceptics & opponents

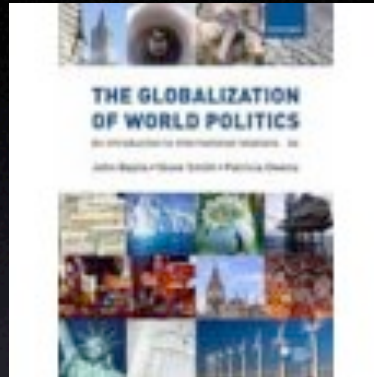
What is new?

- Developments in IT are producing an increasingly integrated world economy (eg shares, currencies, interest rates, debt)
- Money and investments can be shifted around the world in microseconds - but so can economic crises
- Market confidence (or lack of) is contagious - if Wall Street sneezes the ASX catches cold (credit markets, bailouts)
- Governments must maintain the confidence of global markets or risk losing much needed investment
- Capital markets were deregulated in the 1970s
- Markets require government support but are not accountable to governments or peoples (surrendering sovereignty) - governments are dependent on markets (and vice versa?)

Exceptions, Problems & Issues

- Yet to reach much of Africa, Middle East, Latin America, Central Asia (over 80% of the world) a Western experience?
- No globalisation of political systems (eg democracy)
- Doesn't apply to the movement of people - labour, migration, refugees
- Produces winners and losers - inequality within and between states
- Increasing homogeneity threatens cultural diversity
- The democratic deficit - power has shifted from governments to unaccountable players (eg markets, speculators, central banks, TNCs)
- Global environmental problems and challenges
- Collapse of elite consensus for globalisation? - financial crises
- Financial crisis = de-globalisation - end of Davos man?

Recommended Resource



- John Baylis, Steve Smith & Patricia Owens (eds)
The Globalization of World Politics
(4th edition, Oxford University Press 2008)
www.oxfordtextbooks.co.uk/orc/baylis_smith4e/