Globalization

Required Reading

Yip, J. & Eaton, S. (2014). “Globalization: An overview.” *Canadian Points Of View: Globalization*, 1.

Graham, J. (2014). “Point: Globalization provides a better life for all.” *Canadian Points Of View: Globalization*, 2.

Lambrick, M. (2014). “Counterpoint: Globalization benefits powerful businesses at the expense of poor nations.” *Canadian Points Of View: Globalization*, 3.

Learning Outcomes and Connections to Course Outcomes

After completing this lesson, you will be able to:

- Critique the ways in which power is distributed, maintained, and enforced, and evaluate the ways in which people react to that power.
- Define globalization and outline how different aspects of globalization such as politics, economics, technology and the environment intersect.
- Compare and contrast arguments made by both proponents and critics of globalization.
- Critically evaluate the pros and cons of globalization and develop their own perspective on globalization.

Main Topics

- Globalization
- Concerns: Environment? Rights of Workers?

Introduction



Source: © istockphoto.com/ RomoloTavani

In this module, you examine the overarching theme of Unit 3: What forces shape our world? One of the most prominent forces that shape our world today, without question, is globalization. As Yip & Eaton argue, few doubt "that economic integration and the rise of emerging markets has permanently altered the world's economy." [1] This will no doubt influence national and international politics on multiple levels (economic, social, and environmental) for generations. It is helpful to reflect upon globalization as a process of increasing *interdependence*—a fundamental change from a world previously structured by independent states. As a result, national boundaries, as well as economic and cultural boundaries, are becoming seemingly less important. [2]

Globalization is a force that shapes everything from politics, economics, culture and the natural environment, to post-secondary education, wages, technology, families, and businesses. In fact, everything around you today—unless, like our distant ancestors, you live in a natural environment—is a result of globalization. Globalization has changed and will continue to change everything from the price of coffee or tea you drink, the piece of fruit that you eat, the price of gas that powered your car or city bus today and the cost of the computer or tablet you are currently using to read these notes, to the bed you sleep in tonight. Consequently, globalization is not an impersonal or abstract force that only politicians and CEOs of multinational business need to think about. It is an issue that concerns us all.

While many question the pace of Globalization, and its human cost, others like Jennifer Graham argue that it can also be a force for good, going so far as to insist that "globalization is best understood as the development of a better life through international cooperation" or a "game in which everyone wins." [3] A clear benefit of globalization is the spread of technology.

International markets have fed ingenuity and entrepreneurial advances in the fields of communication, technology and transportation. Another positive may also be an investment in health care, infrastructure, and education, especially in the education of girls.

The girl effect: The clock is ticking (https://www.youtube.com/watch?v=1e8xgF0JtVg)

This is especially important as historically children were often used in sweatshop labour—tragically this is still a shameful issue. While globalization fostered this problem, international activism is playing an active role in trying to put an end to it.

No Child for Sale - Stop Child Labour with World Vision Canada (https://www.youtube.com/watch?v=vyGfVv6RI0k)

Claims that Globalization increases security or even helps to spread democracy may indeed be persuasive, but as Melanie Lambrick points out in an interesting counter-argument, democracy may be weakening as governments find more and more of their powers compromised by the economic coercion that corporations can bring to bear. She argues that contemporary democracy is designed to work at the state level and it depends upon shared experience and values for success. Yet, is this possible globally? If decisions about the quality of the environment are not made by democratic national or international governments, then who has the loudest voice in this equation? If it is a transnational corporation—is that reassuring to you, or is this something we should worry about? As Lambrick concludes, "globalization is driven by the economic interests of a relatively small group of players, yet it impacts the lives of everyone on the planet." [4]

Thinking Critically

As you read through the articles, it may be helpful to consider the following questions:

- What is Globalization? How did it originate? What does it look like today?

- Who are the key actors in Globalization?
- Is a free global market always for the best? If so, why? If not, should anything be done?
- Is Globalization, in its current form, inevitable?
- Are any of the clothes or shoes you own made in Canada? Where are they manufactured?

Consider the following image: “What Does That $14 Shirt Really Cost?” We all enjoy a great deal, but what are the larger implications of inexpensive “disposable” clothing? What does this mean for workers around the world?



Source: Lauren Cattermole (Illustrator). (2013). *What Does That $14 Shirt Really Cost?*[Illustration], Retrieved from http://www.macleans.ca/economy/business/what-does-that-14-shirt-really-cost/ (http://www.macleans.ca/economy/business/what-does-that-14-shirt-really-cost/)

Globalization

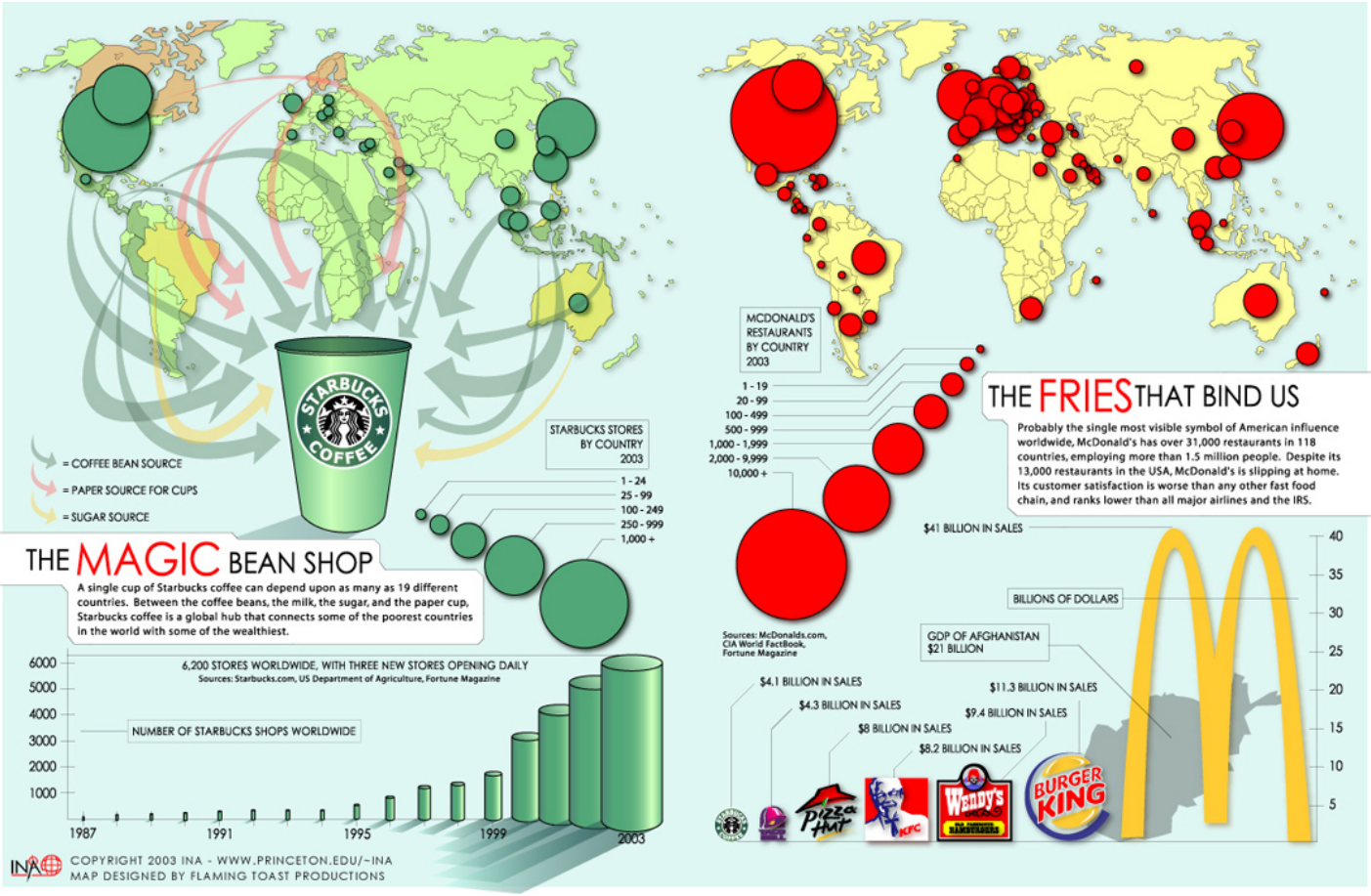


Source: Frédéric Poirot (Photographer). (2009). *Globalization...is not cute...* [Photograph], Retrieved from https://www.flickr.com/photos/fredarmitage/3544394623/ (https://www.flickr.com/photos/fredarmitage/3544394623/)

Globalization, is *"the increased interconnectedness of peoples and countries"* and involves: 1) opening international borders to promote the fast flows of goods, services, money, people & ideas; and 2) changes in institutional and policy regimes at international and national levels to facilitate such flows. [5] While not a new phenomenon, it has increased rapidly in recent years, driven by a new architecture of bureaucracy that includes technological advances, the increased mobility of capital and labour, as well as the involvement of corporate and non-profit organizations. Globalization is not only an economic activity, but extends to political, cultural, environmental and security issues relating to the increased connection of countries. For a concise summary please watch Globalization Explained.

Globalization easily explained (explainity® explainer video)
(https://www.youtube.com/watch?v=JJ0nFD19eT8)

A positive view of globalization argues that capital can be shifted to whatever country offers the most productive investment opportunities in order to create economic growth. A negative or cautious perspective believes the architecture of globalization ultimately fails to limit its worst excesses. Rather, it drives forward an aggressive agenda that typically benefits powerful nations, often at the expense of others. Increased competition from low-wage countries destroys jobs in richer nations through off-shoring (moving factories from developed to developing nations) and many worry there will be a "race to the bottom" as countries reduce wages, taxes, welfare and environmental controls. So while the world might become more competitive—it may do so at enormous social cost as pressure to compete will "erode the ability of governments to set their own economic agendas, while the move towards deregulation reduces their own power to protect their own citizens…Who gains and who loses from globalization is a pivotal question: some countries gain from export-led growth but many, particularly in Africa, have not." [6]



Magic Bean Shop & The Fries that Bind Us." (2003)
Flaming Toast Productions for INA (Designer). (2003). *The Magic Bean Shop. The Fries that Bind Us.* [Infographic], Retrieved from http://www.princeton.edu/~ina/infographics/starbucks.html (http://www.princeton.edu/~ina/infographics/starbucks.html)

Graham says Globalization is not about imposing on or eradicating cultural norms, though this might be a subtle distinction at best. Instead she argues it's a process by which *imported goods and services are adapted to reflect local traditions and needs*—also termed "glocalization." [7] Take McDonald's (http://www.foodnetwork.co.uk/article/crazy-meals-mcdonalds-menus-around-world.html) as an example, as the corporation expands into different countries, it changes its menu to reflect the adopted culture. Yet, this argument that can also be flipped. Globalization can result in "Americanization," or the exporting of US brands and consumer goods. Also called "Westernization," Melanie Lambrick notes this phenomenon is compounded through increased communication, product distribution, and travel, and might actually result in a loss of cultural diversity. [8]

Thinking Critically

Can you think of some examples of glocalization or Americanization?

Concerns: Environment? Rights of Workers?

While Globalization makes great strides in economic growth, we need to be aware of its excesses and dangers. Industries that heavily pollute usually choose to offshore their operations to avoid or work around environmental barriers presented in nations like Canada. In developing markets, polluting companies are left unchecked by local and federal regulations, so capitalist interests take precedence over human rights and the environment creating "pollution havens." [9] Some may take the callus attitude that what happens half way across the world is of little interest to them. Yet we know through extensive scientific research that environmental changes in one location have significant effects elsewhere. [10]

Thinking Critically

What responsibility do we have to hold international companies to account as consumers? To what standards must we hold our own government and worldwide governments accountable to ensure awareness and redressing of the effects of globalization and climate change?

Many of you are aware of the poor labour and working conditions in developing countries—the direct result of inadequate health and safety regulations, and the inability to protect workers by unionizing labour. "Sweatshops" rose with early Industrialization and unfortunately are an all-too real component of globalization today. One fundamental truth about economic globalization is that profit is the most important consideration that means that labour rights infringements are rampant. Sweatshops typically have shockingly poor wages, may pay by the piece or item instead of by the hour, and force employees to work excessively long hours in hazardous conditions. [11] Building codes may also be substandard as was certainly the case in the collapsed factory in Bangladesh in 2013. The following photojournalism essay, the Deadly Cost of Fashion (http://www.nytimes.com/2014/04/15/opinion/the-deadly-cost-of-fashion.html?_r=0) is about this tragedy—please note that the content is disturbing.



Source: marissaorton (Artist). (2008). *Sweatshop project* [Photograph], Retrieved from https://www.flickr.com/photos/28876688@N03/2696481749/in/gallery-43397057@N04-72157622552078134/ (https://www.flickr.com/photos/28876688@N03/2696481749/in/gallery-43397057@N04-72157622552078134/)

Finally, it is also important to reflect upon the fact that many workers in a global economy cannot actually enjoy the final product their labour helps to create because they are not paid enough to afford it.

Thinking Critically

Please watch this short video, These Ivory Coast Cacao Farmers Had Never Tasted Chocolate (http://www.npr.org/blogs/thesalt/2014/08/01/336919715/these-ivory-coast-cacao-farmers-had-never-tasted-chocolate?utm_source=facebook.com&utm_medium=social&utm_campaign=npr&utm_term=nprnews&utm_content=20140801) — did it surprise you? How would it feel to work so hard and yet never be able to enjoy the end results of your labour? Does globalization help to shrink or widen the income gap?

First taste of chocolate in Ivory Coast (https://www.youtube.com/watch?v=zEN4hcZutO0)

Summary



Source: © istockphoto.com/ Fredex8

Globalization can lead to prosperity, scientific advances, and potential liberty, but if left unregulated and only profit-driven, its effects may be damaging both on a personal level and an environmental one. What responsibility do we have to try and shape its effects?

Additional Resources

- CBC. *The Fifth Estate*. (2013). *Made in Bangladesh*. [Documentary 45 min] Retrieved May 19, 2015 from http://www.cbc.ca/fifth/episodes/2013-2014/made-in-bangladesh. (http://www.cbc.ca/fifth/episodes/2013-2014/made-in-bangladesh)
- Balaban, B. *We the Economy*. (2014). "Ep. 15: GLOBALIZATION... WHO CARES? ...YOU DO." [7:30 min] Retrieved May 21, 2015 from https://wetheeconomy.com/films/globalization-who-cares-you-do/ (https://wetheeconomy.com/films/globalization-who-cares-you-do/)
- Hodal, K., Kelly, C., & Lawrence, F. (2014, June 10). "Revealed: Asian slave labour producing prawns for supermarkets in US, UK." *The Guardian*. Retrieved May 21, 2015, from http://www.theguardian.com/global-development/2014/jun/10/supermarket-prawns-thailand-produced-slave-labour (http://www.theguardian.com/global-development/2014/jun/10/supermarket-prawns-thailand-produced-slave-labour)

References

[1] Yip, J. & Eaton, S. (2014). “Globalization: An overview.” *Canadian Points Of View: Globalization*. p. 4.

[2] World Health Organization. Retrieved May 18, 2015 from http://www.who.int/trade/glossary/story043/en/ (http://www.who.int/trade/glossary/story043/en/)

[3] Graham, J. (2014). “Point: Globalization provides a better life for all.” *Canadian Points Of View: Globalization*. p. 1.

[4] Lambrick, M. (2014). “Counterpoint: Globalization benefits powerful businesses at the expense of poor nations.” *Canadian Points Of View: Globalization*. p. 4.

[5] World Health Organization. Retrieved May 18, 2015 from http://www.who.int/trade/glossary/story043/en/ (http://www.who.int/trade/glossary/story043/en/)

[6] World Health Organization. Retrieved May 18, 2015 from http://www.who.int/trade/glossary/story043/en/ (http://www.who.int/trade/glossary/story043/en/)

[7] Graham, 3.

[8] Lambrick, 3.

[9] Yip & Eaton, 3.

[10] Dalby, S. (2009). *Security and environmental change*. Polity. p. 97.

[11] Yip & Eaton, 3.