# The shared heritage of globalisation(s) - young and old

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The times we're living in, are not unique. Globalisation is old news indeed. Ever since the Great Discoveries of the 15th century, the world has experienced a succession of globalisations, sudden and brutal intrusions of unknown worlds into people's familiar surroundings. But since 'short-termism' has pervaded today's social sciences, globalisation is all too often seen as a novel, late  $20^{th}$  century phenomenon, unknown to our ancestors, thus making irrelevant reflections upon the past in order to assess today's world.

Globalization has something of Dr. Jekyll and Mr. Hyde. To some observers, today's globalised world closely resembles Voltaire's El Dorado, where Candide observing that there was so much gold that no one fights over it, clung to the precept that all was for the best in the best of all possible worlds. Other observers — then and now — judge this belief to be overly optimistic and desperately naïve, emphasising that for times eternal the struggle between have and have-nots has constituted the very nature of politics.

## 1. Globalisation, a never ending story

Globalisation is as old as human history. Remember Stanley Kubrick's movie 2001 - A space Odyssey. Globalisation started when the first tribe of anthropoids ran into another tribe of anthropoids. The opening scene of this movie encapsulates the essence of globalisation, with both its opportunities and its dark side.

Globalisation is no constant process. It goes by waves. Globalisations start, then accelerate, to be followed by standstills and, sometimes, even by a reversal, due to diverse factors, ranging from wars between emerging and old powers or backlashes caused by widespread sentiments of having lost control over one's daily life.

Actors, driving forces and characteristics of today's globalisation are strikingly similar to earlier waves of globalisation. Globalisation is always characterised by the simultaneous presence of two dimensions: a physical dimension, being a compression of time and space – put otherwise: the flattening of the globe, and a mental dimension, the explicit awareness of the world shrinking, with all its opportunities, but also all the risks it entails.

The same eclectic array of actors and driving forces over and over again propel globalisation: companies, individuals, capital markets, states, ideas, non-governmental organisations – and technology. They flatten the world by enhancing interdependence: revolutionary advances in technology, communication, transport and trade literally compress distances and time, forge new interconnections between continents, offer fascinating new opportunities for countries, companies, communities, and individuals, and contribute to a common heritage for all peoples involved. In his 1909 bestseller *The Great Illusion*, Norman Angell explains how a shrinking globe creates common interests across borders:

'[the] complex financial interdependence of the capitals of the world [creates] a condition in which disturbance in New York involves financial and commercial disturbance in London, and, if sufficiently grave, compels financiers of London to co-operate with those of New York

to put an end to the crisis, not as a matter of altruism, but as a matter of commercial self-protection. The complexity of modern finance makes New York dependent on London, London upon Paris, Paris upon Berlin, to a greater degree than has ever yet been the case in history. This interdependence is the result of the daily use of those contrivances of civilization which date from yesterday – the rapid post, the instantaneous dissemination of financial and commercial information by means of telegraphy, and generally the incredible progress of rapidity in communication which has put the half dozen chief capitals of Christendom in closer contact financially, and had rendered them more dependent the one upon the other than were the chief cities of Great Britain less than a hundred years ago.'

But for mere interdependence to become globalization, an additional dimension has to be present as well: the explicit awareness of the consequences of the world shrinking, or, as Norman Angell puts it:

'Banking done by telegraphy concerns much more than the stockbroker: it demonstrates clearly and dramatically the real interdependence of nations, and is destined to transform the mind of the statesman'<sup>2</sup>

In 1774, in the midst of a similar wave of globalisation as today's, Johann Gottfried Herder asked a rhetorical question that sounds quite contemporary: 'When has the entire earth ever been so closely joined together, by so few threads ?'<sup>3</sup> He belonged to the new breed of cosmopolitans, being consciously aware of thinking and acting in global terms. Cosmopolitanism as the corollary of a shrinking world offers a mental map of the globe as an interdependent and interconnected entity. Whatever their nationality, all human beings belong to one single community, that is to be cultivated. When today we speak about 'our global neighbourhood' or 'global governance', we are merely repeating what the 18<sup>th</sup> century *Philosophes* were saying – or Immanuel Kant, Norman Angell, Paul Otlet and Friedrich von Hayek for that matter.

It is fascinating – for historians and archivists alike – to go back in time and look how each time the world shrank (1760-1790; 1870-1914; 1924-1929 and again from the 1980s onwards) the same words and ideas of one common heritage of mankind appear – to wither away when the wave of globalisation slowed down or was reversed.

## 2. Globalisation is power politics too

The shrinking of the world entail a meeting of the minds and contributes to a sense of a shared destiny. But globalisation has a dark side too. Globalisation is also confrontation. Contrary to Thomas Friedman's much acclaimed bestseller, one could argue that when confronted with a wave of globalisation, the world is not flat, but rather resembles a white water rafting race.

When parties of different size and strength encounter, power – economic, political, as well as cultural – forms part and parcel of it. The globalisations since the Great Discoveries of the 15th century were also called by a less positive sounding name: colonialism. The late 18<sup>th</sup> century globalisation enabled the British empire to encircle the world in a way no empire had ever done before. The late 19<sup>th</sup> century globalisation – also called colonial imperialism – turned Europe into the centre of global might. The late 20<sup>th</sup> century globalisation was the fruition of the Americanisation of the world – but also showed a world characterized by the widespread rejection of the United States, according to many international surveys at the end of the 20<sup>th</sup> and the beginning of the 21<sup>st</sup> century. The twenty-first century globalisation will be characterised by the rise of new global challengers, that will defy the West's political, cultural and economic domination.

Each time globalisation enhances the power of the powerful. To quote Thucydides, the father of scientific history: 'The strong do what they can and the weak suffer what they must.' Consecutively, globalisation has turned Portugal and Spain, the United Kingdom and, finally, the United States into global powers.

So it was in the past. The 2007 edition of World Bank's flagship publication *Global Economic Prospects* underpins the growing consensus that the 21<sup>st</sup> century globalisation will bring new actors on the scene.<sup>5</sup> Once called the developing world, the emerging economies, like China, India, Turkey, Brazil and many smaller-sized are indeed rapidly becoming the real engines of world economy and already have the key to the world's biggest foreign-exchange reserves. Challenging the long-standing Western ascendancy, they are transforming today's bilateral economic world order, dominated by the European Union and the United States, into a multipolar one.

They already account for more than half of total world GDP, growing twice as fast as the rich countries. Their ambitious multinationals are rising on the world scene and are changing in depth the rules of the game in all sectors, from steel over services to electronics. Their rise is shifting power in the industry away from first world companies. Increasingly they join forces to form a pattern of South-South cooperation – representing a potential axis of power that was lacking up to now.

In the decades ahead globalisation will shift the balance of power in favour of the once dispossessed. But the world lacks a mechanism that can accompany this global power shift in the 'next wave of globalisation', as the World Bank dubs it. Economic decision making will have to be made much more representative than is the case today. The September 2006 decision at the Singapore IMF meeting to increase the weight of emerging economies with just 1,8 % was all but a revolutionary step. More will be needed to make the decision making architecture truly representative of the real economic might in the world.

Increased competition will accompany the next wave of globalisation. This will directly affect workers – blue and white collar alike – by the relocations of multinational companies. But it will also affect international relations. For indeed, the increased need for raw materials and markets by the emerging powers will create friction amongst themselves and between them and present powers, sometimes to the detriment of local populations.

Are the emerging powers going to behave differently than the rich countries once did? Let's take the spectacular return of China on the world scene. Without any doubt this has been beneficial for the Chinese population. Hundreds of millions of people have now left the poverty trap of 1\$ day behind them. The rise of China has undoubtedly also profited to the whole of the Asian region. But nevertheless, the increasing presence of China in Africa not only raises questions in the Western world since it appears to support some of the most brutal regimes of the continent, but has also built up resentment in some African countries, like Zambia, where labour practices and accidents in Chinese-owned factories have led to an anti-Chinese backlash.

So, the jury is still out if the old and the emerging powers that will steer the wheels of globalisation in the 21<sup>st</sup> century will ensure that globalisation will again be contentious or proceed harmoniously? If one looks at the increasing North-South acrimony in the debates at the UN General Assembly, the former appears likely.

Ultimately however, the way globalisation will turn out to be, will depend on the answer to this one question: will the powers that be, now and to come, develop a system of Global Governance around a strong and representative United Nations – or will they instead revert to the classic pattern of shifting alliances and confrontations, resulting in unpredictable power relationships once again?

Should one be optimistic or pessimistic? The former might be warranted. For indeed, some of the powers that be might turn out to be multilateralists. China has never in its history been a territorial aggressor. The EU has formidable built-in barriers against a policy of international bullying and is the champion of effective multilateralism. Ultimately the United States too might rediscover the virtues of multilateralism, as it has championed for so long after the second world war.

#### 3. Culture shock

If cosmopolitanism is the bright side of globalisation, polarisation and a Manichean division of the world into an 'Us' and a 'Them', represents its dark side.

Globalisation also entails another common reaction, indeed: bewilderment. In the past, the intrusion of the unknown in one's familiar surroundings has always contributed to arouse feelings of puzzlement and uncertainty.

In a September 2006 *New York Times/CBS News* poll, just 29 percent of Americans said their country was headed in the right direction. National gloom is not a exclusive American mood however. If there is one feeling today that unites people on all continents, it is their shared uneasiness about the state of affairs, both in their own countries and in the rest of the world. That was one of the findings of an international Pew survey in 2002.<sup>6</sup> The more than 38,000 people interviewed were overwhelmingly dissatisfied with the way things were going in their countries. Solid majorities in nearly every country in every region surveyed said they were unhappy with the state of their nation. Their assessment of the state of the world was even more negative.

This bewilderment is the consequence of the rapid changes of our familiar surroundings, due to many forces, including in particular globalisation. Man cannot deal very well with complexity and chaos. So when society changes too fast, feelings of insecurity set in. Often the closing of the mind ensues and men grope, just like castaways, for new certainties to hold on to: New Age, cults, spirituality, nationalism and – often – religion. All too often these have proved to be dangerous life buoys, steering people towards a mental wall dividing the world in a protective 'Us' and a threatening 'Them', as Tariq Ramadan recently wrote, leaving no middle ground, no room for nuances or tolerance. Global uneasiness is the common source on which the populist right in Europe as well as religious fundamentalism in the rest of the world feed. They have the same recipe on offer: nostalgia for times gone, simple certainties, distinct scapegoats and simple solutions. They use the same rhetoric: Us-vs.-Them, thus offering an apparent order in a chaotic world. Political forces that capitalize on this, stand to score. But as a result, societies discover new forms of polarisation, between newcomers and native citizens, between Muslims and non-Muslims. World politics discover new clashes, between civilizations, between rising and old powers, between have-more's and have-less's.

This global malaise the 2002 Pew survey highlighted has since become intertwined with another mood in world opinion. To many, rightly or wrongly, globalisation equals inequality and inequity. Joseph Stiglitz, a Nobel laureate in economics and former Vice President at the World Bank, summarized the problems of today's globalisation: an unfair global trade regime that impedes development; an unstable global financial system that results in recurrent crises, with poor countries repeatedly finding themselves burdened with unsustainable debt; and a global intellectual property regime that denies access to affordable life-saving drugs, even as AIDS ravages the developing world. During his tenure as World Bank chief James Wolfensohn repeatedly warned that 'planetary inequity' was to become the major theme of the 21<sup>st</sup> century.

Most Western observers ignore the widespread feelings of humiliation and resentment in many parts of the world – directed against the West, and the United States in particular, as the symbol of Western primacy in world affairs, and against their own Westernised elites. Most do not perceive that the quest for dignity constitutes its driving force. *Le Monde Diplomatique* expressed the longing of African youth as follows: 'Youth long for justice... They want to regain their dignity and at the same time the explanation why the economic situation is so difficult.'9

In different international surveys, including one commissioned by the German Bertelsmann Stiftung in June 2006, <sup>10</sup> a pervasive sense of global inequity seems to permeate world opinion. Poverty comes off second most important global challenge and poverty reduction is considered the prime objective world powers should pursue. While respondents do not view the United Nations as a world power now, many clearly hope for a more prominent role in the future.

'It's unfair' has always been a powerful force in politics and a prime mover for change. Surveys indicate that majorities in all continents express the hope that their government will distance itself from the United States. But this so-called anti-Americanism is no rejection of the values of democracy and freedom America stands for. It rather would be the opposite. To quote the legendary U.S. Senator William Fulbright, thirty years ago: people resent the arrogance of power. This mood helps to explain why a leftwing momentum is sweeping Latin America. This same rejection of power inequity has propelled Hassan Nasrallah in Lebanon to the stature of the new Nasser of an Arab-Islamic national movement – or, for that matter, Osama bin Laden to the new icon of the worldwide t-shirt market. When people resent inequity, they are prone to radicalisation.

Global malaise and global inequity, together with their corollaries polarisation and radicalisation, constitute what one might call the 'rage of our era'. In this, our era resembles the late 19<sup>th</sup> century, when the same global mood brought about a strikingly similar wave of terrorism as we witness today. Jihadism has become the religion of resistance – an ideological role once played by Marxist Utopia. Then and now, for each and every militant arrested, a new one steps forward. For each attack foiled, a new one is being planned, giving the feeling of a never-ending threat. But neither Islam nor Evil is the driving force. The state of the world we're living in, is.

### Conclusion

The next wave of globalisation will be a wave of global unrest — unless we can provide for mechanisms, both at the global level and at the local level, to absorb the dark side of globalisation. Exactly as was the case in the past, the stability of global society will depend upon the ability to absorb this power shift and leadership challenge, on the one hand, and the feelings of global inequity, on the other. The exertion of power is indeed always accompanied by a legitimizing discourse, so as to assure the ruler's primacy. But when the ruled start to experience this as domination and humiliation, then resentment appears, soon to be followed by resistance. At one point in its history each globalisation has produced its generation of discontents, forcing the powers that be to retreat or at least to adapt by sharing the benefits of globalisation more equitably.

The generational struggle we are facing, is between the forces of exclusion and polarisation and the forces promoting inclusiveness. Globalisation enhances both forces at the same time. Depending from the viewpoint, pessimism or optimism might seem warranted. What will prevail? Taking into consideration that history never repeats itself ... in the same way, and realising that globalisation is the result of human decisions, one might refer to the late president Kennedy: 'Our problems are manmade, therefore they may be solved by man. No problem of human destiny is beyond human beings'.

<sup>3</sup> A.G. Hopkins (eds.), *Globalization in World History*. London, Pimlico, 2002, p. 12

<sup>&</sup>lt;sup>1</sup> Norman Angell, The great illusion. A study of the relation of military power in nations to their economic and social advantage. London, Heinemann, 1912 [1909], p. 47

<sup>&</sup>lt;sup>2</sup> Ibid., p. 231

<sup>&</sup>lt;sup>4</sup> Ibid., p. 117

<sup>&</sup>lt;sup>5</sup> D. Wilson, R. Purushothaman, *Dreaming with BRICs: the path to 2005*. Goldman Sachs, Global Economics Paper 99, 1 October 2003; *World Investment Report 2006*. *New York/Geneva, Unctad, 2006; The New Global Challengers. How 100 top companies from rapidly developing economies are changing the world.* Boston Consulting Group, May 2006; 'Emerging Giants', in: *Business Week*, 31 July 2006; 'The New Titans', in: *The Economist*, 16 September 2006

<sup>&</sup>lt;sup>6</sup> What The World Thinks in 2002. Washington, Pew Research Center for the People & the Press

<sup>&</sup>lt;sup>7</sup> Tariq Ramadan, 'The Global Ideology of Fear', in: New Perspectives Quarterly, Vol 23:1, Winter 2006

<sup>&</sup>lt;sup>8</sup> Joseph Stiglitz, 'Making globalisation work', in: *Le Monde*, 16 September 2006

<sup>&</sup>lt;sup>9</sup> Anne-Cécile Robert, 'Rêve d'une 'seconde indépendance' sur le continent africain', in: *Le Monde Diplomatique*, November 2006

<sup>&</sup>lt;sup>10</sup> Who Rules the World? World Powers and International Order. Berlin, Bertelsmann Stiftung, 2 June 2006

<sup>&</sup>lt;sup>11</sup> Views of a changing world, June 2003. Washington, Pew Global Attitudes Project, 2003; American character gets mixed reviews. Washington, Pew Global Attitudes Survey, 23 juni 2005