

Perspectives on Globalization



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Why a big fuss about Globalization

It's fair to state at the outset that Globalization is highly controversial. There are strong proponents and formidable opponents to this complex and multi-faceted process. Globalization has been the buzz word since the early nineties and it has also become somewhat like a cliché to explain everything that is new and manifesting in this ultra-modern age of rapid communication and technological progress. However, it is important to realize that over the past several years “Globalization” has become a loaded term that has emotional overtones or connotations that evoke strongly positive or negative reactions.

The two most prominent pro-globalization organizations are the World Trade Organization and the World Economic Forum. Important anti-globalization organizations include environmental groups like Friends of the Earth and Greenpeace; international aid organizations like Oxfam; third world government organizations like the G77; business organizations and trade unions whose competitiveness is threatened by globalization like the U.S. textiles and European farm lobby, as well as the trade union movements and the “Occupy” movements across the globe. The World Social Forum founded in 2001 operates under the banner of “Another World is Possible” is also considered to be an anti-globalization movement.

What is Globalization?

Before going any further in debating the pros and cons of Globalization - we have to clarify the question **what precisely is Globalization?** It is a difficult question to answer because it raises many other questions. There is no precise definition of globalization, due to the complexity of this umbrella term and the varying attitudes towards it.

Does it mean the fast movement of people in the form of labour which results in greater interaction? Does it mean that because of IT revolution people are knowledgeable and can be in touch with each other in any part of the world? Does it mean trade and economy of each country is open and borders no longer matter? Does it mean that all varieties are available to a consumer even in disparate location with online ordering?

In every single question above the word globalization seems to have a different meaning. However, we can define **globalization as integration of economies and societies through cross country flows of information, ideas, technologies, goods, services, capital, finance and people.** Many experts agree that globalization has also cultural and ecological connotations, and that it is not only political or economic phenomenon. It means that countries all over the world become interdependent in many possible ways. In other words, globalization means increasing the interdependence, connectivity and integration of social, cultural, political, technological, economic and ecological aspects of mankind.

It is worthy to note that globalization has been a historical process with ebbs and flows. For thousands of years, people—and, later, corporations—have been buying from and selling to each other in lands at great distances, such as through the famed Silk Road across Central Asia that connected China and Europe during the Middle Ages. People and multi-national corporations have invested in enterprises in other countries. It is evident that many of the features of the current wave of globalization are similar to those prevailing before the outbreak of the First World War in 1914. The end of the Cold War in 1989 was another driving force behind globalization. Lately, some people argue that modern day globalization from above made ordinary people around the world seem powerless; globalization from below has the potential to change the power equation. It is imperative that ordinary people get an opportunity to transform the world for the better through globalization that is just and equitable. We know that developments in technology and communications have transformed our society. Not surprisingly, they continue to play a major role in globalization.

Impact of Globalization

There is probably no area of human activities left that is not affected by globalization. Economic globalization has different consequences on businesses all over the world and influences almost every other sphere of human life. Each one of us is now more fully involved in a global economic system than were our parents or grandparents. There are probably no industries left that have much “natural protection” from international competition. Globalization in its core sense is the expansion of cross-border economic ties. Geographical distance does not matter any longer.

Technology continues to be the principal driver of globalization. Advances in information technology, in particular, have dramatically transformed economic life. Information technologies have given all sorts of individual economic actors—consumers, investors, businesses—valuable new tools for identifying and pursuing economic opportunities, including faster and more informed analyses of economic trends around the world, easy transfers of assets, and collaboration with far-flung partners.

The free market economy expanded further when China opened its doors to World business. China’s leader, Deng Xiaoping declared that “to get rich is glorious” and put China on the road to globalization. This move made China a full partner with other major world economies. It also added more than a billion people to world markets. While China became the world’s foremost country in manufacturing goods for the Western world, India offered cheap and efficient outsourcing through the use of telephone and computer technology. As a result, an additional three billion people were participating in the global market economy by the turn of the millennium in 2000. During the Cold War, there were only three major trading blocs: North America, Western Europe, and Japan. Today, the entire world is part of the global economy. Whether one works in a barber shop or bank tower the impact of globalization is very real and visible.

In recent years more and more economic activity in the world seems to be taking place between people who live in different countries (rather than in the same country). Globalization has brought in new opportunities to developing countries. Greater access to developed country markets and technology transfer hold out promise improved productivity and higher living standard. But globalization has also thrown up new challenges like growing inequality across and within nations, volatility in financial market and environmental deteriorations. The Occupy movements that took root in 2011 tell a different story on globalization. Far from creating universal bonds or homogeneous identities, it spreads a sense of self-pride and victimhood - and incites local resentments.

Dangers of unfretted economic liberalization

Privatization has been taking place in a rapid phase and in some cases in an uncontrolled manner in both Developed and developing nations primarily as a direct result of globalization. It's a well known fact that in countries like India, globalization had only added to the woes of farmers. Some policies give an upper hand to the Multi National Corporations (MNC) that have proved to be detrimental to the interest of small and marginal farmers

One of the most dangerous aspects of unqualified and unrestricted globalization is the privatization of key publicly held companies to MNCs at prices lower than what it would take to set up a new company in that field. Unless developing nations adopt a stance of hard bargaining and selectivity in the manner it globalizes, globalization will take place on the terms of the world's most powerful nations - and is unlikely to bring widespread benefits for the people of developing countries. It is therefore high time that the mantra of unrestrained globalization be questioned and challenged in the interest of greater common good. The tall claims made by it's advocates need to be carefully scrutinized without the neo-liberal bias that prevail in the mindset of the ruling elite of some developing countries where privatization tend to benefit only a section of the society rather than the deserving majority.

Implications of Globalization on the Roles of Government

Under globalization wave the roles of government become less important. However, governments have important functions to protect its citizens from economic injustice and protect the society from invasion by other nations and build and maintain infrastructure that supports the national interest.

One of the important elements of globalization is the challenges to the governments and state institutions. Because of the increase in political interactions among nations, political power and political activities will be widely spread across the border. The global issues like human rights, environmental protection will require governments to coordinate policy-making at levels above the nation-state. Thus, the original political situation may be changed. The states' political boundaries become much less important.

Many gripe that globalization favors the bankers and financiers of the wealthy nations. This is the most delusive of recent globalization myths: that it can bring rich and poor, developed and developing regions, onto an equal footing. Globalization's exigencies are quite the opposite: it is a perpetually destabilizing process that keeps the world atilt, and requires continual competitive adjustment. Globalization, it seems, is intrinsically bound up with effects like structural imbalances - which feed volatility, and in turn can foster extremist political upsurges. Far from creating universal bonds or homogeneous identities, it spreads a sense of self-pride and victimhood - and incites local resentments

A Patrician's view on Globalization from Toronto

It will be inappropriate if I don't shed some light on Globalization from Patrician perspective. In my opinion, it's important to dismiss the mutterings of those who make unfounded claim that globalization simply means Westernization or Americanization. In some days, when I drive around the Greater Toronto Area, Globalization seems like Asianization and in some neighborhoods Tamilization. At St. Patrick's we were taught well to act locally but at the same time think globally. Our Alma Mater imparted global values such as caring, sharing and trained us to aspire for bigger and better aspects of life through hard work and perseverance. At SPC Jaffna we were also

trained to become competent, creative and compassionate citizens of the globe. Our School continues to provide opportunities to become fluent in multiple languages and coaching in very many soft skills and manners that are not only universal but enable people to do well in the competitive global economy.

Globalization implies a lot to our sense of identity as Patricians. For many of us, from a small town Jaffna to a super multi-cultural mega city of Toronto, globalization means acquiring multiple identities, and moving closer to the ideal of a brotherhood of all humanity. A small town Jaffna man, a Patrician, a South Asian immigrant and a proud Canadian of rich Tamil heritage – all at the same time and with no sense of tension or contradiction.

Now Patricians from Jaffna are living in all corners of the world. Extended Patrician family is truly a global community. Patricians have gained a reputation in their adopted countries for diligence and dedication to their employment together with academic and professional attainments. Frequently held global reunions in different parts of the globe draw Patricians from all corners of the world. The presence of successful and influential Patricians in so many countries is also a source of direct support to our Alma Mater in Jaffna enabled through the ease of modern communication and travel.

Conclusion

We are living in a rapidly changing and increasingly interdependent world that is truly a global village. Globalization has the ability to alter much more than just the music listened, movies watched, food consumed or casual jeans worn by a society. It's the duty of all players to ensure that globalization is a positive-sum chance in which the skills and technologies enable to increase the living standards throughout the world.

To find the right balance between benefits and costs associated with globalization, citizens of all nations need to understand how globalization works and the policy choices facing them and their societies. It's vitally important to do an accurate analysis of the issues and controversies regarding globalization, without the slogans or ideological and cultural biases generally found in discussions of the topics

The topic of Globalization and its ramifications will surely continue to be an everlasting debate and let's hope that this complex, but irreversible process not only brings economic prosperity and opportunity to all mankind but also reduces cultural blockages and differences among nations, by encouraging fellow-feeling and mutual understanding. A truly globalized and pluralistic society allows and encourages people to expand their identities while retaining heritage.

Author's Profile:

Mr. Anton Xavier Rajinthrakumar B.Sc., A.C.I. (U.K.) is an investment finance risk management professional. Anton has been actively involved in volunteer service in Toronto and a recipient of Govt. of Ontario Volunteer Service Award. He was an expatriate Mathematics & Physics Teacher in Lesotho and South Africa for 5 years. Anton holds a diploma in "Politics and Social Change" from Ecumenical Centre in Bangalore, India.
