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Globalization

Globalization is a process of dynamic patterns of interaction and change which involves growing *economic* interdependence of countries worldwide.

Although the term globalization is often heard in connection with economic phenomena, it has implications far beyond the realm of economies, encroaching on social, political, cultural, environmental and familial realms.

Globalization has been ongoing for about 150 years. The *present stage of globalization is characterized* by:

- (a) technological change, particularly advances in, and reduction of costs in, telecommunications and transportation;
- (b) worldwide population growth leading to more people being in contact than before;
- (c) policy decisions made by governments leading to less nationalism and more internationalism;
- (d) rapid growth of international financial transactions (buying and selling money) relative to the selling of goods and services;
- (e) faster growth in trade, especially among transnational corporations (TNCs) rather than national firms;
- (f) the emergence of global markets in which to sell goods and services (rather than just selling at home);
- (g) the trend to make goods and services abroad instead of in home countries;
- (h) the opening of many countries' boundaries to each other;
- (i) the growing power of corporations over state and citizen;
- (j) the cut back or privatization of health, education and social welfare;
- (k) massive problems related to social cohesion, democracy, government sovereignty and citizenship;
- (l) the undermining of cultures and communities; and
- (m) sharpened regional disparities and inequalities leading to warfare.

(Brander, 1995; Cerney, 1995; Hellyer, 1999; Institute on Globalization and the Human Condition, 1998; Landes, 1999; Lockwood & Madden, 1999).

Culture of Capitalism

- * Globalization is occurring in the context of a culture of capitalism.
- * Capitalism serves *economic* self-interests.
- * Capitalism is the theory of an economic (some say social) system in which resources (including human labour) are privately owned and used in production activities leading to the accumulation of private wealth.

* Capitalism is now the dominate economic system of the world.
The culture of capitalism encourages the accumulation of :

1. profit for the capitalist (the producer),
2. wages for the labourer and
3. commodities by the consumer.

The sole purpose of the capitalist is to invest money, accumulate profit and reinvest that money as wealth grows.

The sole purpose of the labourer is to sell his/her skills to make wages.

The sole purpose of the consumer is to purchase and use more and more goods and services...

so the producer needs to make more, the labourer needs to work more and the consumer needs to buy more - a cycle is set up that has to be maintained if the culture of capitalism is to survive.

The process of **globalization driven by neoliberalism** entails:

- (a) eliminating commercial trade barriers and borders,
- (b) establishing an infrastructure for universal tele-communications,
- (b) fostering the information super highways,
- (d) the omnipresence of the financial centers, and
- (e) the ratification of international agreements of economic unity (MAI, GATT, FTA, NAFTA etc)

The theoretical assumption of neoliberalism is that the free functioning of the market forces leads to a better utilization and allocation of resources, guarantees a better satisfaction of the requirements of consumption and bigger balance of the foreign trade, and altogether produces higher economic growth and therefore development.

Assumptions of Neoliberalism

Nowhere in neoliberalism is there a legitimate role for the welfare of people, communities or societies nor for the state except to ensure that government enforces the rules and logic of the free market - economic profit, technological progress and growth and development

1. Individualism

* human beings will always try to favour themselves and, as they do this, they need have no concern for others or the environment. This absence of concern can exist because each person is assumed to act absolutely independently of others and is assumed to be restricted only by his/her natural surroundings and NOT by any other human being. There is no concern for the impact of current decisions and patterns of behaviour on others elsewhere, not yet born or the ecosystem.

* emphasis on individual success measured through endless work and ostentatious consumption

* emphasis on narrow self-interest rather than mutual interest

* since it focuses on the individual, neoliberalists believe that ethics, morality and social ideals are the responsibility of each individual person, not the state and certainly not private enterprise

2. Ownership

- * ownership of private property is valued. People do not care about the social conditions of production but they do respect private property
- * favours an anti-union climate and reductions in salaries to ensure profit

3. Competition in a free market

- * favours deregulation and privatization of all public and state-owned enterprises (often comprising schools, universities, health care, radio and television, public infrastructures such as roads, public transportation such as airlines and trains) to create a free market
- * anything that reduces government regulation that could diminish profits is justified under neoliberalism including eliminating policies that protect the environment, human rights or labour rights

4. Social Justice

- * neoliberal system strives for homogenization of the entire social world thus creating its version of social justice with the real fallout being no protection from poverty, food insecurity, inequities, conflict or injustices
- * any transfer of monies by the state from one social group to the other are seen to hurt the rules of the market which say that only those who are part of the transaction should benefit from the transaction. Consequently, social policies are totally meaningless for neoliberals since they are seen as a type of discrimination for those who do not get to benefit from them. Social policy that targets certain groups in society (e.g., welfare, children, aged) is seen as preferential because not all are seen to benefit from the government intervention.
- * assumed that any policy made by someone embracing the neoliberalist ideology will benefit everyone equally so neoliberals do not have to consider any social consequences of their actions
- * neoliberals replace the concepts of the public good and the community with individual responsibility. Advocates of neoliberalism believe in pressuring the poorest people in a society to find their own solutions to their lack of health care, education and social security all by themselves (remember assumption of individuality)

Assumptions of Social Darwinism

term dates from 1930's but started in 1859

- * individual liberty due to primacy of logic and reason rather than force (with force taken to be state intervention to protect the vulnerable)
- * assumes that people have natural inequalities and that only the fittest will survive - survival of the fittest
- * the most fit (able) members of society will survive and be most successful as is their natural right in the evolutionary scheme of things
- * reason/logic is how man survives not force - let person reason out their own choices rather than government intervening
- * capitalism allows the reasonable man to pursue survival unfettered by state intervention (laissez-faire = do not interfere). State should ensure competition, sanctity of contracts, property and a criminal code
- * doctrine of competition was set free from constraints of moral law and warfare was seen as natural leading to the evolution and progress of the strongest and the devolution and death of the weakest (people, communities and societies)
- * all social evolution is a product of group conflict (weak die off and strong survive and prosper) - elimination of the

unfit

* too much government intervention into the public's life would undermine people's development (let them reason through and live with the consequences of their choices)

* If the government intervenes with social policy, charities and social welfare, those who would otherwise have failed will not die but will live to propagate and pass on their weaknesses to others - instead should try to get rid of the inefficient and deficient and unfit to make room for the better members of society

* moral obligation to let others who are not fit (able) to suffer and deny them opportunities

* if someone cannot adapt to changing conditions without help, then it is in society's interest for them to fail and die

* natural order obligates the powerful to appropriate the limited resources of the weak so the strongest can continue to survive and adapt

* success and failure are a natural part of the evolutionary process

Counterpoint

Society is an artificial creation designed to avoid the perils of nature by protecting people from isolation - hence, it is inappropriate to apply Darwinism to a society or to people making up that society. The counter tenet is "All people are created equal" and the collective called society is supposed to protect the weakest members so they have the same rights as the strongest.