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Globalization 101

The Three Tensions of Globalization

By LAURENCE E. ROTHENBERG

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THE AMERICAN FORUM FOR GLOBAL EDUCATION

A private, not-for-profit organization founded in 1970. Our mission is to educate United States citizens for responsible participation in our communities, our nation and our interdependent world. We offer consultation to global education programs and to those schools planning to “internationalize” or “globalize” their curriculum. We provide global and international education materials for classroom use and professional development programs for teachers and administrators. We are a forum for the exchange of ideas and practices on content and directions of global education.

What is globalization? Is it the integration of economic, political, and cultural systems across the globe? Or is it Americanization of world culture and United States dominance of world affairs? Is globalization a force for economic growth, prosperity, and democratic freedom? Or is it a force for environmental devastation, exploitation of the developing world, and suppression of human rights? In sum, is globalization “good” or “bad”?

These questions would receive very different answers in Washington, Sao Paolo, Paris, Cairo, Johannesburg, Bombay, Hong Kong, and Manila. In fact, in each of those places these questions would receive very different answers from different people—business leaders, government officials, agricultural laborers, the unemployed, or human rights activists. Indeed, simple answers to these questions, answers that people in different walks of life in different countries would agree on, would be virtually impossible to reach.

Most importantly, answers to these questions vary greatly depending on how globalization is viewed in relations to values. The impact of globalization on culture, for example, depends on whether one thinks that local cultures should be protected from outside influence, or whether one thinks that new cultural creativity results from interaction and mixing of ideas from different cultures. After all, there are few cultures that are truly isolated, and cultural interaction, especially through trade relations, has occurred for thousands of years—from Phoenician traders’ impact on ancient Greek culture, to Chinese silk used in clothes in medieval Europe, to the spread of coffee, chocolate, and tobacco around the world, and to the impact of Chinese and Japanese styles in American and European art in the nineteenth century. In today’s world, American films and film styles are popular throughout the world, and foreign films are popular in the United States. Is this globalization of culture good, bad, neutral, or simply a fact of life?

Globalization is the acceleration and intensification of interaction and integration among the people, companies, and governments of different nations.

Values, therefore, are key to assessing the impact of globalization on the lives of people around the world. At the same time, however, it is possible to teach about globalization in such a way as to highlight the tension between different values as they play out in certain circumstances while not taking sides as to which value is better.

THREE TENSIONS OF GLOBALIZATION

- Individual choice versus societal choice
- The free market versus government intervention
- Local authority versus supra-local authority

Globalization101.org, a free website of resources for teachers and students, strives to present a balanced view of globalization and its underlying values by including voices from the United States and other countries, perspectives of officials of international organizations and national governments, and opinions of activists at non-governmental organizations around the world. The goal is not to indoctrinate students by attempting to explain events through one ideological lens using slogans and biased information. Rather, Globalization101.org tries to show how people in different countries, in varying circumstances, can look at the same set of facts and come to radically different conclusions about the process of globalization and how it affects their lives. Such an approach challenges students to think about the controversies surrounding globalization and to promote an understanding of the trade-offs and dilemmas facing policy-makers and citizens in the global age.

DEFINING GLOBALIZATION

Values can play a role in defining globalization. A definition of globalization as "Americanization" or, perhaps, the "McDonaldization," of the world presents globalization as a process driven by American consumer culture that rolls over other cultures. On the other hand, another definition of globalization would highlight its cross-cultural impact, taking into account the nature of globalization as a way cultures interact and learn from each other.

Globalization101.org follows the second approach—viewing globalization as a process of interaction and integration. A focus on the spread of American ideas or products that ignores the counterbalancing impact of the access to the international arena of ideas and products formerly kept out of it, promotes an impoverished and unbalanced understanding of the process. Thus, Globalization101.org

defines globalization as follows: Globalization is the acceleration and intensification of interaction and integration among the people, companies, and governments of different nations. This process has effects on human well-being (including health and personal safety), on the environment, on culture (including ideas, religion, and political systems), and on economic development and prosperity of societies across the world. This comprehensive and balanced definition takes into account the many causes and effects of the process, and, most importantly, leaves room for debate and discussion of the values that different people from all over the world bring to the table.

THE THREE TENSIONS OF GLOBALIZATION

Three inherent tensions reveal the conflicting values at stake in the process of globalization as defined above. By examining controversies about globalization through the prism of these three tensions, teachers and students can learn how to think about the positive and negative effects of various aspects of globalization and how to find a balance that reflects their values.

The first tension is between individual choice and societal choice. A conflict occurs when a person, exercising her right to choose a particular lifestyle, to buy a particular product, or to think a particular thought, is at odds with what society at a whole views is most preferable for all citizens at large. For example, some people may prefer to smoke or to drive without wearing a seatbelt. Society, however, may believe that there are costs to society as a whole—in medical costs, for example—that require laws to restrict private choice. In the arena of globalization, such a tension is evident in debates over the spread of American culture. France, for example, objects to the spread of American popular culture in the form of films and television. In fact, France has laws about non-European content on French television and radio stations. France even insisted that there be a "cultural exception" to world trade rules on services agreed to in 1994 to allow the French government to limit imports of American popular culture products.

Such positions, however, ignore the fact that no one forces an individual French person to watch an American film or television show or buy a CD by an American recording artist. French consumers buy those

products because they choose to do so for reasons of personal preference. One may reasonably ask, then, "Why does French society have the right to override that individual's freedom of choice?" It comes down to values. In the first place, some people and societies may value social choices above individual choices. Second, some people and societies may believe that in areas of culture, preservation of a local culture—because of history, tradition, and a desire to pass along heritage to succeeding generations—should trump short-term individual choice. The problem is how to find a way for the international system to account for this tension, in areas such as the world trade talks mentioned above. How can the process of globalization find a balance between respecting individual free choices and societal priorities at the same time?

A second tension is between free market and government intervention. This tension is something of an aggregate of the first, because the free market is the aggregation of lots of individual choices—Adam Smith's famous "invisible hand"—while government intervention is the practical way that societies decide on and implement the choices they make about their values. Thus, a free market determines what goods are produced and how money is invested in order to satisfy consumer demand (that is, the sum of all the individual choices). The free market also plays the crucial role in creating an efficient response to changes in the economy, when consumer demand increases or decreases for certain products, or when factors such as a decline in investment or damage to the environment

changes the supply of money or products. Nevertheless, the free market may sometimes fail to provide crucial goods, especially at reasonable prices, necessary for overall social order. The government, for example, is often required to provide key services, such as water, electricity, sewage, and garbage pick-up (although some people believe such services could be privatized), not to mention police, fire, and defense forces.

In the international arena, one of the most burning issues is the failure of the free market to provide

affordable drugs to combat the HIV/AIDS epidemic. Such drugs are available in the Europe and the United States to allow people with HIV/AIDS to have productive lives for about \$10,000 per year, an affordable sum in the developed world. Such a price, however, is far beyond the ability to pay of people in Africa, where the vast majority of the population afflicted with HIV/AIDS lives. In fact, the disease is a scourge in Africa and the rest of the developing world, where whole societies are on the brink of collapse because of the social chaos and economic impact of infection rates that are as high as 25 percent in some countries.

Governments therefore, prodded by international non-governmental organizations involved in promoting public health, agreed at a meeting of the World Trade Organization in 2001 to allow poor countries to make generic copies of drugs needed for public health emergencies. This represented a large concession on the part of U.S. and European companies, which value their intellectual property and whose intellectual property rights had recently become protected by a special international treaty. Since then, however, agreement on how to implement this agreement has been hard to reach. The companies are concerned that allowing too generous an exception from the international intellectual property rules would lead to a loss of so much revenue that they would

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not be able to recoup the costs of developing medicines in the first place and make a profit for their shareholders. After all, the companies have to run their business in an economically efficient and profitable manner for their owners. Meanwhile, however, poor people in Africa are dying. Again, there is a tension between two equally important values. How can the international system balance the need to promote an efficient free market system that rewards innovation and the development of new medicines, while also ensuring that the poor and needy are taken care of?

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Finally, the third tension of globalization is that between local authority and extra- or supra-local authority, that is the tension between decisions made at the level most close to individual citizens and decisions made at higher levels of authority distant from the people they may affect. As with the other tensions, we see this in our daily lives as well, but the tension takes on special characteristics in the global arena. Many Americans believe that the federal government in Washington is a distant, separate culture, unfamiliar with their daily problems and concerns and captive to special interests. Local and state governments, on the other hand, are often more trusted to deal with practical, everyday issues.

In the globalized world, many Americans and citizens in other countries feel that international organizations outside their democratic control are making decisions without any input from the people who are most affected by them. For example, the International Monetary Fund and World Bank are viewed—rightly or wrongly—in much of Latin America and Asia as Washington-based cabals of bankers forcing American-style economic policy on societies that have different values than individualized capitalism.

In the United States, many environmental activists were outraged in 1998 when a dispute resolution panel of the World Trade Organization declared that an American law banning the import of shrimp caught with nets that killed endangered sea turtles was in violation of world trade rules. Several Southeast Asian nations had complained that the law was a disguised way to protect the American shrimp industry from competition by their shrimpers. But the U.S. law was passed by the Congress and signed by the President, in a democratic process, for what seemed like legitimate purposes. Why, many people asked, was an unelected, undemocratic tribunal of three judges in Geneva empowered to force the United States to change the law? At the same time, the United States had agreed to the world trade treaty that set out the

rules and established the panel that made the decision. And the U.S. and other governments believe that such treaties are an important way of setting commonly accepted rules to manage international trade. Again, a tension arises, this time between the democratic legitimacy of domestic legislation and

the need to create and enforce international rules by bodies who are not directly accountable to those whose lives and interests they affect.

TENSIONS AND TRADE-OFFS

These examples of the tensions of globalization are just a few of the cases where citizens around the world have felt threatened by the current process of interaction and integration. Thinking about globalization in terms of such tensions can help students understand that solutions to these problems and resolutions to these controversies are rarely black and white.

Globalization is neither good nor bad. Rather, certain aspects of the complex, and multi-faceted process of globalization have impacts that can be viewed in different ways depending on the values at stake. Individual free choice is important, but so is a society's ability to make decisions according to what is best for all of its members. The free market is important, but so is the ability of governments to deal with problems when the free market fails. Local democratic accountability is important, but so is international agreement on problems that can only be solved with cooperation far beyond the direct control of individual citizens.

Discussion of these tensions can enlighten students without forcing them to abandon their own values. In fact, an approach of explaining forthrightly the tensions and the values at stake, the facts of the cases, providing solid information, and airing a wide variety of perspectives, encourage students to think and learn more deeply about globalization than any other approach currently available for educators. Globalization101.org's approach engages students in thinking about their lives in an international context at a very exciting time, with a vast amount of resources freely available to help them grow and learn as students and citizens.

Laurence E. Rothenberg is the producer of the www.globalization101.org website and director of the Globalization101 program at the Center for Strategic & International Studies, a Washington, D.C. non-profit public policy research institute.

THE AMERICAN FORUM FOR GLOBAL EDUCATION

120 Wall Street • Suite 2600, New York, NY 10005 • 212-624-1300 • fax 212-624-1412

email: info@globaled.org • URL: <http://www.globaled.org>

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