

# Part II

## Explaining Globalization

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# Introduction

How can we best explain globalization? This question has no easy answer because, as we suggested in our introduction, globalization has many layers and dimensions. A good explanation must come to grips with this complexity. In addition, the world society that is still under formation presents a moving target, so any theory must be adaptable in dealing with new dimensions and characteristics of globalization. Explanation is all the more difficult because, as globalization refashions the world, theoretical tools once used to make sense of earlier historical periods may no longer be adequate. The “global age,” Martin Albrow argued in his book by that title, calls for new theory, new thinking, and new departures in social science, especially if the discontinuity between old and new is as profound as many observers claim. In this part, we illustrate the new forms of theorizing that have emerged in recent decades by presenting selections from four major perspectives on globalization.

These perspectives propose quite varied accounts of globalization. We can illustrate the differences between them by comparing their answers to a hypothetical question (taken from the excerpt by John W. Meyer et al.): how would a newly discovered island society be incorporated into world society? One perspective’s proponents would reply that transnational corporations would stake a claim to the island’s natural resources, send engineers to create infrastructure, and build plants to take advantage of cheap labor. Another perspective’s proponents would argue that agents of powerful countries would assist the society in building a functioning but limited state and tempt it to form alliances with them; international organizations would provide support and advice so that the society could become a stable

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participant in global politics. From a third perspective, the answer would involve the wholesale refashioning of the island society – it would be invaded by experts of many sorts who would help build not only a state but also the full range of modern institutions that any proper country is expected to develop. A final group would focus on the way the society would balance its own heritage against the intrusions of world culture, aided by outside organizations concerned about preserving its unique culture. Incorporation into world society can thus take the form of economic exploitation, state building and alliances, broad institutional restructuring according to global models, or self-reflexive cultural identification. The selections show that such answers derive from different views of the motive forces and characteristic features of globalization.

## World-System Theory and Related Perspectives

To scholars inspired by Marx, globalization is essentially the expansion of the capitalist system around the globe. At the time Marx was writing in the mid-nineteenth century, the world was becoming unified via thickening networks of communication and economic exchange. A world economy, guided by liberal philosophy with global aspirations, provided the framework for a single world that since has grown more integrated and standardized. Sociologist Immanuel Wallerstein, author of the multivolume landmark study *The Modern World-System*, puts this historical claim in context. What happened in the mid-nineteenth century, he suggests, was a phase in a centuries-old process. The capitalist world-system originated in the sixteenth century, when European traders established enduring connections with Asia, Africa, and the Americas. From the outset, this system consisted of a single economy – a market and a regional division of labor – but many states, and no one power was strong enough to gain control and stifle dynamic competition. In the “core” of the system, the dominant classes were supported by strong states as they exploited labor, resources, and trade opportunities, most notably in “peripheral” areas. Buffer countries in the “semiperiphery” helped mitigate tensions between core and periphery, and a set of political and economic norms that favored core countries helped to keep the system remarkably stable. The central purpose of the world-system is capital accumulation by competing firms, which go through cycles of growth and decline.

Leslie Sklair, a British sociologist, complements this long-term perspective by stressing the role of transnational corporations and classes as the prime movers in the contemporary global system. He argues that a global consumerist ideology supports the exploitative structure commanded by transnational corporations and helps the dominant transnational class get ever stronger. This class-based view is reinforced by British-American geographer David Harvey in his discussion of neoliberalism, which he characterizes as an economic ideology devoted above all to property rights, free trade, and free markets. This prominent ideology, Harvey insists, is primarily a means for upper classes around the world to increase their economic supremacy at the expense of the middle and lower classes.

## World Polity Theory

In this third theoretical perspective, states remain an important component of world society, but primary attention goes to the global cultural and organizational environment in which states are embedded. What is new in world society, from this perspective, is the all-encompassing “world polity” and its associated world culture, which supplies a set of cultural rules or scripts that specify how institutions around the world should deal with common problems. Globalization is the formation and enactment of this world polity and culture. One of the world polity’s key elements, as American sociologist John W. Meyer and colleagues explain, is a general, globally legitimated model of how to form a state. Guided by this model, particular states in widely varying circumstances organize their affairs in surprisingly similar fashion. Because world society is structured as a polity with an intensifying global culture, new organizations – business enterprises, educational institutions, social movements, leisure and hobby groups, and so on – spring up in all sorts of countries to enact its precepts. As carriers of global principles, these organizations then help to build and elaborate world culture and world society further.

## World Culture Theory

This perspective agrees that world culture is indeed new and important, but it is less homogeneous than world-polity scholars imply. Globalization is a process of relativization, as Roland Robertson puts it. Societies must make sense of themselves in relation to a larger system of societies, while individuals make sense of themselves in relation to a sense of humanity as a larger whole. World society thus consists of a complex set of relationships among multiple units in the “global field.” In this model, world society is governed not by a particular set of values but by the confrontation of different ways of organizing these relationships. Globalization compresses the world into a single entity, and people necessarily become more and more aware of their relationship to this global presence. Of central importance to this process is the problem of “globality”: how to make living together in one global system meaningful or even possible. Not surprisingly, religious traditions take on new significance insofar as they address the new global predicament that compels societies and individuals to “identify” themselves in new ways. Robertson concludes that a “search for fundamentals” is inherent in globalization.

Arjun Appadurai, an American anthropologist of Indian origin, analyzes the cultural compression of the globe by showing how ideas, money, and people flow through disjoint “scapes.” These flows intersect in different ways in particular societies, where identity construction becomes a matter of making local sense of their collisions. While the flows homogenize the world to some extent, the disjunctures in globalization also produce heterogeneity. Sameness and difference “cannibalize” each other.

As even this brief sketch makes clear, scholars offer varied understandings of the key dimensions, sources, and consequences of globalization. These theories have made substantial advances in accounting for transformations of the world. They all express a distinctly global point of view, even though they also still rely on ideas familiar from earlier social theory. As orienting perspectives, they guide much current research. But explaining globalization is necessarily work in progress, a collective effort to clarify the problems posed by the rise of a new world society as much as an attempt to produce satisfying accounts of how the world has become a global whole.

# The Modern World-System as a Capitalist World-Economy

Immanuel Wallerstein

The world in which we are now living, the modern world-system, had its origins in the sixteenth century. This world-system was then located in only a part of the globe, primarily in parts of Europe and the Americas. It expanded over time to cover the whole globe. It is and has always been a *world-economy*. It is and has always been a *capitalist* world-economy. We should begin by explaining what these two terms, world-economy and capitalism, denote. It will then be easier to appreciate the historical contours of the modern world-system – its origins, its geography, its temporal development, and its contemporary structural crisis.

What we mean by a world-economy (Braudel's *économie-monde*) is a large geographic zone within which there is a division of labor and hence significant internal exchange of basic or essential goods as well as flows of capital and labor. A defining feature of a world-economy is that it is *not* bounded by a unitary political structure. Rather, there are many political units inside the world-economy, loosely tied together in our modern world-system in an interstate system. And a world-economy contains many cultures and groups – practicing many religions, speaking many languages, differing in their everyday patterns. This does not mean that they do not evolve some common cultural patterns, what we shall be calling a geoculture. It does mean that neither political nor cultural homogeneity is to be expected or found in a world-economy. What unifies the structure most is the division of labor which is constituted within it.

Capitalism is not the mere existence of persons or firms producing for sale on the market with the intention of obtaining a profit. Such persons or firms have existed for

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thousands of years all across the world. Nor is the existence of persons working for wages sufficient as a definition. Wage-labor has also been known for thousands of years. We are in a capitalist system only when the system gives priority to the *endless* accumulation of capital. Using such a definition, only the modern world-system has been a capitalist system. Endless accumulation is a quite simple concept: it means that people and firms are accumulating capital in order to accumulate still more capital, a process that is continual and endless. If we say that a system “gives priority” to such endless accumulation, it means that there exist structural mechanisms by which those who act with other motivations are penalized in some way, and are eventually eliminated from the social scene, whereas those who act with the appropriate motivations are rewarded and, if successful, enriched.

A world-economy and a capitalist system go together. Since world-economies lack the unifying cement of an overall political structure or a homogeneous culture, what holds them together is the efficacy of the division of labor. And this efficacy is a function of the constantly expanding wealth that a capitalist system provides. Until modern times, the world-economies that had been constructed either fell apart or were transformed *manu militari* into world-empires. Historically, the only world-economy to have survived for a long time has been the modern world-system, and that is because the capitalist system took root and became consolidated as its defining feature.

Conversely, a capitalist system cannot exist within any framework except that of a world-economy. We shall see that a capitalist system requires a very special relationship between economic producers and the holders of political power. If the latter are too strong, as in a world-empire, their interests will override those of the economic producers, and the endless accumulation of capital will cease to be a priority. Capitalists need a large market (hence minisystems are too narrow for them) but they also need a multiplicity of states, so that they can gain the advantages of working with states but also can circumvent states hostile to their interests in favor of states friendly to their interests. Only the existence of a multiplicity of states within the overall division of labor assures this possibility.

A capitalist world-economy is a collection of many institutions, the combination of which accounts for its processes, and all of which are intertwined with each other. The basic institutions are the market, or rather the markets; the firms that compete in the markets; the multiple states, within an interstate system; the households; the classes; and the status-groups (to use Weber’s term, which some people in recent years have renamed the “identities”). They are all institutions that have been created within the framework of the capitalist world-economy. Of course, such institutions have some similarities to institutions that existed in prior historical systems to which we have given the same or similar names. But using the same name to describe institutions located in different historical systems quite often confuses rather than clarifies analysis. It is better to think of the set of institutions of the modern world-system as contextually specific to it.

Let us start with markets, since these are normally considered the essential feature of a capitalist system. A market is both a concrete local structure in which individuals or firms sell and buy goods, and a virtual institution across space where the same kind of exchange occurs. How large and widespread any virtual market is depends on the

realistic alternatives that sellers and buyers have at a given time. In principle, in a capitalist world-economy the virtual market exists in the world-economy as a whole. But as we shall see, there are often interferences with these boundaries, creating narrower and more “protected” markets. There are of course separate virtual markets for all commodities as well as for capital and different kinds of labor. But over time, there can also be said to exist a single virtual world market for all the factors of production combined, despite all the barriers that exist to its free functioning. One can think of this complete virtual market as a magnet for all producers and buyers, whose pull is a constant political factor in the decision-making of everyone – the states, the firms, the households, the classes, and the status-groups (or identities). This complete virtual world market is a reality in that it influences all decision making, but it never functions fully and freely (that is, without interference). The totally free market functions as an ideology, a myth, and a constraining influence, but never as a day-to-day reality.

One of the reasons it is not a day-to-day reality is that a totally free market, were it ever to exist, would make impossible the endless accumulation of capital. This may seem a paradox because it is surely true that capitalism cannot function without markets, and it is also true that capitalists regularly say that they favor free markets. But capitalists in fact need not totally free markets but rather markets that are only partially free. The reason is clear. Suppose there really existed a world market in which all the factors of production were totally free, as our textbooks in economics usually define this – that is, one in which the factors flowed without restriction, in which there were a very large number of buyers and a very large number of sellers, and in which there was perfect information (meaning that all sellers and all buyers knew the exact state of all costs of production). In such a perfect market, it would always be possible for the buyers to bargain down the sellers to an absolutely minuscule level of profit (let us think of it as a penny), and this low level of profit would make the capitalist game entirely uninteresting to producers, removing the basic social underpinnings of such a system.

What sellers always prefer is a monopoly, for then they can create a relatively wide margin between the costs of production and the sales price, and thus realize high rates of profit. Of course, perfect monopolies are extremely difficult to create, and rare, but quasi-monopolies are not. What one needs most of all is the support of the machinery of a relatively strong state, one which can enforce a quasi-monopoly. There are many ways of doing this. One of the most fundamental is the system of patents which reserves rights in an “invention” for a specified number of years. This is what basically makes “new” products the most expensive for consumers and the most profitable for their producers. Of course, patents are often violated and in any case they eventually expire, but by and large they protect a quasi-monopoly for a time. Even so, production protected by patents usually remains only a quasi-monopoly, since there may be other similar products on the market that are not covered by the patent. This is why the normal situation for so-called leading products (that is, products that are both new and have an important share of the overall world market for commodities) is an oligopoly rather than an absolute monopoly. Oligopolies are however good enough to realize the desired high rate of profits, especially since the various firms often collude to minimize price competition.



Patents are not the only way in which states can create quasi-monopolies. State restrictions on imports and exports (so-called protectionist measures) are another. State subsidies and tax benefits are a third. The ability of strong states to use their muscle to prevent weaker states from creating counter-protectionist measures is still another. The role of the states as large-scale buyers of certain products willing to pay excessive prices is still another. Finally, regulations which impose a burden on producers may be relatively easy to absorb by large producers but crippling to smaller producers, an asymmetry which results in the elimination of the smaller producers from the market and thus increases the degree of oligopoly. The modalities by which states interfere with the virtual market are so extensive that they constitute a fundamental factor in determining prices and profits. Without such interferences, the capitalist system could not thrive and therefore could not survive.

Nonetheless, there are two inbuilt anti-monopolistic features in a capitalist world-economy. First of all, one producer's monopolistic advantage is another producer's loss. The losers will of course struggle politically to remove the advantages of the winners. They can do this by political struggle within the states where the monopolistic producers are located, appealing to doctrines of a free market and offering support to political leaders inclined to end a particular monopolistic advantage. Or they do this by persuading other states to defy the world market monopoly by using their state power to sustain competitive producers. Both methods are used. Therefore, over time, every quasi-monopoly is undone by the entry of further producers into the market.

Quasi-monopolies are thus self-liquidating. But they last long enough (say thirty years) to ensure considerable accumulation of capital by those who control the quasi-monopolies. When a quasi-monopoly does cease to exist, the large accumulators of capital simply move their capital to new leading products or whole new leading industries. The result is a cycle of leading products. Leading products have moderately short lives, but they are constantly succeeded by other leading industries. Thus the game continues. As for the once-leading industries past their prime, they become more and more "competitive," that is, less and less profitable. We see this pattern in action all the time.

Firms are the main actors in the market. Firms are normally the competitors of other firms operating in the same virtual market. They are also in conflict with those firms from whom they purchase inputs and those firms to which they sell their products. Fierce intercapitalist rivalry is the name of the game. And only the strongest and the most agile survive. One must remember that bankruptcy, or absorption by a more powerful firm, is the daily bread of capitalist enterprises. Not all capitalist entrepreneurs succeed in accumulating capital. Far from it. If they all succeeded, each would be likely to obtain very little capital. So, the repeated "failures" of firms not only weed out the weak competitors but are a condition sine qua non of the endless accumulation of capital. That is what explains the constant process of the concentration of capital.

To be sure, there is a downside to the growth of firms, either horizontally (in the same product), vertically (in the different steps in the chain of production), or what might be thought of as orthogonally (into other products not closely related). Size brings down costs through so-called economies of scale. But size adds costs of administration and coordination, and multiplies the risks of managerial inefficiencies. As a result of this contradiction, there has been a repeated zigzag process of firms

getting larger and then getting smaller. But it has not at all been a simple up-and-down cycle. Rather, worldwide there has been a secular increase in the size of firms, the whole historical process taking the form of a ratchet, two steps up then one step back, continuously. The size of firms also has direct political implications. Large size gives firms more political clout but also makes them more vulnerable to political assault – by their competitors, their employees, and their consumers. But here too the bottom line is an upward ratchet, toward more political influence over time.

The axial division of labor of a capitalist world-economy divides production into core-like products and peripheral products. Core-periphery is a relational concept. What we mean by core-periphery is the degree of profitability of the production processes. Since profitability is directly related to the degree of monopolization, what we essentially mean by core-like production processes is those that are controlled by quasi-monopolies. Peripheral processes are then those that are truly competitive. When exchange occurs, competitive products are in a weak position and quasi-monopolized products are in a strong position. As a result, there is a constant flow of surplus-value from the producers of peripheral products to the producers of core-like products. This has been called unequal exchange.

To be sure, unequal exchange is not the only way of moving accumulated capital from politically weak regions to politically strong regions. There is also plunder, often used extensively during the early days of incorporating new regions into the world-economy (consider, for example, the conquistadores and gold in the Americas). But plunder is self-liquidating. It is a case of killing the goose that lays the golden eggs. Still, since the consequences are middle-term and the advantages short-term, there still exists much plunder in the modern world-system, although we are often “scandalized” when we learn of it. When Enron goes bankrupt, after procedures that have moved enormous sums into the hands of a few managers, that is in fact plunder. When “privatizations” of erstwhile state property lead to its being garnered by mafia-like businessmen who quickly leave the country with destroyed enterprises in their wake, that is plunder. Self-liquidating, yes, but only after much damage has been done to the world’s productive system, and indeed to the health of the capitalist world-economy.

Since quasi-monopolies depend on the patronage of strong states, they are largely located – juridically, physically, and in terms of ownership – within such states. There is therefore a geographical consequence of the core-peripheral relationship. Core-like processes tend to group themselves in a few states and to constitute the bulk of the production activity in such states. Peripheral processes tend to be scattered among a large number of states and to constitute the bulk of the production activity in these states. Thus, for shorthand purposes we can talk of core states and peripheral states, so long as we remember that we are really talking of a relationship between production processes. Some states have a near even mix of core-like and peripheral products. We may call them semiperipheral states. They have, as we shall see, special political properties. It is however not meaningful to speak of semiperipheral production processes.

Since, as we have seen, quasi-monopolies exhaust themselves, what is a core-like process today will become a peripheral process tomorrow. The economic history of the modern world-system is replete with the shift, or downgrading, of products, first to semiperipheral countries, and then to peripheral ones. If circa 1800 the production of textiles was possibly the preeminent core-like production process, by 2000 it was

manifestly one of the least profitable peripheral production processes. In 1800 these textiles were produced primarily in a very few countries (notably England and some other countries of northwestern Europe); in 2000 textiles were produced in virtually every part of the world-system, especially cheap textiles. The process has been repeated with many other products. Think of steel, of automobiles, or even computers. This kind of shift has no effect on the structure of the system itself. In 2000 there were other core-like processes (e.g., aircraft production or genetic engineering) which were concentrated in a few countries. There have always been new core-like processes to replace those which become more competitive and then move out of the states in which they were originally located.

The role of each state is very different vis-à-vis productive processes depending on the mix of core-peripheral processes within it. The strong states, which contain a disproportionate share of core-like processes, tend to emphasize their role of protecting the quasi-monopolies of the core-like processes. The very weak states, which contain a disproportionate share of peripheral production processes, are usually unable to do very much to affect the axial division of labor, and in effect are largely forced to accept the lot that has been given them.

The semiperipheral states which have a relatively even mix of production processes find themselves in the most difficult situation. Under pressure from core states and putting pressure on peripheral states, their major concern is to keep themselves from slipping into the periphery and to do what they can to advance themselves toward the core. Neither is easy, and both require considerable state interference with the world market. These semiperipheral states are the ones that put forward most aggressively and most publicly so-called protectionist policies. They hope thereby to “protect” their production processes from the competition of stronger firms outside, while trying to improve the efficiency of the firms inside so as to compete better in the world market. They are eager recipients of the relocation of erstwhile leading products, which they define these days as achieving “economic development.” In this effort, their competition comes not from the core states but from other semiperipheral states, equally eager to be the recipients of relocation which cannot go to all the eager aspirants simultaneously and to the same degree. In the beginning of the twenty-first century, some obvious countries to be labeled semiperipheral are South Korea, Brazil, and India – countries with strong enterprises that export products (for example steel, automobiles, pharmaceuticals) to peripheral zones, but that also regularly relate to core zones as importers of more “advanced” products.

The normal evolution of the leading industries – the slow dissolution of the quasi-monopolies – is what accounts for the cyclical rhythms of the world-economy. A major leading industry will be a major stimulus to the expansion of the world-economy and will result in considerable accumulation of capital. But it also normally leads to more extensive employment in the world-economy, higher wage-levels, and a general sense of relative prosperity. As more and more firms enter the market of the erstwhile quasi-monopoly, there will be “overproduction” (that is, too much production for the real effective demand at a given time) and consequently increased price competition (because of the demand squeeze), thus lowering the rates of profit. At some point, a buildup of unsold products results, and consequently a slowdown in further production.

When this happens, we tend to see a reversal of the cyclical curve of the world-economy. We talk of stagnation or recession in the world-economy. Rates of unemployment rise worldwide. Producers seek to reduce costs in order to maintain their share of the world market. One of the mechanisms is relocation of the production processes to zones that have historically lower wages, that is, to semiperipheral countries. This shift puts pressure on the wage levels in the processes still remaining in core zones, and wages there tend to become lower as well. Effective demand which was at first lacking because of overproduction now becomes lacking because of a reduction in earnings of the consumers. In such a situation, not all producers necessarily lose out. There is obviously acutely increased competition among the diluted oligopoly that is now engaged in these production processes. They fight each other furiously, usually with the aid of their state machineries. Some states and some producers succeed in “exporting unemployment” from one core state to the others. Systemically, there is contraction, but certain core states and especially certain semiperipheral states may seem to be doing quite well. [...]

# Sociology of the Global System

Leslie Sklair

## The Conceptual Space for Transnational Practices (TNP)

The concept of transnational practices refers to the effects of what people do when they are acting within specific institutional contexts that cross state borders. Transnational practices create globalizing processes. TNPs focus attention on observable phenomena, some of which are measurable, instead of highly abstract and often very vague relations between conceptual entities. [...]

The global system is most fruitfully conceptualized as a system that operates at three levels, and knowledge about which can be organized in three spheres, namely the economic, the political, and the culture-ideology. Each sphere is typically characterized by a representative institution, cohesive structures of practices, organized and patterned, which can only be properly understood in terms of their transnational effects. The dominant form of globalization in the present era is undoubtedly capitalist globalization. This being the case, the primary agents and institutional focus of economic transnational practices are the transnational corporations.

However, there are others. The World Bank, the IMF, WTO, commodity exchanges, the G7 (political leaders of the seven most important economies), the US Treasury and so on are mostly controlled by those who share the interests of the major TNCs and the major TNCs share their interests. In a revealing report on 'IMF: Efforts to Advance US Policies at the Fund' by the US General Accounting Office (GAO-01-214, January 23, 2001) we discover that the US Treasury and the Executive Director actively

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promoted US policies on sound banking, labour issues, and audits of military expenditures. The report concluded that it was difficult to determine the precise significance of US influence, because other countries generally support the same policies. This phenomenon is widely known as the Washington Consensus, a term coined by John Williamson of the Institute for International Economics.

By 'Washington' Williamson meant not only the US government, but all those institutions and networks of opinion leaders centered in the world's de facto capital – the IMF, World Bank, think-tanks, politically sophisticated investment bankers, and worldly finance ministers, all those who meet each other in Washington and collectively define the conventional wisdom of the moment ... [One may roughly] summarize this consensus as ... the belief that Victorian virtue and economic policy – free markets and sound money – is the key to economic development.

This is the transnational capitalist class at work. The underlying goal of keeping global capitalism on course is in constant tension with the selfish and destabilizing actions of those who cannot resist system-threatening opportunities to get rich quick or to cut their losses. It is, however, the direct producers, not the transnational capitalist class who usually suffer most when this occurs as, for example, the tin miners of Bolivia and the rest of the world found out when the London Metal Exchange terminated its tin contract in 1985 and when the Association of Coffee Producing Countries collapsed late in 2001. [...]

It may be helpful to spell out who determine priorities for economic, political and culture-ideology transnational practices, and what they actually do. Those who own and control the TNCs organize the production of commodities and the services necessary to manufacture and sell them. The state fraction of the transnational capitalist class produces the political environment within which the products and services can be successfully marketed all over the world irrespective of their origins and qualities. Those responsible for the dissemination of the culture-ideology of consumerism produce the values and attitudes that create and sustain the need for the products. These are analytical rather than empirical distinctions. In the real world they are inextricably mixed. TNCs get involved in host country politics, and the culture-ideology of consumerism is largely promulgated through the transnational corporations involved in mass media and advertising. Members of the transnational capitalist class often work directly for TNCs, and their life styles are exemplary for the spread of consumerism. Nevertheless, it is useful to make these analytical distinctions, particularly where the apparent and real empirical contradictions are difficult to disentangle.

The thesis on which this conceptual apparatus rests and on which any viable theory of the current dominant global system depends is that capitalism is changing qualitatively from an international to a globalizing system. This is the subject of a heated debate in academic, political and cultural circles. The idea that capitalism has entered a new global phase (whether it be organized or disorganized) clearly commands a good deal of support though, unsurprisingly, there are considerable differences on the details. The conception of capitalism of Ross and Trachte convincingly locates the emergence of global capitalism in a series of technological revolutions (primarily in transportation, communications, electronics, biotechnology), and this provides

a key support to the global system theory being elaborated here. My focus on transnational corporations draws on a large and rich literature on the global corporation, again full of internal disputes, but based on the premise, well expressed by Howells and Wood that 'the production processes within large firms are being decoupled from specific territories and being formed into new global systems'. [...]

## Economic Transnational Practices

Economic transnational practices are economic practices that transcend state boundaries. These may seem to be entirely contained within the borders of a single country even though their effects are transnational. For example, within one country there are consumer demands for products that are unavailable, in general or during particular seasons, from domestic sources. Retailers place orders with suppliers who fill the orders from foreign sources. Neither the retailer nor the consumer needs to know or care where the product comes from, though some countries now have country of origin rules making mandatory the display of this information. Many campaigning groups make sure that customers know, for example, that some products come from sweatshops in Asia or the USA. There may be a parallel situation in the supplier country. Local producers may simply sell their products to a domestic marketing board or wholesaler and neither know nor care who the final consumer is. Transnational corporations, big or small, enter the scene when sellers, intermediaries, and buyers are parts of the same transnational network.

Hundreds of thousands of companies based all over the world export goods and services. In the US alone in the late 1990s there were more than 200,000 exporting companies according to the website of the US Department of Commerce. Of this large number of exporters only about 15 percent operated from multiple locations, but these accounted for about 80 percent of exports from the US and almost half of manufacturing exports were from the top 50 firms. They, of course, are the major TNCs, comprising the less than one percent of US manufacturers that export to 50 or more countries. Over half of all US export value derives from their transnational economic practices and, significantly, much of their business is comprised of intra-firm transactions. The picture is similar in many other countries with firms that export manufactured goods. The global economy is dominated by a few gigantic transnational corporations marketing their products, many of them global brands, all over the world, some medium-sized companies producing in a few locations and selling in multiple markets, while many many more small firms sell from one location to one or a few other locations.

One important consequence of the expansion of the capitalist world economy has been that individual economic actors (like workers and entrepreneurs) and collective economic actors (like trade unions and TNCs) have become much more conscious of the transnationality of their practices and have striven to extend their global influence. As capitalist globalization spread, anti-globalization researchers and activists focused on imports and exports, and vested some products with great political and culture-ideology significance. Increasing numbers of consumers now register

where what they are buying comes from, and producers now register where what they are producing will go to, and this knowledge may affect their actions. An important example of this process is the rapid growth of ethical and organic marketing between Third World producers and First World consumers. These transnational practices must be seen within the context of an unprecedented increase in the volume of economic transnational practices since the 1950s, as evidenced by the tremendous growth of cross-border trade. According to the World Bank, global exports rose from US\$94 billion in 1965, to \$1,365 billion in 1986, \$3,500 billion in 1993 and over \$5,400 billion in 1999. Foreign investment and other types of capital flows have increased even more rapidly. This means that even some quite poor people in some poor countries now have access to many non-local consumer goods, and through their use of the mass media are becoming more aware of the status-conferring advantages that global branded goods and services have over others. [...]

## **The Transnational Capitalist Class**

The transnational capitalist class is not made up of capitalists in the traditional Marxist sense. Direct ownership or control of the means of production is no longer the exclusive criterion for serving the interests of capital, particularly not the global interests of capital.

The transnational capitalist class (TCC) is transnational in at least five senses. Its members tend to share global as well as local economic interests; they seek to exert economic control in the workplace, political control in domestic and international politics, and culture-ideology control in everyday life; they tend to have global rather than local perspectives on a variety of issues; they tend to be people from many countries, more and more of whom begin to consider themselves citizens of the world as well as of their places of birth; and they tend to share similar lifestyles, particularly patterns of luxury consumption of goods and services. In my formulation, the transnational capitalist class includes the following four fractions:

- TNC executives and their local affiliates (corporate fraction);
- globalizing state and inter-state bureaucrats and politicians (state fraction);
- globalizing professionals (technical fraction); and
- merchants and media (consumerist fraction).

This class sees its mission as organizing the conditions under which its interests and the interests of the global system (which usually but do not always coincide) can be furthered within the transnational, inter-state, national and local contexts. The concept of the transnational capitalist class implies that there is one central transnational capitalist class that makes system-wide decisions, and that it connects with the TCC in each community, region and country.

Political transnational practices are not primarily conducted within conventional political organizations. Neither the transnational capitalist class nor any other class operates primarily through transnational political parties. However, loose



transnational political groupings do exist and they do have some effects on, and are affected by, the political practices of the TCC in most countries. There are no genuine transnational political parties, though there appears to be a growing interest in international associations of parties, which are sometimes mistaken for transnational parties. [...]

There are, however, various transnational political organizations through which fractions of the TCC operate locally, for example, the Rotary Club and its offshoots and the network of American, European and Japan-related Chambers of Commerce that straddles the globe. As Errington and Gewertz show in their study of a Rotary Club in Melanesia as well as my own research on AmCham in Mexico, these organizations work as crucial transmission belts and lines of communication between global capitalism and local business. [...]

At a more elevated level are the Trilateral Commission of the great and good from the United States, Europe and Japan whose business is 'Elite Planning for World Management'; the World Economic Forum which meets at Davos in Switzerland and the annual global conferences organized by *Fortune* magazine that bring together the corporate and the state fractions of the TCC. Many other similar but less well-known networks for capitalist globalization exist, for example the Bilderberg Group and Caux Round Table of senior business leaders. There are few major cities in any First or Third World (and now New Second World) country that do not have members of or connections with one or more of these organizations. They vary in strength from the major First World political and business capitals, through important Third World cities like Cairo, Singapore and Mexico City, to nominal presences in some of the poorer countries in Africa, Asia and Latin America. They are backed up by many powerful official bodies, such as foreign trade and economics departments of the major states. Specialized agencies of the World Bank and the IMF, WTO, US Agency for International Development (USAID), development banks, and the UN work with TNCs, local businesses, and NGOs (willing and not so willing) in projects that promote the agenda of capitalist globalization. [...]

## Labour and the Transnational Capitalist Class

The relative strength of the transnational capitalist class can be understood in terms of the relative weakness of transnational labour. Labour is represented by some genuinely transnational trade unions.... In addition, there are some industrially based transnational union organizations, for example the International Metalworkers Federation, and the International Union of Food and Allied Workers' Associations. These have been involved in genuine transnational labour struggles, and have gained some short-term victories. However, they face substantial difficulties in their struggles against organized capital, locally and transnationally, and they have little influence. [...]

While most TNCs in most countries will follow the local rules regarding the unions, host governments, particularly those promoting export processing industries (not always under pressure from foreign investors), have often suspended national

labour legislation in order to attract TNCs and/or to keep production going and foreign currency rolling in. With very few exceptions, most globalizing bureaucrats and politicians wanting to take advantage of the fruits of capitalist globalization will be unhelpful towards labour unions, if not downright hostile to them when they dare to challenge the transnational capitalist class. [...]

## **Culture-Ideology Transnational Practices**

[...] Bagdikian characterized those who control this system [world media] as the lords of the global village. They purvey their product (a relatively undifferentiated mass of news, information, ideas, entertainment and popular culture) to a rapidly expanding public, eventually the whole world. He argued that national boundaries are growing increasingly meaningless as the main actors (five groups at the time he was writing) strive for total control in the production, delivery, and marketing of what we can call the culture-ideology goods of the capitalist global system. Their goal is to create a buying mood for the benefit of the global troika of media, advertising and consumer goods manufacturers. 'Nothing in human experience has prepared men, women, and children for the modern television techniques of fixing human attention and creating the uncritical mood required to sell goods, many of which are marginal at best to human needs'. Two symbolic facts: by the age of 16, the average North American youth has been exposed to more than 300,000 television commercials; and the former Soviet Union sold advertising slots on cosmonaut suits and space ships! In order to connect and explain these facts, we need to generate a new framework, namely the culture-ideology of consumerism.

## **The Culture-Ideology of Consumerism**

The transformation of the culture-ideology of consumerism from a sectional preference of the rich to a globalizing phenomenon can be explained in terms of two central factors, factors that are historically unprecedented. First, capitalism entered a qualitatively new globalizing phase in the 1960s.... [I]n the second half of the twentieth century, for the first time in human history, the dominant economic system, capitalism, was sufficiently productive to provide a basic package of material possessions and services to almost everyone in the First World and to privileged groups elsewhere.... A rapidly globalizing system of mass media was also geared up to tell everyone what was available and, crucially, to persuade people that this culture-ideology of consumerism was what a happy and satisfying life was all about....

Mass media perform many functions for global capitalism. They speed up the circulation of material goods through advertising, which reduces the time between production and consumption. They begin to inculcate the dominant ideology into the minds of viewers, listeners and readers from an early age, in the words of Esteinou Madrid, 'creating the political/cultural demand for the survival of capitalism'. The

systematic blurring of the lines between information, entertainment, and promotion of products lies at the heart of this practice. This has not in itself created consumerism, for consumer cultures have been in place for centuries. What it has created is a reformulation of consumerism that transforms all the mass media and their contents into opportunities to sell ideas, values, products, in short, a consumerist worldview. [...]

Contemporary consumer culture would not be possible without the shopping mall, both symbolically and substantively. As Crawford argued, the merging of the architecture of the mall with the culture of the theme park has become the key symbol and the key spatial reference point for consumer capitalism, not only in North America but increasingly all over the world. What Goss terms the magic of the mall has to be understood on several levels, how the consuming environment is carefully designed and controlled, the seductive nature of the consuming experience, the transformation of nominal public space into actual private terrain. Although there are certainly anomalies of decaying city districts interspersed with gleaming malls bursting with consumer goods in the First World, it is in the poorer parts of the Third World that these anomalies are at their most stark. Third World malls until quite recently catered mainly to the needs and wants of expatriate TNC executives and officials, and local members of the transnational capitalist class. The success of the culture-ideology of consumerism can be observed all over the world in these malls, where now large numbers of workers and their families flock to buy, usually with credit cards, thus locking themselves into the financial system of capitalist globalization. [...]

## The Theory of the Global System: A Summary

The theory of the global system can be summarized, graphically, as follows. All global systems rest on economic transnational practices and at the highest level of abstraction these are the building blocks of the system. Concretely, in the capitalist global system they are mainly located in the major transnational corporations. Transnational political practices are the principles of organization of the system. Members of the transnational capitalist class drive the system, and by manipulating the design of the system they can build variations into it. Transnational culture-ideology practices are the nuts and bolts and the glue that hold the system together. Without them, parts of the system would drift off into space. This is accomplished through the culture-ideology of consumerism. [...]

In order to work properly the dominant institutions in each of the three spheres have to take control of key resources. Under the conditions of capitalist globalization, the transnational corporations strive to control global capital and material resources, the transnational capitalist class strives to control global power, and the transnational agents and institutions of the culture-ideology of consumerism strive to control the realm of ideas. Effective corporate control of global capital and resources is almost complete. There are few important natural resources that are entirely exempt from the formal or effective control of the TNCs or official agencies with whom they have strategic alliances. The transnational capitalist class and its local affiliates exert their rule

through its connections with globalizing bureaucrats and politicians in pro-capitalist political parties or social democratic parties that choose not to fundamentally challenge the global capitalist project. The local affiliates of the TCC exert authority in non-capitalist states indirectly to a greater or lesser extent. This is the price levied as a sort of entrance fee into the capitalist global system. In the last resort, it is the corporate control of capital and labour that is the decisive factor for those who do not wish to be excluded from the system.

The struggle for control of ideas in the interests of capitalist consumerism is fierce, the goal is to create the one-dimensional man within the apparently limitless vistas of consumerism that Marcuse prophesied. Ideas that are antagonistic to the global capitalist project can be reduced to one central counter-hegemonic idea, the rejection of the culture-ideology of consumerism itself, and they get little exposure in the mass media, as opposed to alternative media where they are at the core of an exciting cultural diversity for minority groups all over the world. Without consumerism, the rationale for continuous capitalist accumulation dissolves. It is the capacity to commercialize and commodify all ideas and the products in which they adhere, television programmes, advertisements, newsprint, books, tapes, CDs, videos, films, the Internet and so on, that global capitalism strives to appropriate. [...]

# A Brief History of Neoliberalism

David Harvey

## Introduction

[...]

Neoliberalism is in the first instance a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade. The role of the state is to create and preserve an institutional framework appropriate to such practices. The state has to guarantee, for example, the quality and integrity of money. It must also set up those military, defence, police, and legal structures and functions required to secure private property rights and to guarantee, by force if need be, the proper functioning of markets. Furthermore, if markets do not exist (in areas such as land, water, education, health care, social security, or environmental pollution) then they must be created, by state action if necessary. But beyond these tasks the state should not venture. State interventions in markets (once created) must be kept to a bare minimum because, according to the theory, the state cannot possibly possess enough information to second-guess market signals (prices) and because powerful interest groups will inevitably distort and bias state interventions (particularly in democracies) for their own benefit.

There has everywhere been an emphatic turn towards neoliberalism in political-economic practices and thinking since the 1970s. Deregulation, privatization, and withdrawal of the state from many areas of social provision have been all too common. Almost all states, from those newly minted after the collapse of the Soviet

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Union to old-style social democracies and welfare states such as New Zealand and Sweden, have embraced, sometimes voluntarily and in other instances in response to coercive pressures, some version of neoliberal theory and adjusted at least some policies and practices accordingly. Post-apartheid South Africa quickly embraced neoliberalism, and even contemporary China, as we shall see, appears to be headed in this direction. Furthermore, the advocates of the neoliberal way now occupy positions of considerable influence in education (the universities and many 'think tanks'), in the media, in corporate boardrooms and financial institutions, in key state institutions (treasury departments, the central banks), and also in those international institutions such as the International Monetary Fund (IMF), the World Bank, and the World Trade Organization (WTO) that regulate global finance and trade. Neoliberalism has, in short, become hegemonic as a mode of discourse. It has pervasive effects on ways of thought to the point where it has become incorporated into the common-sense way many of us interpret, live in, and understand the world.

The process of neoliberalization has, however, entailed much 'creative destruction', not only of prior institutional frameworks and powers (even challenging traditional forms of state sovereignty) but also of divisions of labour, social relations, welfare provisions, technological mixes, ways of life and thought, reproductive activities, attachments to the land and habits of the heart. In so far as neoliberalism values market exchange as 'an ethic in itself, capable of acting as a guide to all human action, and substituting for all previously held ethical beliefs', it emphasizes the significance of contractual relations in the marketplace. It holds that the social good will be maximized by maximizing the reach and frequency of market transactions, and it seeks to bring all human action into the domain of the market.

[...]

## **The Moving Map of Neoliberalization**

A moving map of the progress of neoliberalization on the world stage since 1970 would be hard to construct. To begin with, most states that have taken the neoliberal turn have done so only partially – the introduction of greater flexibility into labour markets here, a deregulation of financial operations and embrace of monetarism there, a move towards privatization of state-owned sectors somewhere else. Wholesale changes in the wake of crises (such as the collapse of the Soviet Union) can be followed by slow reversals as the unpalatable aspects of neoliberalism become more evident. And in the struggle to restore or establish a distinctive upper-class power all manner of twists and turns occur as political powers change hands and as the instruments of influence are weakened here or strengthened there. Any moving map would therefore feature turbulent currents of uneven geographical development that need to be tracked in order to understand how local transformations relate to broader trends.

Competition between territories (states, regions, or cities) as to who had the best model for economic development or the best business climate was relatively insignificant in the 1950s and 1960s. Competition of this sort heightened in the more fluid and open systems of trading relations established after 1970. The general progress of

neoliberalization has therefore been increasingly impelled *through* mechanisms of uneven geographical developments. Successful states or regions put pressure on everyone else to follow their lead. Leapfrogging innovations put this or that state (Japan, Germany, Taiwan, the US, or China), region (Silicon Valley, Bavaria, Third Italy, Bangalore, the Pearl River delta, or Botswana), or even city (Boston, San Francisco, Shanghai, or Munich) in the vanguard of capital accumulation. But the competitive advantages all too often prove ephemeral, introducing an extraordinary volatility into global capitalism. Yet it is also true that powerful impulses of neoliberalization have emanated, and even been orchestrated, from a few major epicentres.

Clearly, the UK and the US led the way. But in neither country was the turn unproblematic. While Thatcher could successfully privatize social housing and the public utilities, core public services such as the national health-care system and public education remained largely immune. In the US, the 'Keynesian compromise' of the 1960s had never got close to the achievements of social democratic states in Europe. The opposition to Reagan was therefore less combative. Reagan was, in any case, heavily preoccupied with the Cold War. He launched a deficit-funded arms race ('military Keynesianism') of specific benefit to his electoral majority in the US south and west. While this certainly did not accord with neoliberal theory, the rising Federal deficits did provide a convenient excuse to gut social programmes (a neoliberal objective).

In spite of all the rhetoric about curing sick economies, neither Britain nor the US achieved high levels of economic performance in the 1980s, suggesting that neoliberalism was not the answer to the capitalists' prayers. To be sure, inflation was brought down and interest rates fell, but this was all purchased at the expense of high rates of unemployment (averaging 7.5 per cent in the US during the Reagan years and more than 10 per cent in Thatcher's Britain). Cutbacks in state welfare and infrastructural expenditures diminished the quality of life for many. The overall result was an awkward mix of low growth and increasing income inequality. And in Latin America, where the first wave of forced neoliberalization struck in the early 1980s, the result was for the most part a whole 'lost decade' of economic stagnation and political turmoil.

The 1980s in fact belonged to Japan, the East Asian 'tiger' economies, and West Germany as competitive powerhouses of the global economy. Their success in the absence of any wholesale neoliberal reforms makes it difficult to argue that neoliberalization progressed on the world stage as a proven palliative of economic stagnation. To be sure, the central banks in these countries generally followed a monetarist line (the West German Bundesbank was particularly assiduous in combating inflation). And gradual reductions in trade barriers created competitive pressures that resulted in a subtle process of what might be called 'creeping neoliberalization' even in countries generally resistant to it. The Maastricht agreement of 1991, for example, which set a broadly neoliberal framework for the internal organization of the European Union, would not have been possible had there not been pressure from those states, such as Britain, that had committed themselves to neoliberal reforms. But in West Germany the trade unions remained strong, social protections were kept in place, and wage levels continued to be relatively high. This stimulated the technological innovation that kept West Germany well ahead of the field in international competition in the 1980s (though it also produced technologically induced unemployment).

Export-led growth powered the country forward as a global leader. In Japan, independent unions were weak or non-existent and rates of labour exploitation were high, but state investment in technological change and the tight relationship between corporations and banks (an arrangement that also proved felicitous in West Germany) generated an astonishing export-led growth performance in the 1980s, very much at the expense of the UK and the US. Such growth as there was in the 1980s did not depend, therefore, on neoliberalization except in the shallow sense that greater openness in global trade and markets provided the context in which the export-led success stories of Japan, West Germany, and the Asian 'tigers' could more easily unfold in the midst of intensifying international competition. By the end of the 1980s those countries that had taken the stronger neoliberal path still seemed to be in economic difficulty. It was hard not to conclude that the West German and Asian 'regimes' of accumulation were deserving of emulation. Many European states therefore resisted neoliberal reforms and embraced the West German model. In Asia, the Japanese model was broadly emulated first by the 'Gang of Four' (South Korea, Taiwan, Hong Kong, and Singapore) and then by Thailand, Malaysia, Indonesia, and the Philippines.

The West German and the Japanese models did not, however, facilitate the restoration of class power. The increases in social inequality to be found in the UK and particularly in the US during the 1980s were held in check. While rates of growth were low in the US and the UK, the standard of living of labour was declining significantly and the upper classes were beginning to do well. The rates of remuneration of US CEOs, for example, were becoming the envy of Europeans in comparable positions. In Britain, a new wave of entrepreneurial financiers began to consolidate large fortunes. If the project was to restore class power to the top elites, then neoliberalism was clearly the answer. Whether or not a country could be pushed towards neoliberalization then depended upon the balance of class forces (powerful union organization in West Germany and Sweden held neoliberalization in check) as well as upon the degree of dependency of the capitalist class on the state (very strong in Taiwan and South Korea).

The means whereby class power could be transformed and restored were gradually but unevenly put into place during the 1980s and consolidated in the 1990s. Four components were critical in this. First, the turn to more open financialization that began in the 1970s accelerated during the 1990s. Foreign direct investment and portfolio investment rose rapidly throughout the capitalist world. But it was spread unevenly, often depending on how good the business climate was here as opposed to there. Financial markets experienced a powerful wave of innovation and deregulation internationally. Not only did they become far more important instruments of co-ordination, but they also provided the means to procure and concentrate wealth. They became the privileged means for the restoration of class power. The close tie between corporations and the banks that had served the West Germans and the Japanese so well during the 1980s was undermined and replaced by an increasing connectivity between corporations and financial markets (the stock exchanges). Here Britain and the US had the advantage. In the 1990s, the Japanese economy went into a tailspin (led by a collapse in speculative land and property markets), and the banking sector was found to be in a parlous state. The hasty reunification of Germany created stresses, and the technological advantage that the Germans had earlier commanded



dissipated, making it necessary to challenge more deeply its social democratic tradition in order to survive.

Secondly, there was the increasing geographical mobility of capital. This was in part facilitated by the mundane but critical fact of rapidly diminishing transport and communications costs. The gradual reduction in artificial barriers to movement of capital and of commodities, such as tariffs, exchange controls, or, even more simply, waiting times at borders (the abolition of which in Europe had dramatic effects) also played an important role. While there was considerable unevenness (Japan's markets remained highly protected, for example), the general thrust was towards standardization of trade arrangements through international agreements that culminated in the World Trade Organization agreements that took effect in 1995 (more than a hundred countries had signed on within the year). This greater openness to capital flow (primarily US, European, and Japanese) put pressures on all states to look to the quality of their business climate as a crucial condition for their competitive success. Since a degree of neoliberalization was increasingly taken by the IMF and the World Bank as a measure of a good business climate, the pressure on all states to adopt neoliberal reforms ratcheted upwards.

Thirdly, the Wall Street–IMF–Treasury complex that came to dominate economic policy in the Clinton years was able to persuade, cajole, and (thanks to structural adjustment programmes administered by the IMF) coerce many developing countries to take the neoliberal road. The US also used the carrot of preferential access to its huge consumer market to persuade many countries to reform their economies along neoliberal lines (in some instances through bilateral trade agreements). These policies helped produce a boom in the US in the 1990s. The US, riding a wave of technological innovation that underpinned the rise of a so-called 'new economy', looked as if it had the answer and that its policies were worthy of emulation, even though the relatively full employment achieved was at low rates of pay under conditions of diminishing social protections (the number of people without health insurance grew). Flexibility in labour markets and reductions in welfare provision (Clinton's draconian overhaul of 'the welfare system as we know it') began to pay off for the US and put competitive pressures on the more rigid labour markets that prevailed in most of Europe (with the exception of Britain) and Japan. The real secret of US success, however, was that it was now able to pump high rates of return into the country from its financial and corporate operations (both direct and portfolio investments) in the rest of the world. It was this flow of tribute from the rest of the world that founded much of the affluence achieved in the US in the 1990s.

Lastly, the global diffusion of the new monetarist and neoliberal economic orthodoxy exerted an ever more powerful ideological influence. As early as 1982, Keynesian economics had been purged from the corridors of the IMF and the World Bank. By the end of the decade most economics departments in the US research universities – and these helped train most of the world's economists – had fallen into line by broadly cleaving to the neoliberal agenda that emphasized the control of inflation and sound public finance (rather than full employment and social protections) as primary goals of economic policy.

All of these strands came together in the so-called 'Washington Consensus' of the mid-1990s. The US and UK models of neoliberalism were there defined as the answer

to global problems. Considerable pressure was put even on Japan and Europe (to say nothing of the rest of the world) to take the neoliberal road. It was, therefore, Clinton and then Blair who, from the centre-left, did the most to consolidate the role of neoliberalism both at home and internationally. The formation of the World Trade Organization was the high point of this institutional thrust (though the creation of NAFTA and the earlier signing of the Maastricht accords in Europe were also significant regional institutional adjustments). Programmatically, the WTO set neoliberal standards and rules for interaction in the global economy. Its primary objective, however, was to open up as much of the world as possible to unhindered capital flow (though always with the caveat clause of the protection of key 'national interests'), for this was the foundation of the capacity of the US financial power as well as that of Europe and Japan, to exact tribute from the rest of the world.

[...]

# World Society and the Nation-State

John W. Meyer, John Boli, George M. Thomas,  
and Francisco O. Ramirez

This essay reviews arguments and evidence concerning the following proposition: *Many features of the contemporary nation-state derive from worldwide models constructed and propagated through global cultural and associational processes.* These models and the purposes they reflect (e.g., equality, socioeconomic progress, human development) are highly rationalized, articulated, and often surprisingly consensual. Worldwide models define and legitimate agendas for local action, shaping the structures and policies of nation-states and other national and local actors in virtually all of the domains of rationalized social life – business, politics, education, medicine, science, even the family and religion. The institutionalization of world models helps explain many puzzling features of contemporary national societies, such as structural isomorphism in the face of enormous differences in resources and traditions, ritualized and rather loosely coupled organizational efforts, and elaborate structuration to serve purposes that are largely of exogenous origins. World models have long been in operation as shapers of states and societies, but they have become especially important in the postwar era as the cultural and organizational development of world society has intensified at an unprecedented rate.

The operation of world society through peculiarly cultural and associational processes depends heavily on its statelessness. The almost feudal character of parcelized legal-rational sovereignty in the world has the seemingly paradoxical result of diminishing the causal importance of the organized hierarchies of power and interests celebrated in most “realist” social scientific theories. The statelessness of world

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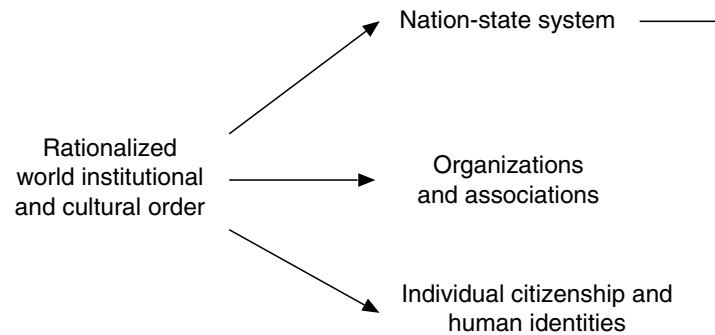
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society also explains, in good measure, the lack of attention of the social sciences to the coherence and impact of world society's cultural and associational properties. Despite Tocqueville's well-known analysis of the importance of cultural and associational life in the nearly stateless American society of the 1830s, the social sciences are more than a little reluctant to acknowledge patterns of influence and conformity that cannot be explained solely as matters of power relations or functional rationality. This reluctance is most acute with respect to global development. Our effort here represents, we hope, a partial corrective for it.

We are trying to account for a world whose societies, organized as nation-states, are structurally similar in many unexpected dimensions and change in unexpectedly similar ways. A hypothetical example may be useful to illustrate our arguments, and we shall carry the example throughout the essay. If an unknown society were "discovered" on a previously unknown island, it is clear that many changes would occur. A government would soon form, looking something like a modern state with many of the usual ministries and agencies. Official recognition by other states and admission to the United Nations would ensue. The society would be analyzed as an economy, with standard types of data, organizations, and policies for domestic and international transactions. Its people would be formally reorganized as citizens with many familiar rights, while certain categories of citizens – children, the elderly, the poor – would be granted special protection. Standard forms of discrimination, especially ethnic and gender based, would be discovered and decried. The population would be counted and classified in ways specified by world census models. Modern educational, medical, scientific, and family law institutions would be developed. All this would happen more rapidly, and with greater penetration to the level of daily life, in the present day than at any earlier time because world models applicable to the island society are more highly codified and publicized than ever before. Moreover, world-society organizations devoted to educating and advising the islanders about the models' importance and utility are more numerous and active than ever.

What would be unlikely to happen is also clear. Theological disputes about whether the newly discovered *Indios* had souls or were part of the general human moral order would be rare. There would be little by way of an imperial rush to colonize the island. Few would argue that the natives needed only modest citizenship or human rights or that they would best be educated by but a few years of vocational training.

Thus, without knowing anything about the history, culture, practices, or traditions that obtained in this previously unknown society, we could forecast many changes that, upon "discovery," would descend on the island under the general rubric of "development." Our forecast would be imprecise because of the complexity of the interplay among various world models and local traditions, but the likely range of outcomes would be quite limited. We can identify the range of possibilities by using the institutionalist theoretical perspective underlying the analysis in this essay to interpret what has already happened to practically all of the societies of the world after their discovery and incorporation into world society. [...]



**Figure 9.1** The world as enactment of culture.

## Explanatory Models

Most analyses see nation-states as collective actors – as products of their own histories and internal forces. We emphasize instead models of the sort depicted in figure 9.1.

Figure 9.1 presents the view that nation-states are more or less exogenously constructed entities – the many individuals both inside and outside the state who engage in state formation and policy formulation are enactors of scripts rather more than they are self-directed actors. The social psychology at work here is that of Goffman or Snow, emphasizing dramaturgical and symbolic processes in place of the hard-boiled calculation of interests assumed by rationalistic actor-centric approaches.

We have deliberately oversimplified figure 9.1 because the proposition we are examining focuses on the enactment dimension of world-societal development. Of course, states, organizations, and individuals also contribute to the content and structure of world culture, and much world-cultural change and elaboration occur within transnational organizations and associations independent of lower-level units. A more complete figure would depict recursive processes among the constituent parts of world society, but here we concentrate on enactment processes.

The exogenous cultural construction of the nation-state model makes it easy and “natural” for standard sociopolitical forms to arise in our island society. Models and measures of such national goals as economic progress and social justice are readily available and morally compelling. Also available are model social problems, defined as the failure to realize these goals, that make it easy to identify and decry such failures as inefficient production methods or violations of rights. Alongside these are prescriptions about standardized social actors and policies that are to be engaged in the effort to resolve these newly recognized problems. All this is widely known and ready for implementation. [...]

## Isomorphism and Isomorphic Change

Given other perspectives’ emphases on the heterogeneity of economic and political resources (realist theories) or on local cultural origins (microphenomenological theories), most lines of thought anticipate striking diversity in political units around

the world and in these units' trajectories of change. Our argument accounts for the similarities researchers often are surprised to find. It explains why our island society, despite all the possible configurations of local economic forces, power relationships, and forms of traditional culture it might contain, would promptly take on standardized forms and soon appear to be similar to a hundred other nation-states around the world.

Take the example of women in higher education. Microrealist or functional actor-centric models suggest that female enrollments in universities would increase in developed economies much more than elsewhere. Macrorealist arguments imply that female enrollments would expand in the core much more than the periphery, while micro-phenomenological arguments point to rising female enrollments in Western but not Islamic countries. However, female enrollments have expanded rapidly everywhere, and in about the same time period – a period in which world societal discourse has emphasized female equality. This finding makes sense only if common world forces are at work.

Isomorphic developments leading to the same conclusion are reported in studies of many other nation-state features: constitutional forms emphasizing both state power and individual rights, mass schooling systems organized around a fairly standard curriculum, rationalized economic and demographic record keeping and data systems, antinatalist population control policies intended to enhance national development, formally equalized female status and rights, expanded human rights in general, expansive environmental policies, development-oriented economic policy, universalistic welfare systems, standard definitions of disease and health care, and even some basic demographic variables. Theories reasoning from the obviously large differences among national economies and cultural traditions have great difficulty accounting for these observed isomorphisms, but they are sensible outcomes if nation-states are enactments of the world cultural order. [...]

### **Processes of World Society's Impact on Nation-States**

So far we have argued that the observable isomorphism among nation-states supports our proposition that these entities derive from models embedded in an overarching world culture. What processes in world society construct and shape these "actors" to produce such isomorphism? The usual approach to answering this question would seek to identify mechanisms whereby actors rationally pursuing their interests make similar choices and decisions. This approach implicitly assumes that actor definitions and interests are largely fixed and independent of culture. We find it more useful and revealing to focus on processes that produce or reconstruct the actors themselves. We identify three processes by which world-societal elements authorize and fashion national states: the construction of identity and purpose, systemic maintenance of actor identity, and legitimation of the actorhood of such subnational units as individuals and organized interests.

## Construction of nation-state identity and purpose

World society contains much cultural material authoritatively defining the nation-state as the preferred form of sovereign, responsible actor. The external recognition and construction of sovereign statehood has been a crucial dimension of the Western system for centuries, with new claimants especially dependent on obtaining formal recognition from dominant powers. With the anticolonial and self-determination movements of the twentieth century, all sorts of collectivities have learned to organize their claims around a nation-state identity, and the consolidation of the United Nations system has provided a central forum for identity recognition that diminishes the importance of major states. Entry into the system occurs, essentially, via application forms (to the United Nations and other world bodies) on which the applicant must demonstrate appropriately formulated assertions about sovereignty and control over population and territory, along with appropriate aims and purposes.

More than 130 new nation-state entities have formed since 1945. They consistently proclaim, both internally and externally, their conformity to worldwide models of national identity and state structure. So, too, would our island society. But older states, too, have learned to adapt to changes in these models. Thus, through both selection and adaptation, the system has expanded to something close to universality of the nation-state form. Realist theories, grounding their analyses in each country's particular resources and history, would predict a much wider variety of forms, including the retention of older statuses such as formal dependency or indirect incorporation of small or weak entities.

World-cultural models of sovereign identity take concrete form in particular state structures, programs, and policies. As described above, worldwide models of the rationalized nation-state actor define appropriate constitutions, goals, data systems, organization charts, ministry structures, and policies. Models also specify standard forms for the cultural depiction of national identity. Methods of constructing national culture through traditions, museums, tourism, and national intellectual culture are highly stylized. Nation-states are theorized or imagined communities drawing on models that are lodged at the world level.

Often, copying world models or conventions amounts to simple mimesis that has more to do with knowing how to fill in forms than with managing substantive problems. For instance, to compile comparable educational enrollment data in the 1950s, UNESCO statisticians chose to report enrollments for a six-year primary level and three-year junior and senior secondary levels. In ensuing decades, many countries structured their mass schooling systems around this six-year/three-year/three-year model, generally without investigating whether it would best meet any of the presumed purposes of schooling.

Strang shows the extraordinary impact of the legitimized identity system on the survival and stability of states. Throughout modern history, dependent territories have moved to sovereign statehood at a steadily increasing rate that accelerated rapidly in the postwar period. Once sovereign, countries almost never revert to dependence. Even the breakup of the Soviet Union produced not dependent

territories but formally sovereign nation-states, unprepared as some of the former republics were for this status. Thus, it is highly unlikely that our island society would be incorporated as a dependent territory of an extant nation-state; this would be too great a violation of the legitimized right to self-determination. Moreover, establishing the island society's sovereign status in the international system would stabilize its new state, though it would not preclude, and might even increase, instability in the state's government.

Orientation to the identity and purposes of the nation-state model increases the rate at which countries adopt other prescribed institutions of modernity. Having committed themselves to the identity of the rationalizing state, appropriate policies follow – policies for national development, individual citizenship and rights, environmental management, foreign relations. These policies are depicted as if they were autonomous decisions because nation-states are defined as sovereign, responsible, and essentially autonomous actors. Taking into account the larger culture in which states are embedded, however, the policies look more like enactments of conventionalized scripts. Even if a state proclaims its opposition to the dominant world identity models, it will nevertheless pursue many purposes within this model. It will develop bureaucratic authority and attempt to build many modern institutions, ranging from a central bank to an educational system. It will thereby find itself modifying its traditions in the direction of world-cultural forms.

### Systemic maintenance of nation-state actor identity

If a specific nation-state is unable to put proper policies in place (because of costs, incompetence, or resistance), world-society structures will provide help. This process operates more through authoritative external support for the legitimate purposes of states than through authoritarian imposition by dominant powers or interests. For example, world organizations and professionalized ideologies actively encourage countries to adopt population control policies that are justified not as good for the world as a whole but as necessary for national development. National science policies are also promulgated as crucial to national development; before this link was theorized, UNESCO efforts to encourage countries to promote science failed to diffuse. As this example illustrates, international organizations often posture as objective disinterested others who help nation-states pursue their exogenously derived goals.

Resistance to world models is difficult because nation-states are formally committed, as a matter of identity, to such self-evident goals as socioeconomic development, citizen rights, individual self-development, and civil international relations. If a particular regime rhetorically resists world models, local actors can rely on legitimacy myths (democracy, freedom, equality) and the ready support of activist external groups to oppose the regime. Nation-state “choices” are thus less likely to conflict with world-cultural prescriptions than realist or microphenomenological theories anticipate because both nation-state choices and world pressures derive from the same overarching institutions.



## Legitimation of subnational actors and practices

World-cultural principles license the nation-state not only as a managing central authority but also as an identity-supplying nation. Individual citizenship and the sovereignty of the people are basic tenets of nationhood. So too are the legitimacy and presumed functional necessity of much domestic organizational structure, ranging from financial market structures to organizations promoting individual and collective rights (of labor, ethnic groups, women, and so on). World-society ideology thus directly licenses a variety of organized interests and functions. Moreover, in pursuing their externally legitimated identities and purposes by creating agencies and programs, nation-states also promote the domestic actors involved. Programs and their associated accounting systems increase the number and density of types of actors, as groups come forward to claim newly reified identities and the resources allocated to them.

A good example is the rise of world discourse legitimating the human rights of gays and lesbians, which has produced both national policy changes and the mobilization of actors claiming these rights. As nation-states adopt policies embodying the appropriate principles, they institutionalize the identity and political presence of these groups. Of course, all these “internally” generated changes are infused with world-cultural conceptions of the properly behaving nation-state.

Hence, if a nation-state neglects to adopt world-approved policies, domestic elements will try to carry out or enforce conformity. General world pressures favoring environmentalism, for example, have led many states to establish environmental protection agencies, which foster the growth of environmental engineering firms, activist groups, and planning agencies. Where the state has not adopted the appropriate policies, such local units and actors as cities, schools, scout troops, and religious groups are likely to practice environmentalism and call for national action. Thus, world culture influences nation-states not only at their centers, or only in symbolic ways, but also through direct connections between local actors and world culture. Such connections produce many axes of mobilization for the implementation of world-cultural principles and help account for similarities in mobilization agendas and strategies in highly disparate countries.

Explicit rejection of world-cultural principles sometimes occurs, particularly by nationalist or religious movements whose purported opposition to modernity is seen as a threat to geopolitical stability. While the threat is real enough, the analysis is mistaken because it greatly underestimates the extent to which such movements conform to rationalized models of societal order and purpose. These movements mobilize around principles inscribed in world-cultural scripts, derive their organizing capacity from the legitimacy of these scripts, and edit their supposedly primordial claims to maximize this legitimacy. By and large, they seek an idealized modern community undergoing broad-based social development where citizens (of the right sort) can fully exercise their abstract rights. While they violate some central elements of world-cultural ideology, they nonetheless rely heavily on other elements. For example, religious “fundamentalists” may reject the extreme naturalism of modernity by making individuals accountable to an unchallengeable god, but they nevertheless exhort their people to embrace such key world-cultural elements as nation building, mass schooling, rationalized health care, and professionalization. They also

are apt to reformulate their religious doctrine in accordance with typical modern conceptions of rational-moral discipline. In general, nationalist and religious movements intensify isomorphism more than they resist it. [...]

## Conclusion

A considerable body of evidence supports our proposition that world-society models shape nation-state identities, structures, and behavior via worldwide cultural and associational processes. Carried by rationalized others whose scientific and professional authority often exceeds their power and resources, world culture celebrates, expands, and standardizes strong but culturally somewhat tamed national actors. The result is nation-states that are more isomorphic than most theories would predict and change more uniformly than is commonly recognized. As creatures of exogenous world culture, states are ritualized actors marked by extensive internal decoupling and a good deal more structuration than would occur if they were responsive only to local cultural, functional, or power processes.

As the Western world expanded in earlier centuries to dominate and incorporate societies in the larger world, the penetration of a universalized culture proceeded hesitantly. Westerners could imagine that the locals did not have souls, were members of a different species, and could reasonably be enslaved or exploited. Inhabiting a different moral and natural universe, non-Western societies were occasionally celebrated for their noble savagery but more often cast as inferior groups unsuited for true civilization. Westerners promoted religious conversion by somewhat parochial and inconsistent means, but broader incorporation was ruled out on all sorts of grounds. Education and literacy were sometimes prohibited, rarely encouraged, and never generally provided, for the natives were ineducable or prone to rebellion. Rationalized social, political, and economic development (e.g., the state, democracy, urban factory production, modern family law) was inappropriate, even unthinkable. Furthermore, the locals often strongly resisted incorporation by the West. Even Japan maintained strong boundaries against many aspects of modernity until the end of World War II, and Chinese policy continues a long pattern of resistance to external "aid."

The world, however, is greatly changed. Our island society would obviously become a candidate for full membership in the world community of nations and individuals. Human rights, state-protected citizen rights, and democratic forms would become natural entitlements. An economy would emerge, defined and measured in rationalized terms and oriented to growth under state regulation. A formal national polity would be essential, including a constitution, citizenship laws, educational structures, and open forms of participation and communication. The whole apparatus of rationalized modernity would be mobilized as necessary and applicable; internal and external resistance would be stigmatized as reactionary unless it was couched in universalistic terms. Allowing the islanders to remain imprisoned in their society, under the authority of their old gods and chiefs and entrapped in primitive economic technologies, would be unfair and discriminatory, even though the passing of their traditional society would also occasion nostalgia and regret.

Prevailing social theories account poorly for these changes. Given a dynamic socio-cultural system, realist models can account for a world of economic and political absorption, inequality, and domination. They do not well explain a world of formally equal, autonomous, and expansive nation-state actors. Microcultural or phenomenological lines of argument can account for diversity and resistance to homogenization, not a world in which national states, subject to only modest coercion or control, adopt standard identities and structural forms.

We argue for the utility of recognizing that rationalized modernity is a universalistic and inordinately successful form of the earlier Western religious and post-religious system. As a number of commentators have noted, in our time the religious elites of Western Christendom have given up on the belief that there is no salvation outside the church. That postulate has been replaced by the belief among almost all elites that salvation lies in rationalized structures grounded in scientific and technical knowledge – states, schools, firms, voluntary associations, and the like. The new religious elites are the professionals, researchers, scientists, and intellectuals who write secularized and unconditionally universalistic versions of the salvation story, along with the managers, legislators, and policymakers who believe the story fervently and pursue it relentlessly. This belief is worldwide and structures the organization of social life almost everywhere.

The colossal disaster of World War II may have been a key factor in the rise of global models of nationally organized progress and justice, and the Cold War may well have intensified the forces pushing human development to the global level. If the present configuration of lowered systemic (if not local) tensions persists, perhaps both the consensuality of the models and their impact on nation-states will decline. On the other hand, the models' rationalized definitions of progress and justice (across an ever broadening front) are rooted in universalistic scientific and professional definitions that have reached a level of deep global institutionalization. These definitions produce a great deal of conflict with regard to their content and application, but their authority is likely to prove quite durable.

Many observers anticipate a variety of failures of world society, citing instances of gross violations of world-cultural principles (e.g., in Bosnia), stagnant development (e.g., in Africa), and evasion of proper responsibility (in many places). In our view, the growing list of perceived "social problems" in the world indicates not the weakness of world-cultural institutions but their strength. Events like political torture, waste dumping, or corruption, which not so long ago were either overlooked entirely or considered routine, local, specific aberrations or tragedies, are now of world-societal significance. They violate strong expectations regarding global integration and propriety and can easily evoke world-societal reactions seeking to put things right. A world with so many widely discussed social problems is a world of Durkheimian and Simmelian integration, however much it may also seem driven by disintegrative tendencies.

# Globalization as a Problem

Roland Robertson

## The Crystallization of a Concept and a Problem

Globalization as a concept refers both to the compression of the world and the intensification of consciousness of the world as a whole. The processes and actions to which the concept of globalization now refers have been proceeding, with some interruptions, for many centuries, but the main focus of the discussion of globalization is on relatively recent times. In so far as that discussion is closely linked to the contours and nature of modernity, globalization refers quite clearly to recent developments. In the present book globalization is conceived in much broader terms than that, but its main empirical focus is in line with the increasing acceleration in both concrete global interdependence and consciousness of the global whole in the twentieth century. But it is necessary to emphasize that globalization is not equated with or seen as a direct consequence of an amorphously conceived modernity.

Use of the noun 'globalization' has developed quite recently. Certainly in academic circles it was not recognized as a significant concept, in spite of diffuse and intermittent usage prior to that, until the early, or even middle, 1980s. During the second half of the 1980s its use increased enormously, so much so that it is virtually impossible to trace the patterns of its contemporary diffusion across a large number of areas of contemporary life in different parts of the world. By now, even though the term is often used very loosely and, indeed, in contradictory ways, it has *itself* become part of 'global consciousness,' an aspect of the remarkable proliferation of terms centred

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upon 'global.' Although the latter adjective has been in use for a long time (meaning, strongly, worldwide; or, more loosely, 'the whole'), it is indicative of our contemporary concern with globalization that the *Oxford Dictionary of New Words* (1991) actually includes 'global' as a *new* word, focusing specifically, but misleadingly, on its use in 'environmental jargon.' That same *Dictionary* also defines 'global consciousness' as 'receptiveness to (and understanding) of cultures other than one's own, often as part of an appreciation of world socio-economic and ecological issues.' It maintains that such a use has been much influenced by Marshall McLuhan's idea of 'the global village,' introduced in his book *Explorations in Communication* (1960). The notion of compression, or 'shrinking,' is indeed present in that influential book about the shared simultaneity of media, particularly televisual, experience in our time. There can be little doubt that McLuhan both reflected and shaped media trends, so much so that in time we have come to witness (self-serving) media attempts to consolidate the idea of the global *community*. On the other hand the media fully acknowledge the 'nationality' of particular media systems, and report at length on the tough realities of international relations, wars and so on. Such realities are far from the communal connotations which some have read into McLuhan's imagery. In the same period when McLuhan's notion of the global village was becoming influential there occurred the 'expressive revolution' of the 1960s. That was, to put it very simply, a 'revolution' in consciousness among the young in numerous parts of the world, centred upon such themes as liberation and love, in both individual and collective terms. In fact the *Oxford Dictionary of New Words* maintains that the current term 'global consciousness ... draws on the fashion for *consciousness-raising* in the sixties' (1991).

Undoubtedly the 1960s 'revolution' in consciousness had an important effect in many parts of the world, in its sharpening of the sense of what was supposedly common to all in an increasingly tight-knit world. Yet, as we will see more fully, this sense of global interdependence has rapidly become recognized in numerous other, relatively independent, domains and fora. World wars, particularly World War II with its 'humanity-shaking' events and its aftermath, the rise of what became known as the Third World, the proliferation of international, transnational and supranational institutions and the attempts to coordinate what has become known as the global economy have played crucial parts in the twofold process of 'objective' and 'subjective' 'globalization.' And surely McLuhan's own Catholic-tinged observations concerning the media-centred 'global village' were partly shaped by such developments. [...]

### Coming to Terms with the World as a Whole

[...] My model of what, in the most flexible terms, may be called the global field is centred on the way(s) in which we think about globality in relation to the basic makeup of that field. My formulation is more multifaceted than that of Dumont, in that I think in terms of four major aspects, or reference points, rather than two. These are *national societies*; *individuals*, or more basically, *selves*; *relationships between national societies*, or *the world system of societies*; and, in the generic sense, *mankind*, which, to avoid misunderstanding, I frequently call *humankind*. [...]

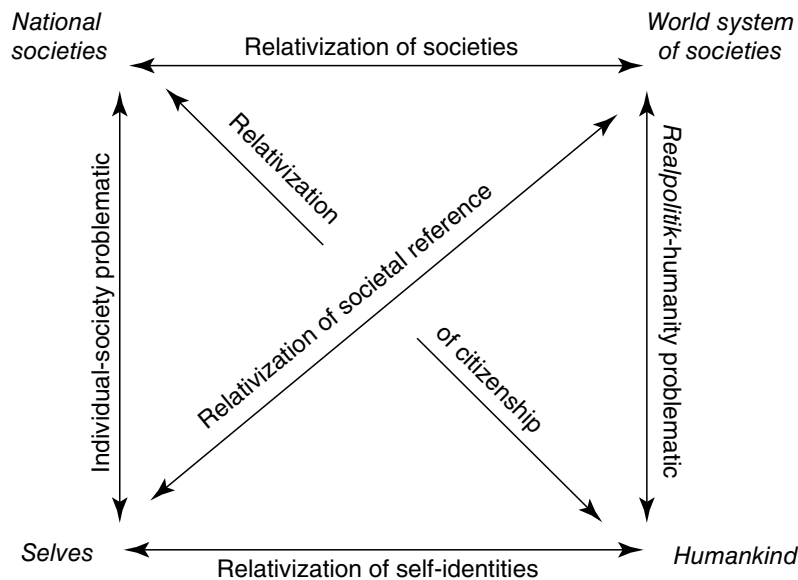
In the broadest sense I am concerned with the way(s) in which the world is ordered. Whereas I am setting out this model of order in what may appear to be formal terms, the intent which actually guides it is to inject *flexibility* into our considerations of 'totality.' In so far as we think about the world as a whole, we are inevitably involved in a certain kind of what is sometimes pejoratively called totalistic analysis. But even though my scheme does involve a 'totalizing' tendency, it does so partly in order to comprehend *different* kinds of orientation to the global circumstance. It will be seen that movements, individuals and other actors perceive and construct the order (or disorder) of the world in a number of different ways. In *that* sense what my model does is to facilitate interpretation and analysis of such variation. So there is a crucial difference between imposing a model of the global field on all the present and potential actors in that field and setting out a model which facilitates comprehension of variation in that field. The latter is an important consideration. My interest is in how order is, so to speak, *done*; including order that is 'done' by those seeking explicitly to establish legal principles for the ordering of the world. To put it yet another way, my model is conceived as an attempt to make analytical and interpretive sense of how quotidian actors, collective or individual, go about the business of conceiving of the world, including attempts to *deny* that the world is one.

Nevertheless, in spite of my acknowledgment of certain denials of global wholeness, I maintain that the trends towards the unicity of the world are, when all is said and done, inexorable. [...]

Globalization refers in this particular sense to the coming into, often problematic, conjunction of different forms of life. This cannot be accurately captured in the simple proposition that globalization is 'a consequence of modernity,' which I consider specifically towards the end of this volume. Present concern with globality and globalization cannot be comprehensively considered simply as an aspect or outcome of the Western 'project' of modernity or, except in very broad terms, enlightenment. In an increasingly globalized world there is a heightening of civilizational, societal, ethnic, regional and, indeed individual, self-consciousness. There are constraints on social entities to locate themselves within world history and the global future. Yet globalization in and of itself also involves the diffusion of the *expectation* of such identity declarations.

This model, which is presented diagrammatically in Figure 10.1, gives the basic outline of what I here call the global field but which for other purposes I call the global-human condition. The figure indicates the four major components, or reference points, of the conception of globality, the basic way in which we are able as empirically informed analysts to 'make sense' of globality, as well as the form in terms of which globalization has in the last few centuries actually proceeded. Discussion of different, or alternative, forms in terms of which globalization *might* have occurred or, indeed, did partially occur are discussed in later chapters. To provide an example at this stage, it is clear that Islam historically has had a general 'globalizing' thrust; but had that potential form of globalization succeeded we would now almost certainly comprehend contemporary 'globality' differently. There would be a need for a different kind of model.

The model is presented in primary reference to twentieth-century developments. In that it partly summarizes such developments it draws attention to increasing,



**Figure 10.1** The global field.

interrelated thematizations of societies, individual selves, international relations and humankind. At the same time, it opens the way to the discussion and study of the ways in which the general pattern came historically to prevail. It also allows for different, indeed conflicting, empirical emphases within 'the field' [...]

First, while I have emphasized that my perspective allows for empirical variation with respect to what later I call images of world order and that my primary task in analyzing globalization is to lay bare and open up relatively neglected aspects of that theme, there are clearly moral and critical dimensions of my approach to globalization. I will only mention the most general here. There is certainly a sense in which I am trying to tackle directly the problem of *global complexity*, a point which will become even clearer when I address the question of the shifting contents of the four major components of my model. It will, I hope, also become clear that I am arguing for the moral acceptance of that complexity. In other words, complexity becomes something like a moral issue in its own right. Specifically, the way in which I tackle the issues of globality and globalization suggests that in order for one to have a 'realistic' view of the world as a whole one must, at least in the contemporary circumstance, accept in principle the relative autonomy of each of the four main components and that, by the same token, one should acknowledge that each of the four is in one way or another constrained by the other three. In one sense, then, overemphasis on one to the expense of attention to the other three constitutes a form of 'fundamentalism.' Simply put, one cannot and should not wish away the reality of one or more aspects of the terms in which globalization has been proceeding. This certainly does not exhaust the issue of the extent to which my approach to globalization is moral and critical. But it must suffice for the moment.

Second, there is the issue of the processes which bring about globalization – the 'causal mechanisms' or the 'driving forces.' What happens here to arguments about the dynamics of capitalism and the forces of imperialism which have undoubtedly played a large part in bringing the world into an increasingly compressed condition?

In arguing that mine is a cultural perspective on globalization I do not wish to convey the idea that I consider the matter of 'the forces' or 'the mechanisms' of globalization unimportant. However, I am well aware that that is well-trodden ground. The spread of Western capitalism and the part played by imperialism have been addressed at great length, as has the increasingly complex crystallization of the contemporary global economy. In contrast, the discussion of the disputed terms in which globalization has occurred and is occurring has been greatly neglected. It is that and directly related issues which form the main concern ..., and it is hoped that such a cultural focus will place work in the more traditional vein in a new light. While the use of the term 'culture' here is certainly not as broad and all-embracing as is to be found in some tendencies within the relatively new field of cultural studies, it is employed much more fluidly and adventurously than in conventional sociological work. In particular, my approach is used to demonstrate discontinuities and differences, rather than the traditional sociological view of culture as integrating. It is also meant to indicate a particular way of doing sociology, rather than a sociology that concentrates on culture as such.

Third, in my representation of the global field I have emphasized a number of processes of *relativization*. That term is meant to indicate the ways in which, as globalization proceeds, challenges are increasingly presented to the stability of particular perspectives on, and collective and individual participation in, the overall globalization process. As I have said, this picture of the global field has been produced in primary reference to contemporary globality and globalization. It is an ideal-typical representation of what is meant here by global complexity. In one important respect it indicates overall processes of differentiation in so far as global complexity is concerned. Broadly speaking, application of the model involves the view that processes of differentiation of the main spheres of globality increase over time. Thus differentiation between the spheres was much lower in earlier phases of globalization; while the effects of such differentiation have been encountered unevenly and with different responses in different parts of the world. [...]

## Globalization and the Search for Fundamentals

The approach to globalization which I have been advocating takes its departure from empirical generalizations concerning the rapidly increasing compression of the entire world into a single, global field and conceptual ideas about the ways in which the world as a whole should be 'mapped' in broadly sociological terms. The two strands of elaboration are, of course, closely linked. In the relatively early stage of my attempts to theorize the topic of globalization the issue of 'fundamentalism' was conspicuous. Indeed it was partly in order to account for the resurgence of religious fundamentalism in the late 1970s and early 1980s that I revitalized my longstanding interest in 'international' phenomena. Coming to terms with fundamentalism and related issues has been a prominent aspect of my work on globalization, even though over the last ten years or so I have revised my thinking about the relationship between globalization and fundamentalism (more generally 'the search for fundamentals').



Whereas my first formulations tended to see politicoreligious fundamentalism as resulting largely from compression of the *inter-societal system* (fundamentalism as an attempt to express society identity), my more recent attempts to grasp analytically the more general problem of the assertion of 'deep particularity' on the global scene have centred upon the global construction and dissemination of ideas concerning the value of particularism. The first perspective involves an emphasis on space-time compression leading to the felt necessity for societies (and regions and civilizations, as well as 'subnational' entities) to declare their identities for both internal and external purposes. It tends to involve a focus on fundamentalism as a *reaction* to, rather than as an aspect – or, indeed, a creation – of, globalization; although that was not the exclusive focus of my earlier perspective. The second approach involves a more definite stress on the idea that the expectation of identity declaration is built into the general process of globalization. This does not mean that the notion of fundamentalism as reaction or resistance is thereby relinquished, but that that possibility is now viewed in a more general frame.

There have been four major focal points of the dominant globalization process since the sixteenth century: *nationally constituted societies*; *the international system of societies*; *individuals*; and *humankind*. At the risk of repetition, my argument in this respect can be restated. It is largely in terms of the enhancement of each of these reference points, in the sense of their being tangibly crystallized, and the raising of problems about the relationships between them that the globalization process has proceeded in recent centuries. At the same time there have been changes in the ways in which each of these major components of the overall global circumstance has been operatively constructed. All of this means that we have to conceive of the concept of globalization as having primarily to do with *the form* in terms of which the world has moved towards unicity. So when we speak of globalization we must realize that we are referring above all to a relatively specific path that the world has taken in the direction of it becoming singular. The world could in theory, as I have argued, have become a single entity along different trajectories – without, for example, involving the salience of the national society which has *actually* been a vital ingredient of the overall globalization process. [...]

## Universalism and Particularism Globalized

In my perspective globalization in what I call its primary sense is a relatively autonomous process. Its central *dynamic* involves the twofold process of the particularization of the universal and the universalization of the particular. The particularization of the universal, defined as the global concretization of the problem of universality, has become the occasion for the search for *global* fundamentals. In other words, the current phase of very rapid globalization facilitates the rise of movements concerned with the 'real meaning' of the world, movements (and individuals) searching for the meaning of the world as a whole. The universalization of the particular refers to the global universality of the search for the particular, for increasingly fine-grained modes of identity presentation. To put it as sharply as possible, I propose that 'fundamentalism'

is a mode of thought and practice which has become almost globally institutionalized, in large part, as far as the twentieth century is concerned, in terms of the norm of national self-determination, announced after World War I by Woodrow Wilson, given new life after World War II with respect to what became known as the Third World, and then expanded on a global scale to all manner of 'entities' from the 1960s onwards. In so far as analysts see 'the search' entirely in terms of an atavistic response to globalization they are failing to deal with the participatory aspect of globalization. This does not mean that there are no atavistic, isolationist or anti-global responses to globalization. But we have to be very careful in delineating these. They are by no means self-evident. [...]

In addressing globalization I have paid particular attention to what I have called the take-off period of modern globalization, lasting from about 1870 through to the mid-1920s; and I have been struck by the extent to which in that period the general issue of the coordination of the particular and the universal received widespread practical and political attention. This was a time when there was great emphasis on the need to invent tradition and national identity within the context of an increasingly compressed, globalized world. Indeed much of the desire to invent tradition and identity derived from the contingencies of global compression and the concomitant spread of expectations concerning these. During the period lasting from about 1870 to 1925 basic geohuman contingencies were formally worked out in such terms as the time-zoning of the world and the establishment of the international dateline; the near-global adoption of the Gregorian calendar and the adjustable seven-day week; and the establishment of international telegraphic and signaling codes. At the same time, there arose movements which were specifically concerned with the relationship between the local and the panlocal, one of the most notable being the ecumenical movement which sought to bring the major 'world' religious traditions into a coordinated, concultural discourse. On the secular front, the international socialist movement had parallel aims, but it was even more ambitious in that it sought to overcome *strong* particularism in the name of internationalism. A more specific case is provided by the rise at the end of the nineteenth century of the International Youth Hostel movement, which attempted an international coordination of particularistic, 'back to nature' ventures. Other particular-universal developments of the time include the modern Olympic Games and Nobel prizes. The contemporary use of such terms as 'fundamentals' and 'fundamentalism' was also established, mainly in the USA, in the same period.

What is particularly significant about this period is that the material circumstance of the world (as a heliocentric globe) was, as it were, dealt with in relationship to the rapidly spreading consciousness of the global world as such, greatly facilitated by recently developed rapid means of travel and communication, such as the airplane and the wireless. One crucial aspect of these trends was that events and circumstances previously segregated in space and time increasingly came to be considered as simultaneous in terms of categories which were universalistically particular and particularistically universal. Spatial and temporal categories and measures were globally institutionalized so as to both accentuate consciousness of difference and to universalize difference.

Needless to say, such developments did not emerge *de novo* during the period in question. The steady growth in map-making and its globalization, the interpenetration of modes of 'travelers' tales,' the growth of postal services, the increase in the spread of travel, the early rise of tourism – all these, and still other, developments lay in the background to the rapid trends of the crucial take-off period of modern globalization. One particularly important development of a somewhat different kind concerned what has been called the politicization of archeology in the mid-nineteenth century. As we have seen, in that earlier period the monuments of classical and biblical civilization in Egypt, Mesopotamia, Greece and other areas of the Near and Middle East became national quests, within the context of increasingly international and industrialized society. In turn these monuments have become the bases of the official national symbols of the peoples of the Middle East and the eastern Mediterranean. Now in those areas both local and non-local archeologists are shaping 'a new past for the peoples of that region.' All of this began, it should be remembered, in a period of great (often imperial) concern with the unification of humankind.

In sum I argue that the search for fundamentals – in so far as it exists on any significant scale – is to a considerable degree both a contingent feature of globalization and an aspect of global culture. In a sense 'fundamentalism within limits' makes globalization work. [...]

# Disjuncture and Difference in the Global Cultural Economy

Arjun Appadurai

It takes only the merest acquaintance with the facts of the modern world to note that it is now an interactive system in a sense that is strikingly new. Historians and sociologists, especially those concerned with translocal processes and the world systems associated with capitalism, have long been aware that the world has been a congeries of large-scale interactions for many centuries. Yet today's world involves interactions of a new order and intensity. Cultural transactions between social groups in the past have generally been restricted, sometimes by the facts of geography and ecology, and at other times by active resistance to interactions with the Other (as in China for much of its history and in Japan before the Meiji Restoration). Where there have been sustained cultural transactions across large parts of the globe, they have usually involved the long-distance journey of commodities (and of the merchants most concerned with them) and of travelers and explorers of every type. The two main forces for sustained cultural interaction before this century have been warfare (and the large-scale political systems sometimes generated by it) and religions of conversion, which have sometimes, as in the case of Islam, taken warfare as one of the legitimate instruments of their expansion. Thus, between travelers and merchants, pilgrims and conquerors, the world has seen much long-distance (and long-term) cultural traffic. This much seems self-evident.

But few will deny that given the problems of time, distance, and limited technologies for the command of resources across vast spaces, cultural dealings between socially and spatially separated groups have, until the past few centuries, been bridged

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at great cost and sustained over time only with great effort. The forces of cultural gravity seemed always to pull away from the formation of large-scale ecumenes, whether religious, commercial, or political, toward smaller-scale accretions of intimacy and interest.

Sometime in the past few centuries, the nature of this gravitational field seems to have changed. Partly because of the spirit of the expansion of Western maritime interests after 1500, and partly because of the relatively autonomous developments of large and aggressive social formations in the Americas (such as the Aztecs and the Incas), in Eurasia (such as the Mongols and their descendants, the Mughals and Ottomans), in island Southeast Asia (such as the Buginese), and in the kingdoms of precolonial Africa (such as Dahomey), an overlapping set of ecumenes began to emerge, in which congeries of money, commerce, conquest, and migration began to create durable cross-societal bonds. This process was accelerated by the technology transfers and innovations of the late eighteenth and nineteenth centuries, which created complex colonial orders centered on European capitals and spread throughout the non-European world. This intricate and overlapping set of Eurocolonial worlds (first Spanish and Portuguese, later principally English, French, and Dutch) set the basis for a permanent traffic in ideas of peoplehood and selfhood, which created the imagined communities of recent nationalisms throughout the world.

With what Benedict Anderson has called “print capitalism,” a new power was unleashed in the world, the power of mass literacy and its attendant large-scale production of projects of ethnic affinity that were remarkably free of the need for face-to-face communication or even of indirect communication between persons and groups. The act of reading things together set the stage for movements based on a paradox – the paradox of constructed primordialism. There is, of course, a great deal else that is involved in the story of colonialism and its dialectically generated nationalisms, but the issue of constructed ethnicities is surely a crucial strand in this tale.

But the revolution of print capitalism and the cultural affinities and dialogues unleashed by it were only modest precursors to the world we live in now. For in the past century, there has been a technological explosion, largely in the domain of transportation and information, that makes the interactions of a print-dominated world seem as hard-won and as easily erased as the print revolution made earlier forms of cultural traffic appear. For with the advent of the steamship, the automobile, the airplane, the camera, the computer, and the telephone, we have entered into an altogether new condition of neighborliness, even with those most distant from ourselves. Marshall McLuhan, among others, sought to theorize about this world as a “global village,” but theories such as McLuhan’s appear to have overestimated the communitarian implications of the new media order. We are now aware that with media, each time we are tempted to speak of the global village, we must be reminded that media create communities with “no sense of place.” The world we live in now seems rhizomic, even schizophrenic, calling for theories of rootlessness, alienation, and psychological distance between individuals and groups on the one hand, and fantasies (or nightmares) of electronic propinquity on the other. Here, we are close to the central problematic of cultural processes in today’s world.

Thus, the curiosity that drove Pico Iyer to Asia (in 1988) is in some ways the product of a confusion between some ineffable McDonaldisation of the world and the

much subtler play of indigenous trajectories of desire and fear with global flows of people and things. Indeed, Iyer's own impressions are testimony to the fact that, if a global cultural system is emerging, it is filled with ironies and resistances, sometimes camouflaged as passivity and a bottomless appetite in the Asian world for things Western.

Iyer's own account of the uncanny Philippine affinity for American popular music is rich testimony to the global culture of the hyperreal, for somehow Philippine renditions of American popular songs are both more widespread in the Philippines, and more disturbingly faithful to their originals, than they are in the United States today. An entire nation seems to have learned to mimic Kenny Rogers and the Lennon sisters, like a vast Asian Motown chorus. But *Americanization* is certainly a pallid term to apply to such a situation, for not only are there more Filipinos singing perfect renditions of some American songs (often from the American past) than there are Americans doing so, there is also, of course, the fact that the rest of their lives is not in complete synchrony with the referential world that first gave birth to these songs.

In a further globalizing twist on what Fredric Jameson has called "nostalgia for the present," these Filipinos look back to a world they have never lost. This is one of the central ironies of the politics of global cultural flows, especially in the arena of entertainment and leisure. [...]

The central problem of today's global interactions is the tension between cultural homogenization and cultural heterogenization. A vast array of empirical facts could be brought to bear on the side of the homogenization argument, and much of it has come from the left end of the spectrum of media studies, and some from other perspectives. Most often, the homogenization argument subspecies into either an argument about Americanization or an argument about commoditization, and very often the two arguments are closely linked. What these arguments fail to consider is that at least as rapidly as forces from various metropolises are brought into new societies they tend to become indigenized in one or another way: this is true of music and housing styles as much as it is true of science and terrorism, spectacles and constitutions. The dynamics of such indigenization have just begun to be explored systemically, and much more needs to be done. But it is worth noticing that for the people of Irian Jaya, Indonesianization may be more worrisome than Americanization, as Japanization may be for Koreans, Indianization for Sri Lankans, Vietnamization for the Cambodians, and Russianization for the people of Soviet Armenia and the Baltic republics. Such a list of alternative fears to Americanization could be greatly expanded, but it is not a shapeless inventory: for polities of smaller scale, there is always a fear of cultural absorption by polities of larger scale, especially those that are nearby. One man's imagined community is another man's political prison.

This scalar dynamic, which has widespread global manifestations, is also tied to the relationship between nations and states. For the moment let us note that the simplification of these many forces (and fears) of homogenization can also be exploited by nation-states in relation to their own minorities, by posing global commoditization (or capitalism, or some other such external enemy) as more real than the threat of its own hegemonic strategies.

The new global cultural economy has to be seen as a complex, overlapping, disjunctive order that cannot any longer be understood in terms of existing

center – periphery models (even those that might account for multiple centers and peripheries). Nor is it susceptible to simple models of push and pull (in terms of migration theory), or of surpluses and deficits (as in traditional models of balance of trade), or of consumers and producers (as in most neo-Marxist theories of development). Even the most complex and flexible theories of global development that have come out of the Marxist tradition are inadequately quirky and have failed to come to terms with what Scott Lash and John Urry have called disorganized capitalism. The complexity of the current global economy has to do with certain fundamental disjunctures between economy, culture, and politics that we have only begun to theorize.

I propose that an elementary framework for exploring such disjunctures is to look at the relationship among five dimensions of global cultural flows that can be termed (a) *ethnoscapes*, (b) *mediascapes*, (c) *technoscapes*, (d) *financescapes*, and (e) *ideoscapes*. The suffix *-scape* allows us to point to the fluid, irregular shapes of these landscapes, shapes that characterize international capital as deeply as they do international clothing styles. These terms with the common suffix *-scape* also indicate that these are not objectively given relations that look the same from every angle of vision but, rather, that they are deeply perspectival constructs, inflected by the historical, linguistic, and political situatedness of different sorts of actors: nation-states, multinationals, diasporic communities, as well as subnational groupings and movements (whether religious, political, or economic), and even intimate face-to-face groups, such as villages, neighborhoods, and families. Indeed, the individual actor is the last locus of this perspectival set of landscapes, for these landscapes are eventually navigated by agents who both experience and constitute larger formations, in part from their own sense of what these landscapes offer.

These landscapes thus are the building blocks of what (extending Benedict Anderson) I would like to call *imagined worlds*, that is, the multiple worlds that are constituted by the historically situated imaginations of persons and groups spread around the globe. An important fact of the world we live in today is that many persons on the globe live in such imagined worlds (and not just in imagined communities) and thus are able to contest and sometimes even subvert the imagined worlds of the official mind and of the entrepreneurial mentality that surround them.

By *ethnoscape*, I mean the landscape of persons who constitute the shifting world in which we live: tourists, immigrants, refugees, exiles, guest workers, and other moving groups and individuals constitute an essential feature of the world and appear to affect the politics of (and between) nations to a hitherto unprecedented degree. This is not to say that there are no relatively stable communities and networks of kinship, friendship, work, and leisure, as well as of birth, residence, and other filial forms. But it is to say that the warp of these stabilities is everywhere shot through with the woof of human motion, as more persons and groups deal with the realities of having to move or the fantasies of wanting to move. What is more, both these realities and fantasies now function on larger scales, as men and women from villages in India think not just of moving to Poona or Madras but of moving to Dubai and Houston, and refugees from Sri Lanka find themselves in South India as well as in Switzerland, just as the Hmong are driven to London as well as to Philadelphia. And as international capital shifts its needs, as production and technology generate different needs, as

nation-states shift their policies on refugee populations, these moving groups can never afford to let their imaginations rest too long, even if they wish to.

By *technoscape*, I mean the global configuration, also ever fluid, of technology and the fact that technology, both high and low, both mechanical and informational, now moves at high speeds across various kinds of previously impervious boundaries. Many countries now are the roots of multinational enterprise: a huge steel complex in Libya may involve interests from India, China, Russia, and Japan, providing different components of new technological configurations. The odd distribution of technologies, and thus the peculiarities of these technoscapes, are increasingly driven not by any obvious economies of scale, of political control, or of market rationality but by increasingly complex relationships among money flows, political possibilities, and the availability of both un- and highly-skilled labor. So, while India exports waiters and chauffeurs to Dubai and Sharjah, it also exports software engineers to the United States – indentured briefly to Tata-Burroughs or the World Bank, then laundered through the State Department to become wealthy resident aliens, who are in turn objects of seductive messages to invest their money and know-how in federal and state projects in India. [...]

It is useful to speak as well of *financescapes*, as the disposition of global capital is now a more mysterious, rapid, and difficult landscape to follow than ever before, as currency markets, national stock exchanges, and commodity speculations move mega-monies through national turnstiles at blinding speed, with vast, absolute implications for small differences in percentage points and time units. But the critical point is that the global relationship among *ethnoscapes*, *technoscapes*, and *financescapes* is deeply disjunctive and profoundly unpredictable because each of these landscapes is subject to its own constraints and incentives (some political, some informational, and some technoenvironmental), at the same time as each acts as a constraint and a parameter for movements in the others. Thus, even an elementary model of global political economy must take into account the deeply disjunctive relationships among human movement, technological flow, and financial transfers.

Further refracting these disjunctures (which hardly form a simple, mechanical global infrastructure in any case) are what I call *mediascapes* and *ideoscapes*, which are closely related landscapes of images. *Mediascapes* refer both to the distribution of the electronic capabilities to produce and disseminate information (newspapers, magazines, television stations, and film-production studios), which are now available to a growing number of private and public interests throughout the world, and to the images of the world created by these media. These images involve many complicated inflections, depending on their mode (documentary or entertainment), their hardware (electronic or preelectronic), their audiences (local, national, or transnational), and the interests of those who own and control them. What is most important about these mediascapes is that they provide (especially in their television, film, and cassette forms) large and complex repertoires of images, narratives, and *ethnoscapes* to viewers throughout the world, in which the world of commodities and the world of news and politics are profoundly mixed. What this means is that many audiences around the world experience the media themselves as a complicated and interconnected repertoire of print, celluloid, electronic screens, and billboards. The lines between the



realistic and the fictional landscapes they see are blurred, so that the farther away these audiences are from the direct experiences of metropolitan life, the more likely they are to construct imagined worlds that are chimerical, aesthetic, even fantastic objects, particularly if assessed by the criteria of some other perspective, some other imagined world. [...]

*Ideoscapes* are also concatenations of images, but they are often directly political and frequently have to do with the ideologies of states and the counterideologies of movements explicitly oriented to capturing state power or a piece of it. These ideoscapes are composed of elements of the Enlightenment worldview, which consists of a chain of ideas, terms, and images, including *freedom*, *welfare*, *rights*, *sovereignty*, *representation*, and the master term *democracy*. The master narrative of the Enlightenment (and its many variants in Britain, France, and the United States) was constructed with a certain internal logic and presupposed a certain relationship between reading, representation, and the public sphere. But the diaspora of these terms and images across the world, especially since the nineteenth century, has loosened the internal coherence that held them together in a Euro-American master narrative and provided instead a loosely structured synopticon of politics, in which different nation-states, as part of their evolution, have organized their political cultures around different keywords. [...]

This globally variable synaesthesia has hardly even been noted, but it demands urgent analysis. Thus *democracy* has clearly become a master term, with powerful echoes from Haiti and Poland to the former Soviet Union and China, but it sits at the center of a variety of ideoscapes, composed of distinctive pragmatic configurations of rough translations of other central terms from the vocabulary of the Enlightenment. This creates ever new terminological kaleidoscopes, as states (and the groups that seek to capture them) seek to pacify populations whose own ethnoscapescapes are in motion and whose mediascapes may create severe problems for the ideoscapes with which they are presented. The fluidity of ideoscapes is complicated in particular by the growing diasporas (both voluntary and involuntary) of intellectuals who continuously inject new meaning-streams into the discourse of democracy in different parts of the world.

This extended terminological discussion of the five terms I have coined sets the basis for a tentative formulation about the conditions under which current global flows occur: they occur in and through the growing disjunctures among ethnoscapescapes, technoscapescapes, financescapescapes, mediascapescapes, and ideoscapes. This formulation, the core of my model of global cultural flow, needs some explanation. First, people, machinery, money, images, and ideas now follow increasingly nonisomorphic paths; of course, at all periods in human history there have been some disjunctures in the flows of these things, but the sheer speed, scale, and volume of each of these flows are now so great that the disjunctures have become central to the politics of global culture. The Japanese are notoriously hospitable to ideas and are stereotyped as inclined to export (all) and import (some) goods, but they are also notoriously closed to immigration, like the Swiss, the Swedes, and the Saudis. Yet the Swiss and the Saudis accept populations of guest workers, thus creating labor diasporas of Turks, Italians, and other circum-Mediterranean groups. Some such guest-worker groups maintain continuous contact with their home nations, like the Turks, but others, like

high-level South Asian migrants, tend to desire lives in their new homes, raising anew the problem of reproduction in a deterritorialized context.

Deterritorialization, in general, is one of the central forces of the modern world because it brings laboring populations into the lower-class sectors and spaces of relatively wealthy societies, while sometimes creating exaggerated and intensified senses of criticism or attachment to politics in the home state. Deterritorialization, whether of Hindus, Sikhs, Palestinians, or Ukrainians, is now at the core of a variety of global fundamentalisms, including Islamic and Hindu fundamentalism. In the Hindu case, for example, it is clear that the overseas movement of Indians has been exploited by a variety of interests both within and outside India to create a complicated network of finances and religious identifications, by which the problem of cultural reproduction for Hindus abroad has become tied to the politics of Hindu fundamentalism at home.

At the same time, deterritorialization creates new markets for film companies, art impresarios, and travel agencies, which thrive on the need of the deterritorialized population for contact with its homeland. Naturally, these invented homelands, which constitute the mediascapes of deterritorialized groups, can often become sufficiently fantastic and one-sided that they provide the material for new ideoscapes in which ethnic conflicts can begin to erupt. The creation of Khalistan, an invented homeland of the deterritorialized Sikh population of England, Canada, and the United States, is one example of the bloody potential in such mediascapes as they interact with the internal colonialisms of the nation-state. The West Bank, Namibia, and Eritrea are other theaters for the enactment of the bloody negotiation between existing nation-states and various deterritorialized groupings.

It is in the fertile ground of deterritorialization, in which money, commodities, and persons are involved in ceaselessly chasing each other around the world, that the mediascapes and ideoscapes of the modern world find their fractured and fragmented counterpart. For the ideas and images produced by mass media often are only partial guides to the goods and experiences that deterritorialized populations transfer to one another. In Mira Nair's brilliant film *India Cabaret*, we see the multiple loops of this fractured deterritorialization as young women, barely competent in Bombay's metropolitan glitz, come to seek their fortunes as cabaret dancers and prostitutes in Bombay, entertaining men in clubs with dance formats derived wholly from the prurient dance sequences of Hindi films. These scenes in turn cater to ideas about Western and foreign women and their looseness, while they provide tawdry career alibis for these women. Some of these women come from Kerala, where cabaret clubs and the pornographic film industry have blossomed, partly in response to the purses and tastes of Keralites returned from the Middle East, where their diasporic lives away from women distort their very sense of what the relations between men and women might be. These tragedies of displacement could certainly be replayed in a more detailed analysis of the relations between the Japanese and German sex tours to Thailand and the tragedies of the sex trade in Bangkok, and in other similar loops that tie together fantasies about the Other, the conveniences and seductions of travel, the economics of global trade, and the brutal mobility fantasies that dominate gender politics in many parts of Asia and the world at large. [...]

One important new feature of global cultural politics, tied to the disjunctive relationships among the various landscapes discussed earlier, is that state and nation are at each other's throats, and the hyphen that links them is now less an icon of conjuncture than an index of disjuncture. This disjunctive relationship between nation and state has two levels: at the level of any given nation-state, it means that there is a battle of the imagination, with state and nation seeking to cannibalize one another. Here is the seedbed of brutal separatisms – majoritarianisms that seem to have appeared from nowhere and microidentities that have become political projects within the nation-state. At another level, this disjunctive relationship is deeply entangled with various global disjunctures: ideas of nationhood appear to be steadily increasing in scale and regularly crossing existing state boundaries, sometimes, as with the Kurds, because previous identities stretched across vast national spaces or, as with the Tamils in Sri Lanka, the dormant threads of a transnational diaspora have been activated to ignite the micropolitics of a nation-state. [...]

States find themselves pressed to stay open by the forces of media, technology, and travel that have fueled consumerism throughout the world and have increased the craving, even in the non-Western world, for new commodities and spectacles. On the other hand, these very cravings can become caught up in new ethnoscaples, mediascapes, and, eventually, ideoscapes, such as democracy in China, that the state cannot tolerate as threats to its own control over ideas of nationhood and peoplehood. States throughout the world are under siege, especially where contests over the ideoscapes of democracy are fierce and fundamental, and where there are radical disjunctures between ideoscapes and technoscapes (as in the case of very small countries that lack contemporary technologies of production and information); or between ideoscapes and financescapes (as in countries such as Mexico or Brazil, where international lending influences national politics to a very large degree); or between ideoscapes and ethnoscapes (as in Beirut, where diasporic, local, and translocal filiations are suicidally at battle); or between ideoscapes and mediascapes (as in many countries in the Middle East and Asia) where the lifestyles represented on both national and international TV and cinema completely overwhelm and undermine the rhetoric of national politics. In the Indian case, the myth of the law-breaking hero has emerged to mediate this naked struggle between the pieties and realities of Indian politics, which has grown increasingly brutalized and corrupt.

The transnational movement of the martial arts, particularly through Asia, as mediated by the Hollywood and Hong Kong film industries is a rich illustration of the ways in which long-standing martial arts traditions, reformulated to meet the fantasies of contemporary (sometimes lumpen) youth populations, create new cultures of masculinity and violence, which are in turn the fuel for increased violence in national and international politics. Such violence is in turn the spur to an increasingly rapid and amoral arms trade that penetrates the entire world. The worldwide spread of the AK-47 and the Uzi, in films, in corporate and state security, in terror, and in police and military activity, is a reminder that apparently simple technical uniformities often conceal an increasingly complex set of loops, linking images of violence to aspirations for community in some imagined world.

Returning then to the ethnoscapes with which I began, the central paradox of ethnic politics in today's world is that *primordia* (whether of language or skin color

or neighborhood or kinship) have become globalized. That is, sentiments, whose greatest force is in their ability to ignite intimacy into a political state and turn locality into a staging ground for identity, have become spread over vast and irregular spaces as groups move yet stay linked to one another through sophisticated media capabilities. This is not to deny that such primordia are often the product of invented traditions or retrospective affiliations, but to emphasize that because of the disjunctive and unstable interplay of commerce, media, national policies, and consumer fantasies, ethnicity, once a genie contained in the bottle of some sort of locality (however large), has now become a global force, forever slipping in and through the cracks between states and borders.

But the relationship between the cultural and economic levels of this new set of global disjunctures is not a simple one-way street in which the terms of global cultural politics are set wholly by, or confined wholly within, the vicissitudes of international flows of technology, labor, and finance, demanding only a modest modification of existing neo-Marxist models of uneven development and state formation. There is a deeper change, itself driven by the disjunctures among all the landscapes I have discussed and constituted by their continuously fluid and uncertain interplay, that concerns the relationship between production and consumption in today's global economy. Here, I begin with Marx's famous (and often mined) view of the fetishism of the commodity and suggest that this fetishism has been replaced in the world at large (now seeing the world as one large, interactive system, composed of many complex subsystems) by two mutually supportive descendants, the first of which I call production fetishism and the second, the fetishism of the consumer.

By *production fetishism* I mean an illusion created by contemporary transnational production loci that masks translocal capital, transnational earning flows, global management, and often faraway workers (engaged in various kinds of high-tech putting-out operations) in the idiom and spectacle of local (sometimes even worker) control, national productivity, and territorial sovereignty. To the extent that various kinds of free-trade zones have become the models for production at large, especially of hightech commodities, production has itself become a fetish, obscuring not social relations as such but the relations of production, which are increasingly transnational. The locality (both in the sense of the local factory or site of production and in the extended sense of the nation-state) becomes a fetish that disguises the globally dispersed forces that actually drive the production process. This generates alienation (in Marx's sense) twice intensified, for its social sense is now compounded by a complicated spatial dynamic that is increasingly global.

As for the *fetishism of the consumer*, I mean to indicate here that the consumer has been transformed through commodity flows (and the mediascapes, especially of advertising, that accompany them) into a sign, both in Baudrillard's sense of a simulacrum that only asymptotically approaches the form of a real social agent, and in the sense of a mask for the real seat of agency, which is not the consumer but the producer and the many forces that constitute production. Global advertising is the key technology for the worldwide dissemination of a plethora of creative and culturally well-chosen ideas of consumer agency. These images of agency are increasingly distortions of a world of merchandising so subtle that the consumer is consistently helped to believe that he or she is an actor, where in fact he or she is at best a chooser.

The globalization of culture is not the same as its homogenization, but globalization involves the use of a variety of instruments of homogenization (armaments, advertising techniques, language hegemonies, and clothing styles) that are absorbed into local political and cultural economies, only to be repatriated as heterogeneous dialogues of national sovereignty, free enterprise, and fundamentalism in which the state plays an increasingly delicate role: too much openness to global flows, and the nation-state is threatened by revolt, as in the China syndrome; too little, and the state exits the international stage, as Burma, Albania, and North Korea in various ways have done. In general, the state has become the arbitrageur of this *repatriation of difference* (in the form of goods, signs, slogans, and styles). But this repatriation or export of the designs and commodities of difference continuously exacerbates the internal politics of majoritarianism and homogenization, which is most frequently played out in debates over heritage.

Thus the central feature of global culture today is the politics of the mutual effort of sameness and difference to cannibalize one another and thereby proclaim their successful hijacking of the twin Enlightenment ideas of the triumphantly universal and the resiliently particular. This mutual cannibalization shows its ugly face in riots, refugee flows, state-sponsored torture, and ethnocide (with or without state support). Its brighter side is in the expansion of many individual horizons of hope and fantasy, in the global spread of oral rehydration therapy and other low-tech instruments of well-being, in the susceptibility even of South Africa to the force of global opinion, in the inability of the Polish state to repress its own working classes, and in the growth of a wide range of progressive, transnational alliances. Examples of both sorts could be multiplied. The critical point is that both sides of the coin of global cultural process today are products of the infinitely varied mutual contest of sameness and difference on a stage characterized by radical disjunctures between different sorts of global flows and the uncertain landscapes created in and through these disjunctures. [...]

## Part II Questions

1. Why can capitalism exist only in a world-economy, according to Wallerstein? What role do strong states play in the world-system? Why does the modern world-system propagate universalist and anti-universalist principles? Does Wallerstein think the world-system of today still resembles that of the sixteenth century?
2. Although Sklair notes that the current global system is “not synonymous with the global capitalist system,” he regards specific features of world capitalism as driving forces of globalization. What are these features, and what do they add to Wallerstein’s analysis of world capitalism?
3. What are the principal features of neoliberalism, according to Harvey? What negative consequences of neoliberalism does he identify? How does his analysis complement the views of Wallerstein and Sklair? Is it in conflict with their views in any way?

4. What do Meyer and his colleagues mean when they say that nation-states are not “collective actors”? What surprising similarities among nation-states do they note, and how do they account for them? With their view of culture as the driving force in globalization, how does their approach differ from that of world-system theory?
5. How does Robertson define globalization, and how does his “model of order” capture its key features? What is the “take-off period of modern globalization”? How does globalization trigger debate about world order and a “search for fundamentals”?
6. What views of cultural globalization does Appadurai challenge when he describes the process as an “infinitely varied contest of sameness and difference” in a complex “disjunctive order”? How can (or must) any group draw on the flows in different “scapes” to construct its identity?