

## 1 Introduction

### What Is Happening to Globalization?

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At the turn of the twenty-first century, globalization—both the process and the idea—bestrode the world like a colossus. Widely acclaimed by political and economic pundits as ‘the most important phenomenon of our time’, it became one of those rare concepts that took the world by storm (Friedman, 1999; Giddens, 1999; Micklethwait and Woolridge, 2000: xii). In his 1998 speech at Harvard University’s Weatherhead Center for International Affairs, United Nations Secretary Kofi Annan offered a definition that captured the positive popular meaning of the new buzzword: ‘Globalization is commonly understood to describe the advances in technology and communications that have made possible an unprecedented degree of financial and economic interdependence and growth. As markets are integrated, investments flow more easily, competition is enhanced, prices are lowered and the living standards everywhere are improved’ (Annan, 1998).

Indeed, corporate and political elites welcomed the swelling transnational flows of goods, services, capital, and ideas as the new engines of social progress. Global media conglomerates saturated the world with powerful images of an interconnecting world economy powered by the information and communications technology (ICT) revolution. The jet-setting power elites gathering at the annual World Economic Forum meeting in Switzerland championed business deregulation, privatization of public assets, and liberalization of trade and finance while squeezing out redistributive visions of globality. Billions of ordinary people around the world succumbed to their neoliberal temptation, confident that they, too, would reap the material benefits of market globalization in the not-too-distant future.

By the end of the 1990s, popular and academic discourses on globalization had converged, thanks to the efforts of attentive scholars who had seized upon the concept in their efforts to explain the massive social transformation in the waning years of the old century. Their intellectual labours assisted in the birth of ‘global studies’—a hybrid field of enquiry into globalization and its impacts. Crucially,

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this new scholarship recognized that realizing the rich potential of its subject depended on two profound academic transformations: the retooling of conventional disciplinary modes of social analysis and the transcending of the dominant ‘international relations’ framework (Darian-Smith and McCarty, 2017; Steger and Wahlrab, 2017). In particular, global studies pioneers sought to break the long-standing dominance of ‘methodological nationalism’ in the social sciences by criticizing the reification of the nation-state as the basic unit of social analysis. While squabbling over the precise features and impacts of globalization, most researchers found common ground in their conviction that a new era of globality was dawning. The buzzword ‘globalization’ had generated widely shared associations of inevitability and irreversibility that seemed to make the nature and direction of social change a foregone conclusion.

Only two decades later, ‘globalization’ is rapidly losing its lustre. In fact, it has become a political punching bag for the resurgent national populist forces of the right and left around the world (King, 2017; Bremmer, 2018; Galston, 2018; Judis, 2018; Castells, 2019; Crouch, 2019; Eatwell and Goodwin, 2019; Norris and Inglehart, 2019). The ‘irrational exuberance’ of market globalists has given way to widespread fears that their great experiment of transcending the nation-state has spiralled out of control and needs to be curbed. Numerous commentators have been feeding the growing public perception that the integration of markets and societies has failed to deliver on its promises. This intensifying ‘globophobia’ has been reflected in popular culture in numerous ways such as the record amazon.com sales enjoyed by ‘Stop Being a Globalist’ and ‘Not a Globalist’ T-shirts.

But the current crisis of globalization goes deeper, for it has shaken the very pillars of liberal democracy. This troubling dynamic is perhaps most visible in the loss of political legitimacy by conventional representative governments. There is a growing gap between what is pledged by conventional politicians and what is delivered to ordinary citizens who still expect their national governments to protect them against a seemingly hostile ‘outside’ associated with multiculturalism and immigration. Hence, added to this democratic crisis is an identity crisis born of an aversion to the global that makes rural people, in particular, take refuge in their nation, locality, and god (Castells, 2019: 14–15). No wonder, then, that authoritarian populists resort to accusing footloose ‘cosmopolitan elites’ of cheating the toiling masses. Promising a return to national control, the emotional promises of populists to ‘the forgotten people’ are finding more resonance than the rational assurances of neoliberal globalists that, in the long

run, trade liberalization and the worldwide integration of markets are bound to benefit everyone.<sup>1</sup>

Such nation-first attitudes also fuel today's intensifying immigration restrictions, as well as the decline of transnational approaches to crucial social and ecological problems such as social inequality and climate change.<sup>2</sup> As Human Rights Watch Director Kenneth Roth observes, 'Populists tend to respond less by proposing genuine solutions than by scapegoating vulnerable minorities and disfavored segment of society. The result has been a frontal assault on the values of inclusivity, tolerance, and respect that lie at the heart of human rights' (2017: 2). Moreover, the internationalist promise of multilateral cooperation has been hit on multiple fronts, but perhaps hardest by a brash American president in search of new outlets for his profoundly illiberal instincts. And, to make things worse, the unpredictable Trump administration has been flirting with a global trade war that has the potential to bring down the world economy. Fearing the dismantling of the post-war order and a return to the destructive great power politics of past centuries, leading foreign policy experts have sounded the alarm, wondering whether liberal democracy can survive the dawning age of 'deglobalization' (Ferguson and Zakaria, 2017; Castells, 2019; Eatwell and Goodwin, 2019).<sup>3</sup>

As the world appears to waver between globalist expansion and nationalist retrenchment, it is hardly surprising that two questions related to the perceived 'globalization backlash' have taken centre stage in relevant popular and academic discourses. *What is happening to globalization? Does it still matter in our unsettled times?* These fundamental questions traverse the chapters of this book. Our answer is affirmative. Globalization still matters a lot, we contend, just not in the same ways it

<sup>1</sup> We agree with Heikki Patomäki's assessment that Karl Polanyi's influential theory of 'double movement' only partially explains the appeal of the populist 'countermovement' to neoliberal globalization. As Patomäki (2018: 71) rightly notes, if the core purpose of the countermovement is to protect society against 'self-regulating markets', why should 'Trump's voters then approve his selective but sweeping pro-market reforms, such as major public spending cuts, financial deregulation and tax concessions to corporations and very wealthy individuals?'

<sup>2</sup> François Bourguignon (2015) and Branko Milanović (2016) assert that globalization dynamics fuel contradictory dynamics that make it increasingly hard to separate out the factors leading to domestic and international inequality. They argue that while inequality has declined across the world as a whole, it has increased within most countries. This trend also holds for China, where the Gini coefficient rose from 0.30 in the 1970s to 0.55 in the 2010s—more unequal than the United States at 0.42 (Crouch, 2019: 24–5). Challenging this widespread assumption of globalization as the primary cause of rising inequality, Helpman (2018) has recently put forward an alternative explanation.

<sup>3</sup> It should be immediately noted that we do not share this alarmist—and rather monolithic—assessment of imminent and inevitable 'deglobalization'. Our position will become clearer as our narrative unfolds.

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did 25 years or even a decade ago. The main task of the present study is to demonstrate, describe, and analyse this reconfigured significance of globalization in both theory and practice. We begin our engagement with the global in our time of crisis by recounting the highlights of the most recent chapter in the story of globalization: why and how it rose to superstardom only to fall into infamy in the short span of three decades.

### **Why Globalization Mattered in the Popular Discourse of the Roaring Nineties**

Soon after the collapse of the Soviet empire, the named process of ‘globalization’ became the linchpin in the American-led project of constructing a ‘new world order’. It was built on the expansion of US influence around the world as the sole remaining superpower. The concept drew much of its popularity from a teleological master narrative claiming that the passing of the Cold War order proved not only the social and moral superiority of democratic capitalism over authoritarian communism, but marked the end of history as such. Francis Fukuyama, then a young US State Department official and rising political theorist, gave this triumphalist vision its most influential articulation. The ‘unabashed victory of economic and political liberalism’, he proclaimed, portended nothing less than the ‘universalization of Western liberal democracy as the final form of human government’ (Fukuyama, 1989: 1). For Eurocentric thinkers of Fukuyama’s ilk, the apparent victory of Anglo-American liberalism over both communism and fascism in less than half a century amounted to an irreversible epochal shift in human evolution. It vindicated not merely the philosophical triumph of reason, progress, secularism, and individualism, but also demonstrated the political efficacy of these Enlightenment ideals. Hegel’s dream of the unity of the Real and the Ideal seemed to have been realized in the Liberal Idea.

With the Iron Curtain permanently ripped asunder, serious ideological or geographical barriers no longer blocked the fulfilment of liberalism’s grand promise. Beneath the surface, economic, political, and cultural life was being profoundly unsettled. But, for the new liberalism, humanity’s abiding purpose would finally burn bright at the end of the long tunnel of history. Ordinary people everywhere would finally be free to pursue happiness within the universal framework of limited government devoted to human rights, the rule of law, fair elections, and, crucially, a free-market economic system that came to be known as ‘neoliberalism’ (Peck, 2010; Steger and Roy, 2010; Slobodian, 2018). The globalization of these laissez-faire principles was likened to an unstoppable train barreling towards a destination preconceived by its liberal makers: the *good life*.

consisting of more freedom, yet greater equality; more choices, yet fewer risks; greater prosperity, yet deeper spirituality; expanded cultural pluralism, yet greater toleration; reinvigorated civic virtue, yet enlightened self-interest; the universalization of democratic principles, yet firmer political leadership. So, what could conceivably matter more than getting the ‘rest’ of the world to board the globalization train as quickly as possible?

As the dizzying decade of the Roaring Nineties drew to a close, a growing number of influential free-market advocates were making great strides in their efforts to sell liberalism’s promise of the good life. Thomas Friedman, Martin Wolf, Jagdish Bhagwati, Paul Krugman, and Joseph Stiglitz, together with powerful international corporate and political elites who gathered annually at the World Economic Forum in Davos, Switzerland, had perfected their sales pitch. It boiled down to the endless intonation of the mantra ‘the globalization of markets’, popularized a decade earlier by Theodore Levitt (1983), then dean of the Harvard Business School. Building on the familiar theme of unstoppable modernization in the image of the West, this shibboleth was meant to evoke a providential dynamism destined to reach the farthest corners of the Earth. Amplified in the corporate media, the steady stream of hegemonic ‘globalization talk’ provided the discursive glue that held together the applied neoliberal policy project of deregulating economies, opening up trade, privatizing public enterprises, cutting marginal tax rates, emasculating labour unions, and creating ‘flexible’ labour markets—both offshore and at home. Soon, the new social structure of neoliberal capitalist accumulation acquired the stability and authority required to promote corporate profitability and stable expansion during the 1990s and beyond (Rupert, 2000; Kotz, 2015).

The ‘globalization of markets’ also served as the central metaphor for a refurbished version of the old liberal utopia of social harmony—the notion of a society in automatic balance thanks to the autonomous forces of the ‘magic market’ (Mills, 1956: 336). Economically, this claim of general agreement was presented as a peerless New Economy powered by new technologies such as the Internet and operating according to the neoliberal rules of the Washington Consensus, which were to be exported wholesale to the ‘developing world’. Its associated culture of consumerism was celebrated as a homogenizing global force that enabled people everywhere to experience the exhilarating freedom of increased buying choices. As Pulitzer Prize-winning journalist Daniel Yergin asserted, the neoliberal success of decamping the state from the commanding heights of the economy marked the great divide between the twentieth and twenty-first centuries (Yergin and Stanislaw, 1998).

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Politically, this liberal myth of the neoliberal consensus was promoted as a global *pax mercatus*—an American-led market peace that drastically reduced the likelihood of large-scale conflicts between states. The global integration of markets was portrayed as *the* democratic medium of social harmony because it was said to express the popular will more accurately and more meaningfully than the messy political process controlled by privileged elites who were detached from ordinary people and their everyday concerns (Frank, 2000).

Ideologically, neoliberal consensus received a catchy expression in Margaret Thatcher's famous TINA slogan: 'There Is No Alternative'. Embraced and swiftly spread across the globe by the global corporate media, Thatcher's rhetorical one-way street was a potent weapon in the larger neoliberal effort to delegitimize dissenting worldviews while reinforcing ongoing efforts to depoliticize the public sphere and foster new forms of rationality that reached ever more deeply into the micro-structures of self and identity (Foucault, 2010; Brown, 2017). Hailed as creative 'entrepreneurs', working people were encouraged to shed their old class-based self-image of being passive industrial cogs in the exploitative capitalist machine and imagine themselves instead as proactive 'human capital'. Reinvented as a 'flexible workforce', they could be more easily motivated to invest their labour power in the perfection of their own personal 'brand'. The headline of a leading 1998 *Newsweek* story perfectly captured the tremendous ideological punch behind the creation of neoliberal subjectivity: 'The Market "R" Us'.

Technologically, the neoliberal myth of benign social convergence appeared in quasi-religious public invocations of the countless blessings of the ICT revolution, especially the Internet's delivery of worldwide simultaneity and instantaneity. The daily glorification of digital technology served to legitimize and naturalize the economic imperatives of what later commentators would call 'cybercapitalism' or 'platform capitalism' (Srnicek, 2017; Ström, 2017). Combining the language of technological determinism with established neoliberal practices of profit extraction, cybercapitalism fed on the growing influence of giant oligopolistic corporations such as Microsoft, Sony, Intel, and Apple. Joined some years later by Google, Amazon, Verizon, Facebook, and Twitter, these transnational media conglomerates incessantly promoted free-market policies as the only way to realize their techno-utopian vision of an automated, carefree future that promised receptive consumers. By the second decade of the new century, such 'exciting' novelties as self-driving cars, machine-precise haircuts, and algorithmic suit selections were within reach (Ström, 2017: 306).

In spite of its deeply depoliticizing and dehumanizing effects, cybercapitalism relied heavily on democratic rhetoric to justify neoliberalism's equation of democracy and free markets: the unleashing of market forces would usher in a democratic global age. Technological innovations like the World Wide Web and mobile phones, it was asserted, would put free markets, not governments, in charge of democratization. Turbocharged by the microchip, ceaseless global flows of goods and information would empower ordinary people to improve their lives by plugging into multiplying networks capable of connecting the global to the local in both physical space and cyberspace. Leading acolytes of cybercapitalism like Thomas Friedman lionized the new digital technologies as cutting-edge democratic models of communication that played a crucial role in imparting 'digital literacy' on a global citizenry. As the world was becoming flatter, the *New York Times* columnist asserted, the democratic ideals of accountability and transparency could be more easily achieved (Friedman, 2005).

At the turn of the twenty-first century, such neoliberal globalization talk had become canonical, solidifying into the hegemonic ideology of market globalism (Steger, 2009). At the same time, however, the market-fundamentalist alliance of advanced economies headed by the United States habitually turned a blind eye to hard empirical data suggesting that the results of neoliberal capitalism had been highly uneven, both socially and geographically. Its institutional forms and sociopolitical consequences varied significantly across spatial scales and among major different zones of the world economy (Brenner, 2017: 43). East and South Asia, for example, enjoyed impressive growth rates and rising living standards, while vast regions in Africa and other parts of the Global South stagnated or declined. Moreover, the dominant phalanx of market-globalist forces routinely ignored mounting evidence that corporate-led globalization was producing social inequalities at an alarming rate—both within and among nations (Milanović, 1999). They also paid little attention to the troubling ecological 'externalities' of neoliberal capitalism, which were most spectacularly reflected in escalating global climate change and rapid loss of biodiversity. These ominous developments at the end of the twentieth century received only scant scrutiny from the global corporate media that celebrated—to use the title of Microsoft CEO Bill Gates' bestselling book—the wonders of *Business @ the Speed of Thought* (1999).

Overall, then, market globalists in the Roaring Nineties experienced little pushback to their overarching ideological vision of the economy, society, democracy, and history. For them, globalization mattered a great deal because it would secure, once and for all, the universal rule of



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freedom, rights, property, and mobility enshrined in the American-led neoliberal world order. Furthermore, globalization mattered because it opened up countless new economic opportunities for ordinary people, rhetorically invoked in the dominant discourse as the ‘hundreds of millions lifted out of poverty’, rather than the top 0.1 per cent of elites whose wealth had been exploding during the 1990s. Social actors critical of global capitalism were denigrated as ‘globalization losers’—a catch-all category meant to shame those bold enough to dissent, thus disparaging any form of political resistance to a historically ordained neoliberal project deemed too big to fail. Finally, globalization mattered because it propelled humanity towards a harmonious ‘Future Perfect’ where rational individuals pursued their material interests largely free from government intervention, enjoyed instant access to unlimited digitalized information, and overcame the age-old tyranny of distance through new technologies of interconnectivity and hypermobility operating in both geographical space and cyberspace (Micklethwait and Woolridge, 2000).

**Why Globalization Mattered in the Academic Discourse of the 1990s**

Facing few challenges to its neoliberal meaning structure in popular discourse, globalization encountered a more contested terrain in the academic environment. Since the early 1990s, there had been a slow turn of the social science and humanities disciplines to engage with contemporary and historical processes of globalization and their related ‘global issues’. As the debate on the subject heated up over the course of the decade, it reflected a fundamental shift in analytical and spatial perspectives towards an engagement of global contexts and the development of new global theories and perspectives that were previously understood as either universal, national, or local. This ‘global turn’ also entailed suggestions to adopt explicitly transdisciplinary frameworks critical of methodological nationalism (Darian-Smith and McCarty, 2017; Steger and Wahlrab, 2017).

Innovative social thinkers stimulated scholarly investigations into the global that covered not only its techno-economic aspects, but also explored its much-neglected sociocultural and political dimensions. In spite of their sincere efforts to overcome parochial modes of knowledge production confined to the Euro-American academy, the principal participants in these intensifying academic debates on globalization resided in the Global North. Such a limited geographical framework of globalization scholarship reflected not only existing power relations in the world, but also highlighted the hegemony of Western universities that also served as



potent economic job magnets for scholars hailing from the Global South (Keucheyan, 2013).

As might be expected in any academic context, scholarly consensus proved to be elusive in the 1990s. In spite of the steady growth of globalization studies, researchers remained divided on definitional matters; the utility of various methodological approaches; the value of available empirical evidence for gauging the extent, impact, and direction of globalization; and, of course, its normative implications. Still, their failure to arrive at a broad agreement on the subject should not detract from significant intellectual breakthroughs achieved by a relatively small number of global studies pioneers. In particular, the contributions of three scholars—Roland Robertson, Arjun Appadurai, and Saskia Sassen—stand out for their tremendous impact on the academic globalization debate of the 1990s and thus deserve to be considered here in some detail.

It is perhaps most fitting to start with the British sociologist Roland Robertson, who played a leading role in putting ‘globalization’ on the agenda of the social sciences for good (Steger and Wahlrab, 2017). Criticizing the economistic understanding of globalization as a material process of marketization that dominated the popular discourse, Robertson emphasized the equal importance of the cultural and subjective aspects of the phenomenon. His influential definition of globalization contained two dimensions: increasing transnational social connectivity and growing reflexive global consciousness: ‘Globalization as a concept refers both to the compression of the world and intensification of consciousness of the world as a whole’ (Robertson, 1992: 8). In the first introduction to the subject published in 1995, the Australian sociologist Malcolm Waters (1995: 3) affirmed Robertson’s status as ‘the key figure in the formalization and specification of the concept of globalization . . . His [Robertson’s] own biography might itself be seen as an instance of a link between what might be called transnationalization and global consciousness’.

Robertson’s second seminal contribution to the globalization debate of the 1990s concerns his popularization of the term ‘glocalization’. He argued that in the ‘real world’ of lived social relations, the macroscopic level of the global always intersected with microscopic aspects of the local. Thus, globalization did not occur on an isolated spatial scale hovering above the national and local, but only became concrete and empirically observable in the local. Robertson (1994: 33–52) derived his notion of glocalization from the Japanese *dochakuka* (‘global localization’), which had achieved special salience in the 1980s in Japanese marketing circles concerned with their country’s success in the global economy. Rent from such specialized business language, ‘glocalization’ extended its meaning

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into the general cultural sphere by positing the interdependence of local and global processes in the formation of collective identities and symbolic interactions.<sup>4</sup> Moreover, Robertson used the term to combat influential views offered by prominent sociologists like George Ritzer (1993), who asserted that cultural globalization inevitably led to homogenized formations labelled ‘Americanization’ or ‘McDonaldization’. Conversely, Robertson argued that homogenization tendencies coexisted with equally strong social dynamics favouring expressions of cultural diversification and hybridization.

The second major contribution to the study of globalization discussed here flowed from the pen of Arjun Appadurai. Foregrounding the role of imagination in contemporary social practices that shape new global subjectivities, the Mumbai-born cultural anthropologist followed in Robertson’s footsteps by favouring a more balanced approach that gave equal attention to cultural and economic meanings of globalization. For example, Appadurai argued that ‘globalization’—reflected in transnational investment flows as well as in material culture such as clothing styles—constituted a pivotal concept that provided innovative resources for new identities and subjectivities that were no longer exclusively anchored in the modern nation or the traditional tribe.

Most importantly, Appadurai (1996) introduced a five-dimensional conceptual model by which to analyse the complex disjunctures between economic, cultural, and political flows. He argued that the conditions under which current global flows occur could be classified in terms of five distinct ‘landscapes’—‘ethnoscapes’, ‘mediascapes’, ‘technoscapes’, ‘finanscapes’, and ‘ideoscapes’ (Appadurai, 1996: 33). These combined into collective perspectives or ‘imaginaries’ that allowed individuals and groups to make sense of the shrinking world. Noting that human history had always been characterized by ‘disjunctures’ in the flows of people, machinery, money, images, and ideas, Appadurai nonetheless argued that the sheer speed, scale, and volume of each of these flows had become so strong in the late twentieth century that these contemporary ‘disjunctures’ had moved to the centre of a ‘politics of global culture’. Moreover, these disjunctures in the global flows of goods, services, information, and ideas encouraged the formation of ‘multiple worlds’ constituted by the historically and politically situated interactions of persons and groups spread around the globe. These ‘worlds’ included transnational corporations, nation-states, diasporic communities, non-governmental organizations, and subnational groupings and movements. Appadurai’s work

<sup>4</sup> For a comprehensive study of the evolution of the term ‘glocalization’, see Roudometof (2016).