



UNDERSTANDING THE CONCEPT OF GLOBALIZATION

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Abstract: *Dramatic changes occurred in the world precipitated by the end of the prolonged cold war. A world that was hitherto driven by the division on ideological grounds was to be integrated by markets and technology, termed globalization. The objective here is to look at the divergent views of globalization. Also, the paper focuses primarily on the concept of globalization, its genesis and the reasons for globalization of the world. The paper also examines the impact of globalization on the world economically, politically, socially, culturally and technologically. Appraisal of the advantages and disadvantages of turning the world into one global village is also another area of focus of this paper. The paper concludes that to understand the concept of globalization, people of all nations need to understand how globalization works and the policy choices facing them and their societies.*

Keywords: Concept, Conceptualization, globalization, impact, societies, world.

Introduction

In the contemporary society of today, one excruciatingly discovers that suddenly prices of stock tumble as foreign investors with a twinkle of an eye, sell investments across border with lightning speed. Parents across borders fret themselves about their ability to meet their various bills. Also, industrial and financial tycoons merge their multinational companies to form, as Kegley (2007 p. 259) puts it, a ‘global business colossus’ and you discover that your local bank is now controlled overseas and that your new employer is headquartered abroad and there are plans to restructure by cutting the workforce. As interest rates are raised, forex traders buy billions of dollars and sell euros. Unexpectedly a bomb detonates or explodes in your hometown killing a family friend and others from the violence believed to have been caused by foreign terrorists. University students in Nigeria and other parts of the world, chat with friends in America on cellular phones over bottles of beer in a local beer parlour or bar, while the music of Bono from U2 plays in the background.

One begins to wonder and will ask what the heck is going on in the world? The answer is simple and not far-fetched: Globalization. Capital, commerce, advanced technology and

information are spreading worldwide at record speeds, producing multiple changes, complexities and chaos. Globalization refers to a Cluster of interconnected phenomena transforming world politics to describe alternately, a process, policy, predicament and the product of vast and invisible international forces. Looking for ‘globalization’ is like looking for air. You can’t see it, because it is everywhere Kegley (2007 p. 260).

Globalization, which is a term derived from the word ‘global’ (from globe) has been interpreted by many writers and scholars to mean so many things-like an omnibus – that its original meaning seemed to have been lost, however, the its original meaning seemed to have been lost, however, the discussion and debate on the phenomenon of globalization has received so much attention and momentum recently because of advances in technology, modern transportation, access to information via satellite communications, the internet and cable networks. Most of the controversy surrounding globalization stems from its multifaceted nature; it covers everything from economics, to culture, governance, the environment, international relation, values and morals, sovereignty, religion and much more, Okene (2004 p. 68).



Some people hold the strong view that globalization is powerful and unstoppable force that is beneficial only to those who work in consonance with its objectives are prepared to move fervently and expediently in its direction but of course brutal and disastrous to those who are unprepared to engage it or who try to move against its tides; their fate is deemed inevitable.

Growing global interdependence is regarded by most scholars as probably a permanent trend, but it is controversial. It may be a small world after all. But is that good or bad? People cannot seem to agree because globalization creates both possibilities and problems. On the one hand globalization is contemporarily uniting the world and generating unprecedented new levels of wealth. On the other hand, globalization is making national boundaries and state governments less important, and by creating some winners and many losers, it is also producing greater inequalities. Globalization is leading to the simultaneous integration and disintegration of states, to the growth of some stated power, and to the erosion of many other states' authority. Few global actors know how to adaptively adjust to globalization's divergent consequences.

There are divergent

Conceptualization and Meaning

There is no one generally acceptable definition of globalization that has been provided, though the term has been used to cover wide areas across borders in economic, political, social, cultural, religious, technological, communication, governance, disease and other spheres. So there is no single formal definition of the concept. This probably has led writers and scholars to agree that the meaning of the expression "globalization" has been a subject matter of controversy.

The fact that there may not be a universally accepted definition of globalization, notwithstanding, substantial theoretical input has been made into the meaning and working of the term. These efforts have left a trail of enormous literature on the subject, so that notwithstanding the absence of a precise or an all time acceptable definition, the meaning of the concept "globalization" is clear and well understood now.

Infact, the variety and multiplicity of definitions, in the main, have provided no significant and or substantive differences in the nature and content of globalization. They more or less reflect the different perspectives and or persuasions of their proponents.

Some of these definitions would suffice in informing us as to the meaning of globalization. "Globalization", according to Ake (1995 p.23),

..... is about growing cultural differentiation and functional integration in the world economy; it is growing interdependence across the globe, it is about the nation state coming under pressure from the surge of transnational phenomena; it is about the emergence of a global mass culture driven by mass advertising and technical advances in mass communication.

As a complex social phenomena, Nnoli (2000, p.173) asserts that globalization interfaces with various elements of social life and is suffused with ambiguities, variations, uncertainties and incompatibilities; its core, is the inevitable expansion of capitalism worldwide including the spread of its values.

Explicitly, globalization can be defined as a process which intensifies the integration of the world economy and the people through technological advancement in several areas, particularly in the area of information technology. It has also produced a differentiation in the production process (Alli, 2006 p.321)

Lending credence to Alli's vituperation, globalization can be viewed as a process of interaction and integration among the people, companies and governments of different nations; a process driven by international trade and investment and aided by information technology. This process has effects on the environment, culture, political systems, economic development and prosperity, and on human physical well being in societies around the world.

Ibeanu (1997, p.2) interpreted the term globalization from three different perspectives. First, from a universalistic point of view, globalization signifies phenomena, characteristics, events and problems that are universally present, or are becoming so. In this sense, there is a meaning of presence, visibility, immediacy and availability worldwide or in what can be considered important global centres (Ama 1996, p.7). There is also a sense of universal risk from problems that are fundamentally cross-scale, trans-sectional, trans-cultural and trans-disciplinary. Hence Holmen (1996 p.1) asserts that today we read about the global character of many things; for example, global economic restructuring, global food crisis, global demographic transition, global spread of disease and so on.



The second interpretation is the integrationist perspective. This is interpreted and or explained as the widening, deepening and speeding up of worldwide interconnectedness in all aspects of contemporary social life from the cultural to the criminal, the financial to the spiritual; Ibeanu (1997 p.3) rather says that it explains globalization as a supra-national phenomenon which is propelling desperate parts of the globe into one outlook and culture. Some characteristics of a global village and culture will include shared artifacts, identical production processes and consumption patterns, worldwide triumph of liberal democracy, dominance of market forces, development of information technology and increasing interconnections of the global economy (Holmen, 1996 p.1-2).

The third interpretation is the constructionist perspective which presents globalization as an order. It integrates the elements of power relations. According to Ama (1996, p.7).

*It presupposes the making or remaking of the world...
And the existence of a system or structure, whether it
is that of an integrated capitalist market, a world
information, culture or communication order, or a
world political order.*

In Reseau's (1999, p.3a) opinion, it denotes something that is changing humankind's preoccupation with territoriality and the traditional arrangement of the state system. Ibeanu (1997 p.3) concludes that globalization is a process of creating a new world order or system, complete with new institutions and culture.

From another angle, globalization has been describe as a neo-liberal ideology which tries to elevate the role of the market as an instrument for nurturing and encouraging innovation among social actors and as an instrument also for rationalization in the distribution of the planet resources.

Furthermore, globalization has been described as an all inclusive expression for the emergence of worldwide civilization in which economic, political, environmental and cultural occurrences in one part of the world swiftly come to have meaning and implication and therefore impact people in other parts of the world. Thus, globalization stems from "the onrush" of economic and ecological forces that demand integration and uniformity and that mesmerize the world with fast music, fast computers, and fast food, pressing nations into one commercially homogenous global network: one MCworld tied together by technology, ecology, communications and commerce"(Barbar,1995) in Kegley (2007, p.261). Such forces

imply nothing less than a redistribution of global economic power that is bound to increasingly lead to a redistribution of Political power.

For Akpuru Aja and Emeribe, globalization, from the political economy perspective reflects the greater openness of national and international economies to greater flows of trade, finance, capital, high technology, foreign direct investment (FDI) and market integration offerings. The engineering mechanism of globalization remains the evolution in science and technology, particular as it affects the electro-communication systems. The net result is the creation of a global village, single market system, a factory and a global office. One result of globalization is grotesque and dangerous polarization between peoples and countries benefiting from the system and those that are merely recipients and reactionaries of other effects Alapiki, 2005 P.212-3).

From the above, it is evident that while there are general issues brought to the fore by globalization, or rather being pointer to or referred to by globalization, perceptions on those issues may be more value laden than universal. They also bring to the fore the fact that those who benefit from globalization are not those merely reacting to the effects of globalization.

Brief History of Globalization

Some writers and researchers have viewed globalization mainly as a socio-economic term which is contemporarily synonymous with the economic development of a country. However, in simple terms, it is a continuous process through which different societies, economies, traditions and culture integrate with each other on a global scale through the means of communication and interchange of Ideas. By having an idea of a brief history of globalization, one will be able to properly understand how the concept came to be.

It is believed that the modern age led to the origin of globalization. In the modern age, as some scholars and researchers argued, wide spread development took place in the area of infrastructure and connectivity. This scenario led to more interaction between the nations and sharing of ideas, culture and tradition took place. All these put a direct impact on the process of globalization. In the economic arena, more trade links started taking place between countries on a global scale which influenced global as well as domestic economies to a large extent.

However, there is the strong contention that the origins of the history of globalization can be traced to as far back to the



ancient civilizations Though globalization is not new, for thousands of years, people-and-later, corporations - have been interacting in the area of trade, buying and selling to each other in lands at great distances, such as through the famous Silk Road across central Asia that connected China and Europe during the Middle Ages. Likewise, for centuries, people and corporations have invested in other countries. In fact, many of the features of the current wave of globalization are similar to those prevailing before the outbreak of the Second World War in 1914. Scholars who propagated this theory are of the conclusion that the example of the earliest forms of globalization is the trade link between the Sumerian civilization and the Indus valley civilization in the third millennium B.C. In fact, after this age, there are numerous instances where trade links were established between various countries like India, Egypt, Greece, Roman Empire and Han Dynasty (Bond, 2010 p2).

Lending credence to the above, Rourke (2004, p.12) stated that:

Globalization is both old and new. It is old in that the efforts of humans to overcome barriers have long existed... the first event in time globalization occurred between 1519 and 1522, when Ferdinand Magellan circumnavigated the globe.

This voyage among many other created and developed the markets for exchange of goods and services that continued to encapsulate larger areas, albeit very slowly. Policy and technological developments of the past few decades have spurred increases in cross- border trade investment and migration so large that many observers believe the world has entered a qualitatively new phase in its economic development. Since from 1950, for example, the volume of world trade has increase by 20 times.

Having briefly dwelt on the history of globalization let us now turn to the drivers of globalization.

Drivers of Globalization

Basically, the driver of globalization can be considered in the history of globalization which is rooted in capitalist development and the politics-economic institutio³ that were enshrined by the capitalist regime Ntete- Nna (2004, p.268-9) averred that:

This network of material exchange overtime, developed into a world market for goods and services or an International division of labour. By the end of the 19th century, the project of a single capitalist

world economy has been completed in the sense that the grid of exchange relations now covered practically all geographical areas of the world.

Ntete - Nna, Citing Hoogevelt, went on to periodize the development of the capitalist world economy thus: 1500-1800 (Mercantilist phase); 1810-1950 (Colonial phase); 1950-1970 (the Neo — Colonial period), and 1970-date (Globalization phase).

The entire process of capitalist development which was the take of point for globalization as enunciated above can be represented as periods of exploitation and unequal exchange. The first phase, for instance, represents an era of brutal plunder and looting disguised as trade. The second phase was characterized by more direct imposition of political and economic domination through colonial possessions and the imposition of an international division of labour. The third phase involves aggressive marketing of capitalist ideology and worldview, coupled with the development of capitalist world institutions, dominated and controlled by Western Europe and the US.

The last phase represents the coming of age of the capitalist world institutions “and the transfer of economic surplus (from the Third world to the developed nations) through dept repayments and globalization; (Alapiki, 2005.216) thus globalization is the superlative form of imperialism.

The current wave of globalization has been driven by policies that have opened economies domestically and internationally. In the years since the Second World War, and especially during the past decades, many governments have adopted free market economic systems, vastly increasing their own productive potential and creating a myriad of new opportunities for international trade and investment. Governments also have negotiated dramatic reductions in barriers to commerce and have established international agreements to promote trade in goods, services and investment. A defining features of globalization, therefore, is an international industrial and financial business structure.

Another principal driver of globalization is technology. Advances in information technology, in particular, have drammtically transformed economic life. Information technologies have given all sorts of individual economic actors – consumers, investors, business – valuable new tools for identifying and pursuing economic opportunities, including faster and more informed analysis of economic trends around



the world, easy, transfer of assets, and collaboration with far-flung partners.

Advantages and Disadvantages of Globalization.

Generally globalization has been seen as a big boom for the developing countries, but there are a few who say that it has been a curse. Though the main focus of this paper is not on the advantages and disadvantages of globalization, but a few of these issues would suffice here.

Globalization is deeply controversial to some. Proponents of globalization have contended that it allows poor countries and their citizens to develop economically and raise their standard of living, while opponents of globalization claim that the creation of an unfettered international free market has benefited multinational corporations in the western world at the expenses of local enterprises, local cultures and common people. Resistance to globalization has therefore, taken shape both at a popular and at a governmental level as people and governments try to manage the flow of capital, labour, goods and ideas that constitute the current wave of globalization.

Some Advantages

Increase in Gross Domestic Product (GDP): It is believed that globalization has led to increase in GDP of developing countries twice as much as before.

Increase in Per capita Income: The wealth has had a trickling effect on the poor. The average income has increased to thrice as much.

Reduction of Unemployment: Proponents of globalization has argued that one of the benefits of globalization is reduction in the rate of unemployment, that this is particularly quite evident when you look at countries like India and china.

Education has Increased: Globalization has been a catalyst to the jobs that require higher skill set. This demand allowed people to gain higher education.

Competition on Even Platform: companies all around the world are competing on a single global platform. This allows better options to consumers. One of the greatest benefits of globalization is that it gives some countries a greater range of cheap overseas goods to buy. The cheapest prices are not a lasting result of globalization though, but rather a reflection of the non-level playing field that currently exists within the global economy.

The World at One's Fingertips: The revolution in telecommunication has contributed to the "death of distance",

as virtually instantaneous communications are possible nearly everywhere.

Disadvantages

Wealth is unevenly distributed: Wealth is still concentrated in the hands of a few individuals and a common man in a developing country is yet to see any major benefits of globalization.

Income Gap between Developed and Developing Countries: Wealth of developed countries continues to grow twice as much as the developing world.

Wage Differentiated for Developing Countries: A technology worker may get more value for his work in a developed country than a worker in a developing country.

Reversal of Globalization: In future, factors such as war may demand the reversal of the globalization (as evident in inter world war years). Current process of globalization may just be impossible to reverse.

Impact of Globalization

Globalization has become such a commonly used term in the 21st century. Just as pointed out earlier in this paper, it simply means that the world has become integrated economically, politically, socially and culturally through the advances of technology, transportation and communication. It is undeniable to say that globalization has resulted in both positive and negative effects which must be addressed accordingly.

However, to begin with, globalization has impacted and contributed to the world's economies in many beneficial ways. The advances in science and technology have allowed businesses to easily cross over territorial boundary lines. Consequently, companies tend to become more productive, competitive thereby raising quality of goods, services and the world's living standard.

Globalization has impacted on different countries and peoples in an unbalanced manner, (UNDP, 2001 p.xii), marginalizing some and rewarding some, with unequal distribution of benefits and losses. In this process, developing countries, particularly African countries, have been marginalized, their options limited by institutionalized global regime for the allocation of globally available resources. This imbalance leads to polarization between the few countries and groups and the many countries and groups in society that lose out or are marginalized (Khor, 2001 p.16).

Buttressing the above, Lar (2001 p.3) observed politically that globalization has landed the poor nations on slippery ground



because democracy has been hard for them to accept and practice. And as put by Nnoli (2000 p.181), the global historical record suggests that political liberation is difficult to sustain under conditions of mass economic privation and great inequalities of wealth within a society.

Globalization has created immense wealth. Yet countries unwilling or unequipped to become technologically connected—many in Africa today, for example—face “marginalization”, another word for isolation and poverty (Pierce, 1997 p.9).

Another important area where globalization has impacted on is in global communication. Cellular phones are becoming available worldwide enabling many in the world who have never before made a phone call to communicate instantly with others. Enthusiasm for mobile phones and broad band links everywhere is bridging the communication divide between the rich and the poor in the world. What about the Internet and computers. No area of the world and no arena of politics, economics, society or culture is immune from the pervasive influence of computer technology. Even victims of ethnic or racial conflict and natural disasters in the most remote corners of the world are connected to others by the laptop computers that relief workers from the international Red Cross and other organizations bring with them. In fact, rapid and unstrained communication is the hallmark of the “global village”.

Another great area of impact of globalization, particularly on African societies and people is in the areas where the state used to play significant roles in the life of the people through social welfare policies and programmes. Cancellation of these policies and withdrawal of such welfare programmes and the uncontrolled adoption and promotion of market reforms significantly weakens socio-economic equilibrium.

The political arm of this package of reforms was the adoption of liberal democracy and the democratization of the political and governance system. Globalization produces contradictory effects on democracy. These effects are both negative and positive around which social forces are aligned (Nnoli, 2000 p.174).

Global health is not left out as an area affected by globalization. Globalization not only heightens awareness of health risks but actually multiplies them. In the early 1990s for example, the dreaded Ebola virus broke out and ravaged its victims in Zaire. In 2006, the world watched as the vicious strain of influenza (“Bird Flu”) called H5NI threatened to spread to Europe and beyond from a virus that began in East Asia which later became

a ‘global threat’. The WHO estimated that if the bird-to-human disease starts spreading from person to person, as many as 7.4 million people could die because H5NI will circle the globe rapidly (Newsweek, October 31, 2005 p.41-42).

The HIV/AIDS is another symbol for the global spread of disease in a shrinking world. It is an epidemic, global in scope, with the number of people infected climbing to more than an estimated 70 million victims, making the HIV/AIDS epidemic the world’s most serious health and development crisis.

An important feature of globalization is the interchange of ideas as symbolized by the Internet. The concern involves the clash of cultures and the spread of materialistic values. Technology has created the possibility and even the likelihood of global culture. The satellite and cable T.V and fax machine have swept away the natural boundaries. The local culture are inevitably falling victim to global “consumer” culture. For instance, English language is gradually but steadily eradicating the local dialect while consumer values are overwhelming people’s sense of community and social solidarity (Duru-ford, 2002 p.5). Culture and globalization have really become interwoven aspects in modern lives.

Globalization has greatly impacted on world finance, markets, trade, migration and even the media. The impact of globalization, in short, is felt on almost all facets of life in the world today.

Conclusion

The paper looked at the concept of globalization and pointed out that it is a continuous process through which different societies, economies, traditions and culture of the world societies, integrate with each other on a global scale through the means of communication and an interchange of ideas. This paper also in passim looked at the genesis or the historical origin of globalization and discovered that globalization is not new for the fact that for several years, people of different countries have been buying and selling to each other in lands of great distances.

The advantages and disadvantages of globalization were briefly highlighted in the paper and the impact of globalization was also examined. The impact of globalization in the contemporary world were enormous which has both negative and positive effects economically, politically, socially, and culturally as a result of the integration of countries through the advances of technology, transportation and communication.



Globalization suggests that everyone and everything is increasingly vulnerable to events everywhere and that states capabilities are on a weaker and weaker foundation. However, to understand the concept of globalization and find the right balance between benefits, costs and all the phenomena the constitute globalization, citizens of all nations need to understand how globalization works and the policy choices facing them and their societies.

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