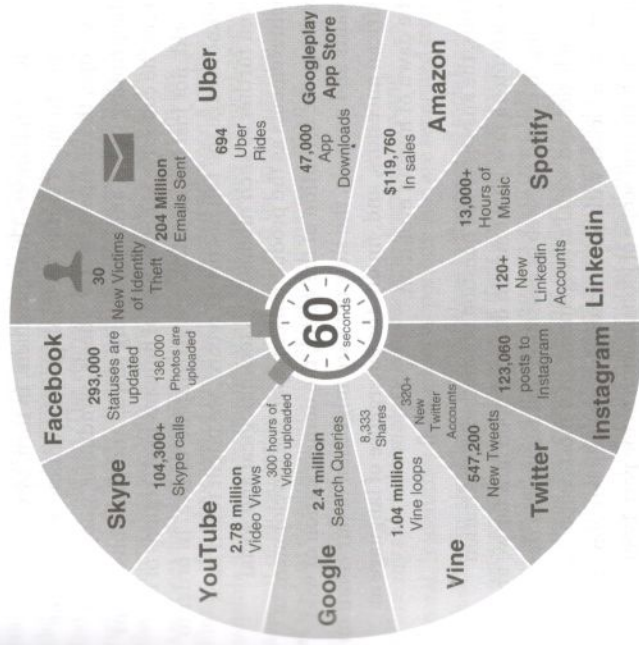


# Chapter 2

## Globalization in history: is globalization a new phenomenon?

If we asked ordinary persons on the busy streets of global cities like New York, Shanghai, or Sydney about the essence of globalization, their answers would probably involve some reference to growing forms of economic connectivity fuelled by digital technologies. People might point to their mobile devices such as Cloud-connected smart wireless phones like the popular iPhone and tablets like the Kindle Oasis linked to powerful Internet search engines like Google Chrome that sort in a split second through gigantic data sets. Or they might mention accessible video-postings on YouTube; ubiquitous social networking sites like Instagram, Facebook, and Twitter; the rapidly expanding blogosphere, satellite- and computer-connected HDTVs, and Netflix movie streaming; interactive 3-D computer and video games; and the new generation of super-jetliners like the Airbus A380 or Boeing's Dreamliner.

As important as technology is for the intensification of global connectivity, it provides only a partial explanation for the latest wave of globalization since the 1980s. Yet, it would be foolish to deny that these new digital technologies have played a crucial role in the compression of world-time and world-space. The Internet (see Figure B), in particular, has assumed a pivotal function in facilitating globalization through the creation of the World Wide Web that connects billions of individuals, civil society associations,



### B. What happens in an Internet minute?

Source: based on information from Excelacom, Inc

and governments. Since most of these technologies have been around for less than three decades, it seems to make sense to agree with those commentators who claim that globalization is, indeed, a relatively new phenomenon.

Still, the definition of globalization we arrived at in Chapter 1 stresses the dynamic nature of the phenomenon. The spatial expansion of social relations and the rise of the global imaginary are gradual processes with deep historical roots. The engineers who developed personal computers and supersonic jet planes stand on the shoulders of earlier innovators who created the steam engine, the cotton gin, the telegraph, the phonograph, the telephone, the typewriter, the internal-combustion engine, and

electrical appliances. These products, in turn, owe their existence to much earlier technological inventions such as the telescope, the compass, water wheels, windmills, gunpowder, the printing press, and oceangoing ships. And these inventions were the collective achievement of humans in all regions of the world, not just in one privileged geographic 'centre'. In order to acknowledge the full historical record, we might reach back even further to such momentous technological and social achievements as the production of paper, the development of writing, the invention of the wheel, the domestication of wild plants and animals, the slow outward migration of our common African ancestors, and, finally, the emergence of language at the dawn of human evolution.

Thus, the answer to the question of whether globalization constitutes a new phenomenon depends upon how far we are willing to extend the web of causation that resulted in those recent technologies and social arrangements that most people have come to associate with our buzzword. Some scholars consciously limit the historical scope of globalization to the post-1989 era in order to capture its contemporary uniqueness. Others are willing to extend this timeframe to include the groundbreaking developments of the last two centuries. Still others argue that globalization really represents the continuation and extension of complex processes that began with the emergence of modernity and the capitalist world system in the 1500s. And the remaining researchers refuse to confine globalization to time periods measured in mere decades or centuries. Rather, they suggest that these processes have been unfolding for millennia.

No doubt, each of these contending perspectives contains important insights. As we will see in this book, the advocates of the first approach have marshalled impressive evidence for their view that the dramatic expansion and acceleration of global exchanges since the 1980s represents a big leap in the history of globalization. The proponents of the second view correctly

Globalization

emphasize the tight connection between contemporary forms of globalization and the explosion of technology known as the Industrial Revolution. The representatives of the third perspective rightly point to the significance of the time-space compression that occurred in the 16th century when Eurasia, Africa, and the Americas first became connected by enduring trade routes. Finally, the advocates of the fourth approach advance a rather sensible argument when they insist that any truly comprehensive account of globalization falls short without the incorporation of ancient developments and enduring dynamics into our planetary history.

While my short chronology is necessarily fragmentary and general, it identifies five historical periods that are separated from each other by significant accelerations in the pace of social exchanges as well as a widening of their geographical scope. Thus, we could say that globalization is an ancient process that, over many centuries, has crossed distinct qualitative thresholds. In this context, let me reiterate that my chronology does not necessarily imply a linear unfolding of history, nor does it advocate a conventional Eurocentric perspective of world history. Full of unanticipated surprises, violent twists, sudden punctuations, and dramatic reversals, the history of globalization has involved all major regions and cultures of our planet.

### The prehistoric period (10000 BCE–3500 BCE)

Let us begin 12,000 years ago when small bands of hunters and gatherers reached the southern tip of South America. This event marked the end of the long process of settling all five continents that was begun by our hominid African ancestors more than one million years ago. Although some major island groups in the Pacific and the Atlantic were not inhabited until relatively recent times, the truly global dispersion of our species was finally achieved. Completed by South American nomads, the success of this endeavour rested on the migratory achievements of their



Siberian ancestors who had crossed the Bering Strait into North America at least a thousand years earlier.

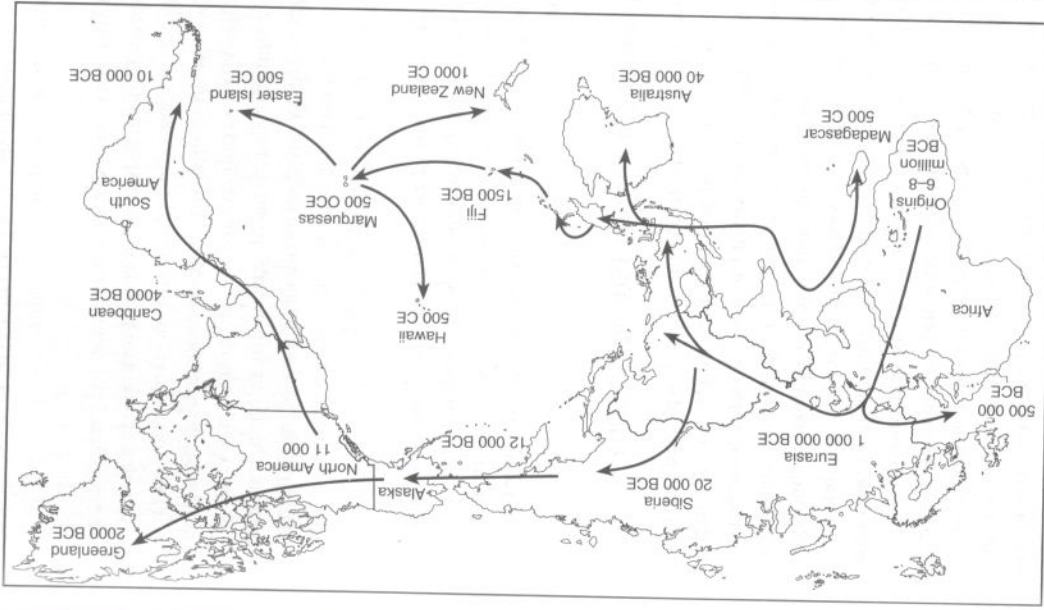
In this earliest phase of globalization, contact among thousands of hunter and gatherer bands spread all over the world was geographically limited and mostly coincidental. This fleeting mode of social interaction changed dramatically about 10,000 years ago when humans took the crucial step of producing their own food. As a result of several factors, including the natural occurrence of plants and animals suitable for domestication as well as continental differences in area and total population size, only certain regions located on or near the vast Eurasian landmass proved to be ideal for these growing agricultural settlements.

These areas were located in the Fertile Crescent, north-central China, North Africa, northwestern India, and New Guinea. Over time, food surpluses achieved by these early farmers and herders led to population increases, the establishment of permanent villages, and the construction of fortified towns.

Globalization

Roving bands of nomads lost out to settled tribes, chiefdoms, and, ultimately, powerful states based on agricultural food production (see Map 1). The decentralized, egalitarian nature of hunter and gatherer groups was replaced by centralized and highly stratified patriarchal social structures headed by chiefs and priests who were exempted from hard manual labour. Moreover, for the first time in human history, these farming societies were able to support two additional social classes whose members did not participate in food production. One group consisted of full-time craft specialists who directed their creative energies toward the invention of new technologies, such as powerful iron tools, beautiful ornaments made of precious metals, complex irrigation canals, sophisticated pottery and basketry, and monumental building structures. The other group comprised professional bureaucrats and soldiers who would later play a key role in the monopolization of the means of violence in the hands of a few rulers, the precise accounting of food surpluses necessary for the

Map 1. Early human migrations.



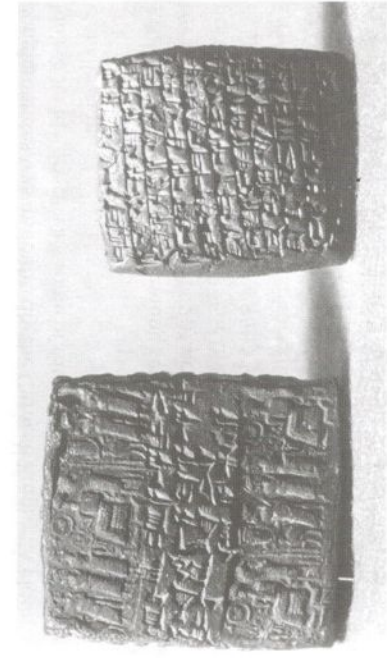
growth and survival of the centralized state, the acquisition of new territory, the establishment of permanent trade routes, and the systematic exploration of distant regions.

For the most part, however, globalization in the prehistoric period was severely limited. Advanced forms of technology capable of overcoming existing geographical and social obstacles were largely absent; thus, enduring long-distance interactions never materialized. It was only toward the end of this epoch that centrally administered forms of agriculture, religion, bureaucracy, and warfare slowly emerged as the key agents of intensifying modes of social exchange that would involve a growing number of societies in many regions of the world.

Perhaps the best way of characterizing the dynamic of this earliest phase of globalization would be to call it 'the great divergence'—people and social connections stemming from a single origin but moving and diversifying greatly over time and space.

### The premodern period (3500 BCE–1500 CE)

The invention of writing in Mesopotamia, Egypt, and central China between 3500 and 2000 BCE (see Illustration 4) roughly coincided with the invention of the wheel around 3000 BCE in Southwest Asia. Marking the close of the prehistoric period, these monumental inventions amounted to one of those technological and social boosts that moved globalization to a new level. Thanks to the auspicious east–west orientation of Eurasia's major continental axis—a geographical feature that had already facilitated the rapid spread of crops and animals suitable for food production along the same latitudes—the diffusion of these new technologies to distant parts of the continent occurred within only a few centuries. The importance of these inventions for the strengthening of globalization processes should be obvious. Among other things, the wheel spurred crucial infrastructural



4. Assyrian clay tablet with cuneiform writing, c.1900–1800 BCE.

innovations such as animal-drawn carts and permanent roads that allowed for the faster and more efficient transportation of people and goods. In addition to the spread of ideas and inventions, writing greatly facilitated the coordination of complex social activities and thus encouraged large state formations. Of the sizeable territorial units that arose during this period, only the Andes civilizations of South America managed to grow into the mighty Inca Empire without the benefits of either the wheel or the written word.

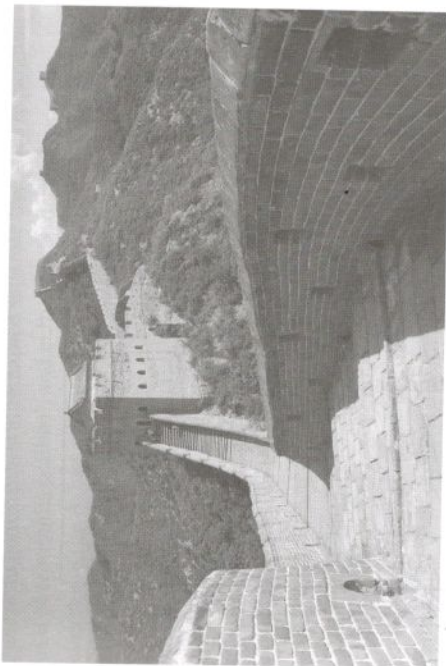
The later premodern period was the age of empires. As some states succeeded in establishing permanent rule over other states, the resulting vast territorial accumulations formed the basis of the Egyptian Kingdoms, the Persian Empire, the Macedonian Empire, the American Empires of the Aztecs and the Incas, the Roman Empire, the Indian Empires, the Byzantine Empire, the Islamic Caliphates, the Holy Roman Empire, the African Empires of Ghana, Mali, and Songhay, and the Ottoman Empire. All of these empires fostered the multiplication and extension of long-distance communication and the exchange of culture, technology, commodities, and diseases. The most enduring and technologically advanced of these vast premodern



conglomerates was undoubtedly the Chinese Empire. A closer look at its history reveals some of the early dynamics of globalization.

After centuries of warfare among several independent states, the Qin Emperor's armies, in 221 BCE, finally unified large portions of northeast China. For the next 1,700 years, successive dynasties known as the Han, Sui, Tang, Yuan, and Ming ruled an empire supported by vast bureaucracies that would extend its influence to such distant regions as tropical Southeast Asia, the Mediterranean, India, and East Africa (see Illustration 5). Dazzling artistry and brilliant philosophical achievements stimulated new discoveries in other fields of knowledge such as astronomy, mathematics, and chemistry. The long list of major technological innovations achieved in China during the premodern period includes redesigned ploughshares, hydraulic engineering, gunpowder, the tapping of natural gas, the compass, mechanical clocks, paper, printing, lavishly embroidered silk fabrics, and sophisticated metalworking techniques. The construction of vast irrigation systems consisting of hundreds of small canals enhanced the region's agricultural productivity while at the same time providing for one of the best river transport systems in the world. The codification of law and the fixing of weights, measures, and values of coinage fostered the expansion of trade and markets. The standardization of the size of cart axles and the roads they travelled on allowed Chinese merchants for the first time to make precise calculations as to the desired quantities of imported and exported goods.

The most extensive of these trade routes was the Silk Road. It linked the Chinese and the Roman Empires, with Parthian traders serving as skilled intermediaries. The Silk Road first reached the Italian peninsula in 50 BCE. Even 1,300 years later, a truly multicultural group of Eurasian and African globetrotters—including the famous Moroccan merchant Ibn Battuta and his Venetian counterparts in the Marco Polo family—relied on this great Eurasian land



5. The Great Wall of China.

route to reach the splendid imperial court of the Mongol Khans in Beijing.

By the 15th century CE, enormous Chinese fleets consisting of hundreds of 400-foot-long oceangoing ships were crossing the Indian Ocean and establishing short-lived trade outposts on the east coast of Africa. However, a few decades later, the rulers of the Chinese Empire implemented a series of fateful political decisions that halted overseas navigation and mandated a retreat from further technological development. Thus, the rulers cut short their empire's incipient industrial revolution, a development that allowed much smaller and less advanced European states to emerge as the primary historical agents behind the intensification of globalization.

Toward the end of the premodern period, then, the existing global trade network (see Map 2) consisted of several interlocking trade circuits that connected the most populous regions of Eurasia and northeastern Africa. Although both the Australian and the

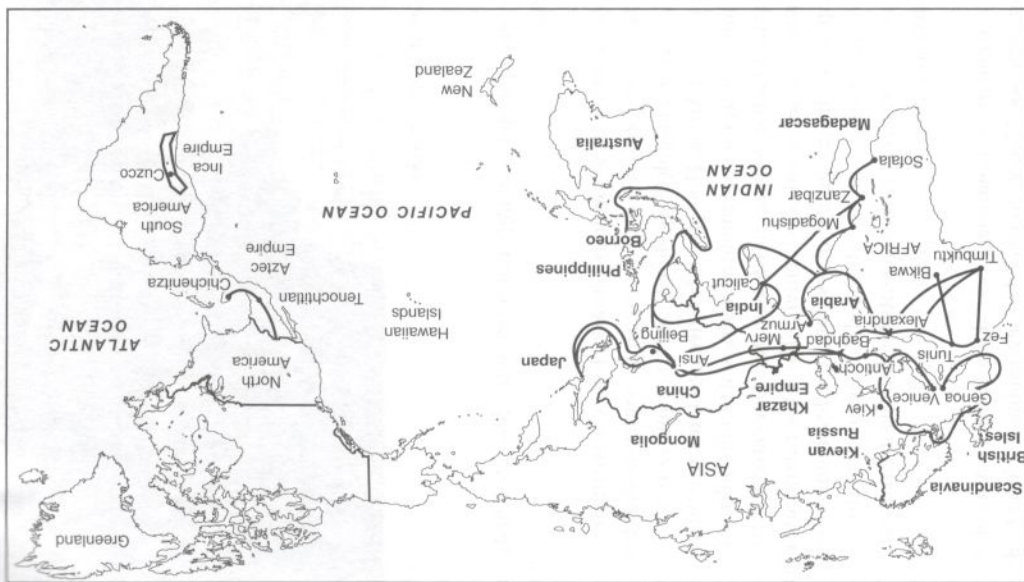
American continents still remained separate from this expanding web of economic, political, and cultural interdependence, the empires of the Aztecs and Incas had also succeeded in developing major trade networks in their own hemisphere.

The existence of these sprawling networks of economic and cultural exchange triggered massive waves of migration, which, in turn, led to further population increase and the rapid growth of urban centres. In the resulting cultural clashes, religions with only local significance were transformed into the major 'world religions' we know today as Judaism, Christianity, Islam, Hinduism, and Buddhism. But higher population density and more intense social interaction over greater distances also facilitated the spread of new infectious diseases like the bubonic plague. The enormous plague epidemic of the mid-14th century, for example, killed up to one-third of the respective populations of China, the Middle East, and Europe. However, these unwelcome by-products of unfolding globalization processes did not reach their most horrific manifestation until the fateful 16th-century collision of the 'old' and 'new' worlds. Although the precise population size of the Americas before contact remains a contentious issue, it is estimated that the deadly germs of European invaders killed an estimated 18-20 million Native Americans—an inconceivable 90-5 per cent of the total indigenous population.

### The early modern period (1500-1750)

The term 'modernity' has become associated with the 18th-century European Enlightenment project of developing objective science, achieving a universal form of morality and law, and liberating rational modes of thought and social organization from the perceived irrationalities of myth, religion, and political tyranny. But it is important to acknowledge the existence of multiple forms of modernity that often developed in various parts of the world in resistance to European modernity. The label 'early modern', then, refers to the period between the European Renaissance and the

Map 2. Major world trade networks, 1000-1450.





Enlightenment. During these two centuries, Europe and its social practices emerged as the primary catalyst for globalization after a long period of Asian predominance.

Indeed, having contributed little to technology and other civilizational achievements between about 500 CE and 1000 CE, Europeans north of the Alps greatly benefited from the diffusion of technological innovations originating in the Islamic and Chinese cultural spheres. Despite the weakened political influence of China and the noticeable ecological decline of the Fertile Crescent some 500 years later, European powers failed to penetrate into the interior of Africa and Asia. Instead, they turned their expansionistic desires westward, searching for a new, profitable sea route to India. Their efforts were aided by such innovations as mechanized printing, sophisticated wind and water mills, extensive postal systems, revised maritime technologies, and advanced navigation techniques. Add the enormous impact of the Reformation and the related liberal political idea of limited government, and we have identified the main forces behind the qualitative leap that greatly intensified demographic, cultural, ecological, and economic flows between Europe, Africa, and the Americas.

#### Globalization

Of course, the rise of European metropolitan centres and their affiliated merchant classes represented another important factor responsible for strengthening globalization tendencies during the early modern period. Embodying the new values of individualism and unlimited material accumulation, European economic entrepreneurs laid the foundation of what later scholars would call the 'capitalist world system'. However, these fledgling capitalists could not have achieved the global expansion of their commercial enterprises without substantial support from their respective governments. The monarchs of Spain, Portugal, the Netherlands, France, and England all put significant resources into the exploration of new worlds and the construction of new

interregional markets that benefited them much more than their exotic 'trading partners'.

By the early 1600s, national joint stock companies like the Dutch and British East India companies were founded for the express purpose of setting up profitable overseas trade posts. As these innovative corporations grew in size and stature, they acquired the power to regulate most intercontinental economic transactions, in the process implementing social institutions and cultural practices that enabled later colonial governments to place these foreign regions under direct political rule (see Illustration 6). Related developments, such as the Atlantic slave trade and forced population transfers within the Americas, resulted in the suffering and death of millions of non-Europeans while greatly benefiting white immigrants and their home countries.

To be sure, religious warfare within Europe also created its share of dislocation and displacement for Caucasian populations. Moreover, as a result of these protracted armed conflicts, military alliances and political arrangements underwent continuous modification. This highlights the crucial role of warfare as a catalyst of globalization. Evolving from the Westphalian states system,



6. The sale of the island of Manhattan in 1626.

the sovereign, territorial nation-state emerged in 18th-century Europe as the modern container of social life. As the early modern period drew to a close, interdependencies among nation-states were intensifying.

### The modern period (1750–1980s)

By the late 18th century, Australia and the Pacific islands were slowly incorporated into the European-dominated network of political, economic, and cultural exchange. Increasingly confronted with stories of the 'distant' and images of countless 'Others', Europeans and their descendants on other continents took it upon themselves to assume the role of the world's guardians of civilization and morality. In spite of their persistent claims to universal leadership, however, they remained strangely oblivious to their racist practices and the appalling conditions of inequality that existed both within their own societies and between the global North and South. Fed by a steady stream of materials and resources that originated mostly in other regions of the world, Western capitalist enterprises gained in stature. Daring to resist powerful governmental controls, economic entrepreneurs and their academic counterparts began to spread a philosophy of individualism and rational self-interest that glorified the virtues of an idealized capitalist system supposedly based upon the providential workings of the free market and its 'invisible hand':

Written in 1847 by the German political radicals Karl Marx and Friedrich Engels, a passage taken from their famous *Communist Manifesto* captures the qualitative shift in social relations that pushed globalization to a new level in the modern period (see Box 2).

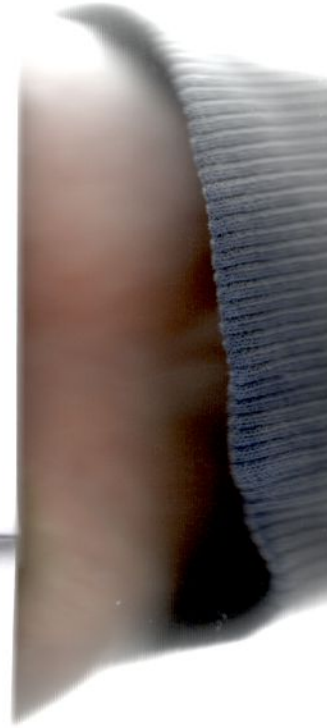
Indeed, the volume of world trade increased dramatically between 1850 and 1914. Guided by the activities of multinational banks, capital and goods flowed across the borders relatively freely as the sterling-based gold standard made possible the worldwide circulation of leading national currencies like the British pound

### Box 2 Marx and Engels on globalization

The discovery of America prepared the way for mighty industry and its creation of a truly global market. The latter greatly expanded trade, navigation, and communication by land. These developments, in turn, caused the further expansion of industry. The growth of industry, trade, navigation, and railroads also went hand in hand with the rise of the bourgeoisie and capital which pushed to the background the old social classes of the Middle Ages... Chased around the globe by its burning desire for ever-expanding markets for its products, the bourgeoisie has no choice but settle everywhere; cultivate everywhere; establish connections everywhere... Rapidly improving the instruments of production, the bourgeoisie utilizes the incessantly easing modes of communication to pull all nations into civilization—even the most barbarian ones... In a nutshell, it creates the world in its own image. (Translated by the author)

and the Dutch gilder. Eager to acquire their own independent resource bases, most European nation-states subjected large portions of the global South to direct colonial rule. On the eve of the First World War, merchandise trade measured as a percentage of gross national output totalled almost 12 per cent for the industrialized countries, a level unmatched until the 1970s. Global pricing systems facilitated trade in important commodities like grains, cotton, and various metals. Brand name packaged goods like Coca-Cola drinks, Campbell soups, Singer sewing machines, and Remington typewriters made their first appearance. In order to raise the global visibility of these corporations, international advertising agencies launched the first full-blown trans-border commercial promotion campaigns.

As Marx and Engels noted, however, the rise of the European bourgeoisie and the related intensification of global interconnections would not have been possible without the 19th-century explosion





of science and technology. To be sure, the maintenance of these new industrial regimes required new power sources such as electricity and petroleum. The largely unregulated use of these energy sources resulted in the annihilation of countless animal and plant species as well as the toxification of entire regions. On the upside, however, railways, mechanized shipping, and 20th-century intercontinental air transport managed to overcome the last remaining geographical obstacles to the establishment of a genuine global infrastructure, while at the same time lowering transportation costs.

These innovations in transportation were complemented by the swift development of communication technologies. The telegraph and its transatlantic reach after 1866 provided for instant information exchanges between the two hemispheres. Moreover, the telegraph set the stage for the telephone and wireless radio communication, prompting newly emerging communication corporations like AT&T to coin advertising slogans in celebration of a world 'inextricably bound together'. Finally, the 20th-century arrival of mass circulation newspapers and magazines, film, and television further enhanced a growing consciousness of a rapidly shrinking world.

The modern period also witnessed an unprecedented population explosion. Having increased only modestly from about 300 million at the time of the birth of Christ to 760 million in 1750, the world's population reached 4.5 billion in 1980. Enormous waves of migration intensified existing cultural exchanges and transformed traditional social patterns. Popular immigration countries like the United States of America, Canada, and Australia took advantage of this boost in productivity. By the early 20th century, these countries entered the world stage as forces to be reckoned with. At the same time, however, they made significant efforts to control these large migratory flows, in the process inventing novel forms of bureaucratic control and developing new surveillance techniques designed to

accumulate more information about nationals while keeping 'undesirables' out.

When the accelerating process of industrialization sharpened existing disparities in wealth and wellbeing beyond bearable limits, many working people in the global North began to organize themselves politically in various labour movements and socialist parties. However, their idealistic calls for international class solidarity went largely unheeded. Instead, ideologies that translated the national imaginary into extreme political programmes captured the imagination of millions of people around the world. There is no question that interstate rivalries intensified at the outset of the 20th century as a result of mass migration, urbanization, colonial competition, and the excessive liberalization of world trade. The ensuing period of extreme nationalism culminated in two devastating world wars, genocides, a long global economic depression, and hostile measures to protect narrowly conceived political communities.

The end of the Second World War saw the explosion of two powerful atomic bombs that killed 200,000 Japanese, most of them civilians. Nothing did more to convince people around the world of the linked fate of geographically and politically separated 'nations'. Indeed, the global imaginary found a horrifying expression in the Cold War acronym 'MAD' (mutually assured destruction). A more positive result was the process of decolonization in the 1950s and 1960s that slowly revived global flows and international exchanges. A new political order of sovereign but interdependent nation-states anchored in the charter of the United Nations raised the prospect of global democratic governance. However, such cosmopolitan hopes quickly faded as the Cold War divided the world for four long decades into two antagonistic spheres: a liberal-capitalist 'First World' dominated by the United States, and an authoritarian-socialist 'Second World' controlled by the Soviet Union. Both blocs sought to establish their political and ideological dominance in the 'Third World'. Indeed,

superpower confrontations like the Cuban Missile Crisis raised the spectre of a global conflict capable of destroying virtually all life on our planet.

### The contemporary period (from the 1980s)

As we noted at the beginning of this chapter, the dramatic creation, expansion, and acceleration of worldwide interdependencies and global exchanges that have occurred since the 1980s represent yet another quantum leap in the history of globalization. The best way of characterizing this latest globalization wave would be to call it 'the great convergence'—different and widely spaced people and social connections coming together more rapidly than ever before. This dynamic received another boost with the 1991 collapse of the communist Soviet Empire and 'neoliberal' attempts to create an integrated global market. Indeed, the deregulation of national economies combined with the ICT Revolution kicked globalization into a new gear. The unprecedented development of horizontal networks of interactive communication that connected the local and global was made possible through the worldwide diffusion of the Internet, wireless communication, digital media, and online social networking tools.

But how exactly has globalization accelerated in these last three decades? What dimensions of human activity have been most affected by globalization? Is contemporary globalization a 'good' or a 'bad' thing? Throughout this book we will consider possible answers to these crucial questions. In doing so, we will limit the application of the term 'globalization' to the contemporary period while keeping in mind that the forces driving these processes actually can be traced back thousands of years.

Before we embark on this next stage of our globalization journey, let us pause and recall an important point we made in Chapter 1. Globalization is not a single process but a set of processes that operate simultaneously and unevenly on several levels and in

various dimensions. We could compare these interactions and interdependencies to an intricate tapestry of overlapping shapes and colours. Yet, just as an apprentice car mechanic must turn off and disassemble the car engine in order to understand its operation, so must the student of globalization apply analytical distinctions in order to make sense of the web of global connectivity. In this book we will identify, explore, and assess patterns of globalization in each of its main domains—economic, political, cultural, ecological, and ideological—while keeping in mind its operation as an interacting whole on all geographical scales. Although we will study the various dimensions of globalization in isolation, we will resist the temptation to reduce globalization to a single 'most important' aspect. Thus will we avoid the blunder that kept the blind men from appreciating the full manifestation of the elephant.

