“Globalization”: Circumnavigating a Term

A Diagnosis of the Present and a Term for a Historical Process

“Globalization” is a term often used to explain today’s world. For years, it lay nearly dormant, used only in a few select publications by a handful of economists writing on very specialized topics. Then, in the 1990s, globalization was embraced by a wider public and has since skyrocketed to terminological stardom. It has been integrated into the vocabulary of numerous languages, and various scholarly fields have adopted it as a leitmotiv and the central category of their research. Every day the list of literature on globalization or globality, global history or global capitalism grows longer. The semantic thicket is already so dense that we need help in blazing a trail through it.\(^1\) In addition to the studies examining the specific effects of current economic globalization, an increasing number of publications deal with this topic in a more general or theoretical nature. When journalists begin to philosophize about the state of affairs in the world, it does not take long before globalization is mentioned. The term is therefore in danger of becoming just another word generously used in the art of

\(^1\) For general queries, contact webmaster@press.princeton.edu
terminological name-dropping, a term whose exact meaning is irrelevant as long as it creates an impression of profundity strong enough to ward off skeptical questions.

The general popularity of “globalization” is, however, more than just a symptom of a collective unwillingness to think. The term is unrivaled in its ability to fulfill a legitimate need: to give us a name for the times in which we live. In recent decades it has not been easy to succinctly express the nature of the contemporary era. In the 1950s many raved about the “atomic age.” In the 1960s and 1970s some talked about advanced “industrial society” and others about “late capitalism.” In the 1980s the term “risk society” got a good deal of attention and the “postmodern” came into fashion, but the latter could not gain a strong foothold in the consciousness of the general public because it seemed so intangible. “Globalization” is of an entirely different caliber. In a single word, this term summarizes a wide spectrum of experiences shared by many people. For one, the people of the world’s wealthy nations find (nearly) the entire world at their doorstep every day thanks to modern forms of consumption and communication. For another, the breakup of the isolated world of the Soviet bloc appears to have left the planet as a whole permeated by uniform principles of modern Western lifestyles. Seen from an economic perspective, the liberation of market forces from governmental regulation and the technological innovation in the areas of data processing and communication seem to have helped create markets in which supply and demand can become effective worldwide. As wide as the gap may be between the extreme opaqueness shrouding the interdependencies of
the global economy and the clarity with which daily experience demonstrates the growing irrelevance of borders, the term globalization has the significant advantage of doing justice to both sides, of reconciling reason and emotion and finding their common denominator. At the heart of this term is a dichotomy that proves time and again to be as trivial as it is true: the world is becoming noticeably “smaller” as distant lands are being linked ever more closely together. At the same time, the world is becoming “larger” because our horizons have never been so broad. Therefore, whoever seeks to sum up “in a word” the zeitgeist of this most recent turn of the century finds little alternative but to resort to the constantly repeated assurance that we have entered the era of globalization.

This is the point where historians feel the need to intervene in the debate. Some of what is being presented in sociological literature as new findings seems already very familiar to them. Long before the word “globalization” came into being, for example, economic historians had rather precisely described the process of emergence and continued integration of a global economy. In their work, historians strive for precision both in the factual account and the ascription of cause and effect. Although historians, when in doubt, have preferred to support well-founded evidence over flashy arguments, they are just as susceptible to grand generalizations as are their colleagues in other disciplines. For quite a while now, historiography has explained the changes that the world has experienced in the last two and a half centuries with the help of all-encompassing concepts of historical processes, which—like their cousins, the famous “isms” (liberalism, socialism, etc.)—could be
described as the “izations”: rationalization, industrialization, urbanization, bureaucratization, democratization, individualization, secularization, alphabetization, to name a few. Although these processes each follow their own time pattern and are linked to one another in a very complicated way, what they all have in common is that they take place over a (very) long stretch of time, occur in various forms and intensities on all continents, and unleash a force of change seldom found in earlier, premodern history. The metaconcept of “modernization” attempts to integrate these various processes into a single, all-encompassing development.

Simply by virtue of the term’s semantics, “globalization” seems predestined to qualify for a place among the macroprocesses of the modern world. We need not immediately endow the term with an importance that would place it directly next to (or even above) “modernization,” nor must we see globalization as the main feature of global development in an increasingly complex set of distant contexts. It is enough just to ask whether “globalization” could possibly be as expressive and important a concept as, for example, “industrialization.” That alone would be a remarkable achievement and would greatly enrich the interpretative repertoire of historiography. Such a concept would be even more welcome since none of the above-mentioned “izations” conceptualizes links between peoples, states, and civilizations. They manifest themselves within national and regional frameworks and therefore are analyzed within these contexts. Should “globalization” earn a place among the major concepts of human development, the term would thus fulfill a huge need. It would be in a position to offer sanctuary to all those
intercontinental, international, and intercultural notions that currently wander like homeless vagabonds amid our well-established historical “discourses.”

The fact that such a need does indeed exist presents us with the stepping stone to the following discussion. Let it be clearly understood that we are not suggesting the wholesale dismissal of all previous historiography, and we are careful not to make the absurd claim to want to rewrite the history of the modern era as one of globalization. Instead, we will attempt to throw a new light on the past from the perspective of globalization. In other words, it is a truism that many aspects of our existence today can only be understood in connection with worldwide integration. Yet, have not integrative developments played a greater role in the past than is expressed in the current historiography? What sort of integrative developments were these? How did they function? Did they really add up to a singular process that justifies using the newly created term “globalization”? If so, can we then identify a point near the end of the twentieth century when the trends toward globalization became so dramatic and dominant that we dare to speak of a turning point, of the beginning of a new epoch, of a “global age” (Martin Albrow) or a “second modernity” (Ulrich Beck, Anthony Giddens) or any other label we might choose?3

The Core Concept and the Controversies

In the majority of the proposed definitions of “globalization,” the factors that play a major role are the expansion, concentration, and acceleration of worldwide relations.
Definitions often also contain various diagnoses of our present era. Inherent in them is often the question of whether globalization means the demise of the nation-state, whether it will usher in cultural homogeneity throughout the world, or whether it will bestow new meaning on the concepts of time and space. All too often, such discussions on the meaning of globalization contain stark value judgments. On either end of the broad spectrum of opinion are the positions held by globalization enthusiasts and opponents, respectively. Whereas the former welcome globalization as the beginning of a new era of growth and prosperity, the latter see it as the emergence of global domination by big businesses originating from Western countries to the detriment of democracy, labor rights, poor countries, and the global ecological system.

If any consensus exists among authors of the various persuasions, then it is the assumption that globalization challenges the importance of the nation-state and alters the balance of power between states and markets in favor of the latter. It is argued that those profiting from this development and from the steps taken by national governments to facilitate free trade are the multinational corporations, which can pick the least expensive locations for direct investment worldwide without being hampered by loyalty to their countries of origin. The ability of national governments to influence economic development and their access to resources, especially to taxes, is said to be impaired. The provisions of the welfare state are also being dismantled, thereby diminishing the legitimacy of the state—a development that in the eyes of neoliberal globalization enthusiasts means a gain of personal freedom,
whereas for globalization opponents it is the onset of anar-
chy, which benefits only the strong. Thus, one of the cen-
tral themes of social science today is the erosion of the
(nation) state’s external sovereignty, its domestic monop-
oly of force, and its ability to govern.\(^5\)

There is also general agreement about a second charac-
teristic of globalization, namely, its influence on everything
covered by the rubric of “culture.”\(^6\) Cultural globalization,
driven by communication technology and the worldwide
marketing of Western cultural industries, was understood at
first as a process of homogenization, as the global domina-
tion of American mass culture at the expense of traditional
diversity. However, a contrasting trend soon became evi-
dent in the emergence of movements protesting against
globalization and giving new momentum to the defense of
local uniqueness, individuality, and identity. These move-
ments used the same new technologies to pursue their own
goals more efficiently and to appeal for support from world
opinion. Roland Robertson has called this concurrent
development of homogenization and heterogenization
a simultaneous “universalization of particularism and
the particularization of universalism.” At the same time, he
introduces the term “glocalization” in order to emphasize
that global trends always have an impact on local commu-
nities and require special “absorption.”\(^7\) The outcome of
cultural change through globalization is also often inter-
preted as “hybridity,” meaning the result of new cultural
elements being creatively adapted to mesh with existing
ones.\(^8\) Mass media, long-distance travel, and the global de-
mand for certain consumer goods are considered to be the
most important mechanisms of “glocalization.”
In light of the ease and frequency with which people, goods, and especially information overcome great distances, numerous authors have described globalization as a fundamental change of the categories of time and space. The geographer David Harvey calls this “space-time-compression.” This can be considered as the third basic feature of a social scientific understanding of globalization. “Space-time-compression,” starting with the radical reduction in telephone fees and the extensive use of electronic mail, creates a shared immediacy and a “virtual” together-ness and thereby produces the prerequisites for worldwide social relations, networks, and systems, within which effective distance is considerably smaller than geographical distance. The most important cause of this phenomenon is the increased speed of communication.

Another way to express this idea is to refer to “deterriorialization” or “supraterritoriality.” Location, distance, and borders no longer play a role in many social relationships. Scholars also tend to agree that globalization should not be understood as the intensified interaction between nationally delimited societies, but as a trend toward dismantling territoriality and dissolving spatially linked sovereignty—this being the geographic counterpart to interpretations emphasizing the retreat of the state in favor of self-regulating market forces.

Various leading participants in the debate on globalization use such a fundamental and widely accepted definition on which to base their more elaborately developed interpretations and prognoses. Of these, two should be mentioned: Martin Albrow’s concept of “globality” and Manuel Castells’s idea of “network society.” For Albrow,
“globality” turns the present into an era unlike anything else in history. The dimensions of globality, he argues, are reflected in the fact that environmental issues exist within the framework of a global ecological system; that the danger of global destruction is inherent in weapons of mass destruction; that communication systems and markets span the entire globe; and finally that globality has become reflexive, meaning that a growing number of people refer to knowledge about the global context of their actions and attitudes. Manuel Castells describes globalization as the emergence of a “network society,” a social form he claims is also historically unprecedented. Computer technology has made it possible for the first time to organize flexible social relations independent of territories. In the information age, economics and politics are no longer organized in a big, hierarchical, bureaucratic way, but as loosely structured, horizontal networks. Thus, the basis for exercising power and distributing resources has changed. Power is no longer manifested in command and obedience but is anchored in the existence of a network organization set up each time for a specific purpose. In place of the dichotomies of repression and exploitation, the social categories “top” and “bottom,” and geographic “centers” and “peripheries,” the determining principle is whether one belongs to or is excluded from the network. The major fault line in Castells’s new world divides those who are connected from those who are not.

In addition to such ambitious interpretations of at times prophetic caliber, there are more modest approaches in which globalization is not mystified into a historically effective force itself but remains more of a descriptive,
overarching concept for a series of concrete processes of transformation. For David Held and his coauthors, globalization appears as the result of processes that have been evolving, though not necessarily continuously, for a long period. Economic, political, cultural, and military complexes each continue to follow their own dynamics, and their respective scopes need not be overlapping. The impact of these processes differs depending on place, time, and social class. In this view, globalization is an open (i.e., not predetermined) process that substantially transforms (but does not eradicate) such institutions of human collective organization as states, companies, churches, and families. Unrelentingly it produces counterforces of fragmentation. James N. Rosenau and Ian Clark, two historically interested representatives of international relations theory, develop similar ideas. These so-called ‘transformationalists’ see globalization as a phenomenon of recent history, but one based on long-existing processes of spatially extensive political, economic, cultural, and military interaction.

Finally, it is certainly not hard to find skeptics of the globalization idea. They should not be confused with the at times very militant opponents of globalization. The latter share with their adversaries, the apostles of globalization, the belief that they are witnessing a fundamental transformation of the modern social and political world. Skeptics, however, see this belief as an exaggeration of reality; at times they even consider all the talk about globalization to be no more than an ideological cover-up for American strategies of economic control, while others suspect it is a propaganda trick of neoliberal business elites.
and technocrats. Paul Hirst and Grahame Thompson see the standard globalization literature as little more than a collection of anecdotes, impressions, and individual facts taken out of context and arranged to suggest that, taken together, they constitute the “phenomenon” of globalization. Hirst and Thompson, who concentrate on the economic aspects, do not find any such connection linking the numerous examples.

This points once again to the importance of terminology. On the one hand, anyone who identifies the signs of globalization as a functioning world market, free world trade and the unimpaired movement of capital, migratory movements, multinational corporations, an international division of labor, and a world currency system will be able to find globalization in the second half of the nineteenth century. On the other hand, anyone searching for comprehensive worldwide networking “in real time” will, depending on their inclination, either feel they are witnessing the dawning of a new era or indignantly refuse to accept such a superficial diagnosis as the newest “master narrative” of sociology. As historians, we would therefore be naïve to ask “when globalization began” or “whether globalization existed in the eighteenth century.” The first thing we need to do is establish our own concept of “globalization,” one that avoids both pedantry and excessive vagueness. Such a concept must act like a searchlight to illuminate the past without throwing the shadows of foregone conclusions over what we will find.