

An interpretation of globalization in historical perspective: preconditions, periodization and dimensions

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Abstract: This article aims to analyse preconditions, periodization and dimensions of globalization in historical perspective. Many scholars have discussed the causes and consequences of it based on what has taken place in the last few decades, normally starting in the late 1970s. Nevertheless, the phenomenon has precedents in history, which means, it is not an exclusive occurrence of the capitalism of the late 20th century. Considerable literature has flourished suggesting that the occurrence of greater global connectivity involving many areas of human activity and social interaction has occurred at times in history since a century (or even centuries) ago. The article concluded that the beginning of the first historical occurrences of globalization occurred much earlier than this century, and emphasises the importance of certain aspects of it outside economics.

Key-words: globalization eras, history, culture and language

1. Introduction

The increased occurrence of speculative bubbles and the spread of financial crises through the contagion effect have increasingly stimulated the interest of scholars from within and outside economics to the study of globalization. Actually, historically speaking, globalization is a process that has not been linear, but has developed in waves surrounded by periods of booms and different types of crises. The phenomenon is usually associated with a process of the integration of national economies into a wider (global) sphere involving their productive and financial markets.

Economists and economic historians have been emphasising that contemporary economic policy, technological innovations and institutional changes have been progressively overcoming the constraints of geography and gradually establishing a denser network of global linkages. The width of those changes may not be universal (SCHOLTE, 2002, p. 8) or homogeneous, but transnational connections have been changing economic, social and political international affairs.

This article is focused on an interpretation of globalization in historical perspective. The current increased use of the term does not mean that the phenomenon is actually new. Many scholars have discussed the causes and consequences of it based on what has taken place in the last few decades, normally starting in the late 1970s. Nevertheless, the phenomenon has precedents in history, which means, it is not an exclusive occurrence of the capitalism of the late 20th century. Considerable literature has flourished, suggesting that the occurrence of greater global connectivity involving many areas of human activity and social interaction has occurred at times in history since a century (or even centuries) ago. Throughout time, international integration has grown significantly in a number of ways, shaping a non-linear historical process, and receiving different taxonomies and depictions.

As a matter of fact, the debate on globalization has been much wider and more multifaceted than discussed within economics. Its causes and effects are not only confined to economic aspects but also involve many different aspects combining political, institutional, cultural, ecological, technological, spatial and sociological dimensions. Evoking these and other aspects, it has therefore become a multidimensional theme and an interdisciplinary topic within academia.

As a multidimensional subject, the phenomenon implies multiple associations, and then accepts contributions from different areas. It is out of the scope of this article to scrutinise all these aspects. As suggested by its title, the article aims to analyse

preconditions, periodization and dimensions of globalization in historical perspective. It is organized in five sections. The following one presents a bird's-eye view of globalization in what are arguably its main prerequisites. On this account, the section addresses contributions from scholars with different backgrounds as an invitation to examine many other intricate aspects of the academic debate on globalization. The third section presents a historical periodization which differs from what is advocated by most economists based on the Held *et al* (1999) proposition. Section four surveys some core dimensions of globalization outside economics, namely, technology, law, nation-state, culture and language. Finally, the fifth concludes the essay.

2. Was does globalization mean within economics?

According to the understanding adopted here, it is acknowledged the existence of various historical episodes of globalization throughout the centuries of human interaction. In what follows, it is examined how key scholars describe the core economic aspects of globalization. There is not a consensus amongst them about when it began, since they strive to describe the essential aspects they support about the phenomenon.

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Michael D. Bordo has written scholarly papers touching on various aspects concerning the debate on globalization. Bordo (2002, p. 20) proposed the following definition of it: "I define globalization as the increasingly close international integration of markets for goods, services and factors of production, labour and capital." He emphasised the role played by the WTO (GATT until 1994) spurring the process of global integration through the continuous reduction of non-tariff barriers and protection, mainly since the post WWII period.¹ In general, his analysis is supported by extensive data focused on

¹ See for example this quotation where Bordo (2002, p. 22) stated that: "Successive rounds of tariff negotiations from 1947 to the present have virtually eliminated tariffs on manufactured goods in

changes that have been occurring in world trade, foreign direct investment (FDI) and cross-border financial capital flows. Elsewhere, he has been expressing his concerns about the growing importance of financial markets as the key driving force of modern globalization (BORDO 2000, BORDO, EICHENGREEN & IRWIN 1999).

Similarly, Nobel laureate Joseph Stiglitz (2002, p. 9) states that globalization means the closer integration of countries and people, made possible by technological developments and institutional changes. In the passage below, he highlights the importance of actual and new institutions to the progression of contemporary global integration. In his words:

Globalization is the closer integration of the countries and peoples of the world which has been brought about by enormous reduction of costs transportation and communication, and the breaking down of artificial barriers to the flows of goods, services, capital, knowledge, and (to a lesser extent) people across borders. Globalization has been accompanied by the creation of new institutions that have joined with existing ones to work across borders. ... Globalization is powerfully driven by international corporations, which move not only capital and goods across borders but also long-established international *intergovernmental* institutions (Italics original).

The role played by institutions, technological developments in various areas, and policy issues have been emphasised by Stiglitz as important aspects driving forward the process of global integration. However, instead of integration, some scholars (HELD *et al* 1999) have used another term to illustrate different aspects of current globalization, which is *enmeshment*. The noun *enmeshment* comes from the verb *enmesh* used to describe a situation when someone or something is caught or entangled as in a net, and which is not easy to escape from. Applied to globalization, scholars prefer to use it instead of the general and arguably vague term *integration* because *enmeshment* involves the formation of a network that intertwines markets, institutions, companies, private agents, governments, contracts, agreements, etc, and all apparatus underlying the diverse dimensions of globalization.

Authors have also been using another term close to *enmeshment* but more related to the effects that the deep global interaction have been empowering companies and institutions to develop partnerships and facilities worldwide. This term is *interconnectedness*. According to Duvall (2001, p. 786), *interconnectedness* is:

a condition in which otherwise separate social units are linked together through material exchanges and information flows. The interlinkage is such that occurrences in one unit have effects on others: consequences of actions and decisions are transmitted beyond the unit in which they are taken. In that respect, units are interconnected.

advanced countries. The WTO, which succeeded GATT in 1994, is currently engaged in reducing non-tariff barriers and protection in areas not covered by GATT.”

Thus, interconnectedness has been used in the globalization literature to express the notion that economies are not only integrated but interdependent, i.e., decisions taken in certain countries or markets affected others and can result in a domino effect if this level of interconnectedness is high. In the sense defined above, countries are interconnected when their policy decisions reciprocally affect each other. It is worth noting that Duvall (2001) asserted that the term is meaningful and serves as a necessary, albeit not sufficient, condition to describe integration, interdependence and globalization.

In a nutshell, the words *enmeshment* and *interconnectedness* have been preferred of integration to illustrate globalization more precisely. While *enmeshment* emphasises the network aspect established by globalization, *interconnectedness* also highlights another characteristic, which is the interdependence between economies entangled in the globalization network. Therefore, despite being connected, these two terms cannot be used interchangeably since they complement each other to describe the global interface of things and people across the globe. They will be used in this article to emphasise these aspects (networking and interdependence) that are not explicit when the term *global integration* is used as a synonym of globalization.

In a broad sense, both terms aim to highlight the importance of the network of international linkages that globalization involves. In the most competitive economies, goods, services, and financial assets are no longer targeted at local markets, but at the wider global marketplace, i.e., the degree of interdependency has increased significantly. This “wide thread” includes international law, regulatory organisations, vested and non-vested interests, economic policy reforms, a large range of multilateral institutions, ideology, non-profit organisations, highly profitable speculative activities, global technological partnerships and programmes, and so many other aspects including environmental connected to the globalised affairs. It is worthy mention that the consequences of this *enmeshment* and *interconnectedness* could be either good or bad. Above all, the terms simply underline two important features of the phenomenon: connectivity and interdependence.

To illustrate their applicability, the terms *interconnectedness* and *enmeshment* could be used by Kregel to describe the third stage of his taxonomy which is the globalization phase. Kregel (1994, p. 30) affirmed that in a global economy, transnational firms consider specific national markets as part of a “single undifferentiated ... global market in which a single product line may be sold”. Thus, “truly” globalised transnational firms use “raw materials and half-finished goods from producers in a wide range of

countries, with the final assembly process decentralized across a number of regional centres producing a unified product”. The corporate strategy of transnational firms promotes narrow interconnection among countries, and then it becomes increasingly difficult for a nation to avoid changing or being affected by the economic policy of others. More and more countries have become involved in the production and commercialization of goods, assets and services as part of this *new capitalism*. Therefore, a strong interdependence and interconnection amongst countries has developed.

The expression *new capitalism* above does not mean that globalization represents a more advanced system in terms of promoting something like a global welfare state. It means that since the barriers to commercialising goods and assets in this phase have been lowered, transnational corporations have commanded their productive activities through a wide network of facilities distributed around the world, searching for increased profitability. In fact, left wing Canadian writer Naomi Klein (2007) published her new book in which, among many other complaints about the effects of globalization in developing nations, she classified new capitalism as “disaster capitalism”.

Robert Keohane & Joseph S. Nye Jr. (2000) suggested that at the turn of the millennium, the word globalization would replace the word interdependence, which was used to discuss matters of world politics during the 1980s and 1990s. They suggested that globalization and interdependence have many meanings and both concepts are meant to cover a variety of phenomena from economics to politics and so on. In fact, they disagree with the current usage within academia of the word “globalization”. According to them, globalism is more appropriate because it means “a condition that can increase or decrease”. Their definition of globalism is “a state of the world involving networks of interdependence at multicontinental distances.” (KEOHANE, NYE, 2000, p. 105). In agreement, Giddens (2006, p. 50) also emphasises this reciprocal dependence as a salient characteristic that defines globalization. He states that “globalization refers to the fact that we all increasingly live in one world, so that individuals, groups and nations become interdependent.”

British political theorist David Held (2001, p. 427) describes present globalization as a spatial phenomenon that interlinks communities, but transforms core dimensions of human life such as power, criminal, financial and environmental aspects.

Globalization is fundamentally a spatial phenomenon; it lies on a spectrum with the local and national at one end, and the (supranational) regional and global at the other. It is about the stretching of connections, relations and networks between human communities, an increase in the

intensity of these, and a general speeding up of all these phenomena. Globalization denotes transcontinental or interregional flows and networks of activity, interaction and power. It is, in short, about the interconnections between different regions of the world - from the cultural to the criminal, the financial to the environmental - and the ways in which they change over time.

Taking into account the explanations summarised above, the phenomenon is not considered a process of adding previously isolated countries or regions into a larger space of interaction, formed and fed by the interface of numerous dimensions constituting a system. On this aspect, it applies the famous quotation from Aristotle, who stated that “the whole is greater than the sum of its parts.” Globalization is greater than a geographic amalgamation of distant marketplaces. It is a process (“or a set of processes”) in continuous transformation running across the spheres of human interaction, subject to the action of evolutive institutions, contradictions, advances and retreats. That means that in addition to the productive, commercial and financial dimensions, its technological, political, cultural, military, environmental and legalistic aspects will be considered here.

3. An unconventional periodization of globalization in historical perspective

The debate on globalization chronology is strongly related with the way scholars define it. If we had a general and unique definition of the term, its periodization would be probably general and unique too. However, as it was argued in the section above, there is a myriad of meanings, thus the debate on its chronological aspects also have several different interpretations.

Most scholars who address globalization from a historical perspective recognise three major starting points for the onset of the phenomenon: from the 15th century; in the last quarter of the 19th century; or from the last quarter of the 20th century to date. Furthermore, David Held *et al* (1999), Scholte (2001, 2002) and Robertson & Scholte (2007) (among others) have mentioned that some scholars also consider that the term *globalization* describes historical tendencies that can be traced back to ancient times even before the Middle Ages.

Norman Gall & Rubens Ricupero (1997) asserted that globalization started with the expansion of the European mercantilist system following the so-called *Age of Discovery* from the early 15th century to the early 17th century. According to them, starting in Western European countries, maritime expansion hailed the onset of a truly world economy since it promoted long-distance commercial linkages between Europe and

several regional economic areas spread over all the continents. Those commercial routes, and the deep transformations in production, transport and communications they promoted, characterised the beginning of the globalization era, which was consolidated in the 19th century under Britain's economic and military dominance.

Contrasting with this view, K. O'Rourke & J. Williamson (2002, p. 24) found evidence of globalization in the 1820s in terms of trade price convergence. However, Bordo, Eichengreen & Irwin (1999, p. 3) and Bordo (2002, p. 21) assert that the first age began *circa* 1870, encouraged by the British Gold Standard regime, and the second after the 1980s, encouraged by the worldwide spread of liberalisation and deregulation policies, and spurred by the technological revolution in telecommunications systems. More precisely, Eichengreen and Bordo (2002, p. 3) mentioned Charles Goodhart's viewpoint saying that the first age of globalization occurred when the transatlantic telegraph cable was laid between England and North America in 1866 because it revolutionised the intercontinental trade of assets. In their words: "Financial markets are markets in information; by speeding transatlantic communication, the advent of the cable in the 1860s thus transformed their operation".

This is the general perspective that is largely found in the literature. Considering the alternative periodization sustained by some scholars about the ancient roots of globalization, two examples could be preliminarily mentioned to illustrate the phenomenon during this earlier period. First, one can recall the outstanding economic, political and social achievements of Alexander (*Alexander the Great*), king of Macedonia during the years 336–323 BC, who was the conqueror of Greek city-states and the Persian Empire from Asia Minor and Egypt to India. Likewise, Justinian I (*Justinian the Great*), Byzantine emperor during the 527–565 AD, who extended the boundaries of the Greek-speaking Roman Empire of the Middle Ages far beyond its extension of that time.

The title *the Great* was awarded not only because of the extraordinary geographic expansion they promoted despite the logistic resources of the time, but also because the territorial increase of their empires introduced and encouraged important changes to over-distant areas in diverse aspects of human society such as: overseas trade, civil law and judicial practices, administrative and political reforms, culture (especially in sciences, arts and language), religious practices and doctrines, military tactics of conquest war, to name but a few of the most important aspects. In fact, this could be one of the possible meanings related to globalization, that is: a historical process of

territorial expansion headed in general by one nation (followed by others afterwards), which end up promoting great transformations to a larger extent, spreading them out over long distances and to a wide range of aspects, eventually changing societies from one state of affairs to another. This may be a more inclusive approach on globalization in historical perspective.

This seems to be the method proposed by Held *et al* (1999) in the book *Global Transformations*, although they search the roots of the phenomenon through a historical inquiry that dates back many years before the two examples mentioned above. The authors extensively studied the chronology of globalization and distinguished seven historical forms of the phenomenon divided into four subsequent eras. The eight chapters of the book are dedicated to presenting in great detail the main characteristics of these different forms of globalization, hence it is impossible to make an outline of the arguments developed by them within the scope of this section. However, since it is a unique contribution to the debate, table 1 shows synthetically the historical division they proposed and it is followed by a summary of the main characteristics of each phase.

Table 1. Chronology of historical forms of globalization

<i>Periodisation</i>	<i>Historical forms of globalization</i>						
	<i>Political</i>	<i>Military</i>	<i>Financial</i>	<i>Production</i>	<i>Migration</i>	<i>Cultural</i>	<i>Environmental</i>
A) Pre-modern							
1) Pre-1500					√	√	√
B) Early modern, circa 1500-1850							
1) Early modern (14th-18th century)	√	√					
2) Early modern approx. 1500-1760				√	√		√
3) Early modern approx. 1500-1850						√	
4) Early modern Pre-industrial Revolution			√				
C) Modern, circa 1850-1945							
5) Modern (late 19th-early 20th century)	√	√	√	√			
6) Modern approx. 1760-1945					√		√
7) Modern approx. 1850-1945						√	
D) Contemporary, 1945 to date							
1) Contemporary approx. 1945 on	√	√			√	√	√
2) Contemporary Bretton Woods period (1945 to 1973)			√	√			
3) Contemporary approx. 1973 on			√	√			

Source: Adapted from Held *et al* (1999, pp. 80, 135, 222, 272, 306, 364, 392).

Looking at the table above, it may be noted that Held *et al* (1999) believe that the beginning of the first historical occurrences of globalization occurred much earlier than was proposed by the authors studied in the second section of this article. They propose that globalization is not a one-century phenomenon but a historical process that has

been progressively disclosed in diverse forms throughout history. Therefore, there is not one but various forms of globalization that change over time. They selected the most salient characteristics in each period and demonstrated how the development of human relations promoted an increasing enmeshment of economic, social, cultural, military, environmental and political activities across countries. In this way, they explain the emergence of various periods of globalization based on the study of human interaction since ancient times.

As presented in the table above, the authors proposed a fourfold periodization of globalization: pre-modern (pre-1500), early modern (circa 1500-1850), modern (circa 1850-1945) and contemporary (1945 to date). Each form of globalization reflects the spatio-temporal and human conditions of the time. The first form lasted thousands of years since human interaction and the emergence of any long distance activity was severely restricted by the limited technology of transport and communication. As a result of the development of adequate knowledge and equipment, the transformation process became faster, more intense and with greater scope.

The pre-modern period began with the formation of agrarian centres in Eurasia, Africa and the Americas around 9,000 to 11,000 years ago. Without a doubt, the targets of the global interactions and consequently the social and infrastructural transformations were strictly limited by the technology available. The main characteristics of this age were interregional or inter-civilizational encounters within Eurasia since Oceania and the Americas remained autonomous civilisations. The key sources of globalization at this time were political and military empires, world religions and the migratory movements of both nomadic people and farming societies. Due to transport limitations, long distance trade between regions and civilizations was less intensive. Political, military or cultural interaction was far more difficult to establish, hence this era is described as a form of “thin globalization”.

During the early modern era, the phenomenon progressed motivated mainly by the European ultramarine conquests and the demographic, environmental and epidemiological flows between Europe, the Americas and Oceania. European innovation and expansion resulted more from the importation and adaptation of Eurasian technologies than on the development of indigenous innovations. European expansion in this era was not truly global but was significantly located in the Americas and Oceania. Political and military relationships and the formation of European global empires reinforced the channels of interconnection between continents. In addition,

great trading companies related to the new empires (British East India Company, Hudson Bay Company and British Royal Africa Company) gave birth to new forms of economic globalization.

This modern period marked the onset of industrialisation and the enormous progress of military weapons, naval technologies and increasingly powerful state institutions. Accordingly, the intensity of intercontinental relationships increased significantly in terms of trade, investment and human migration. During the era, European power stretched to almost all areas of the globe.

Finally, Held *et al* consider contemporary globalization as a distinctive historical form of the phenomenon in terms of economics, politics, law, governance, military affairs, cultural linkages and human threats. They asserted that: “This era has experienced extraordinary innovations in the infrastructures of transport and communication, and an unparalleled density of institutions of global governance and regulation” (Held *et al* 1999, p. 425). The contemporary era represents a historically unique confluence of certain key aspects such as the Bretton Woods collapse in the early 1970s, the OPEC oil crises, the flow of petrodollars into international banking institutions, combined with new telecommunications infrastructures and a global wave of neoliberal deregulation from the 1980s onwards. These factors encouraged a surge in global trade, investment and financial flows especially between North America, Western Europe and Asia.

4. Some core dimensions of globalization outside economics: technology, law, nation-state, culture and language

Up to this point, one can realize that globalization is not simply an amalgamation of markets or countries, but a process of ongoing intercontinental enmeshment of people bringing transformations in culture, language, habits and traditions, as well as changing the world in many other dimensions, such as geography, politics, economic and legal systems, corporate oligopolies, formal institutions, and technology. In this sense, globalization is an institutionalised concept. Its dynamic historical progress involves institutions in general and its evolution once it has been altering many areas of human life. In this sense, Perraton (2003, p. 38) pointed out:

Globalization can be conceived as a process, or a set of processes, which embodies a transformation in the spatial organisation of social relations engendering a shift in the spatial reach of network and systems of social relations to transcontinental patterns of human organisation, activity and the exercise of social power.

A key feature related to globalization is the advent of numerous advanced technological breakthroughs and devices for commuting information and data worldwide. Over the past three decades, deep transformations in information and communication technologies (ICTs) have gained momentum. They have changed the nature of human interaction, affecting corporations, governments, institutions, cross-country cultural differences and the everyday life of ordinary people. One of the major achievements of this revolution is that these technological innovations have created an enormous potential for transmission of information in real time and at unprecedented speed, reaching areas of the world hitherto considered remote.

Indeed, the most remarkable technological progresses of the 20th century were the developments in ICTs. The most significant technologies created in both areas respectively were communication via satellites and fibre optic cables (including submarine cables), and also the development of computer-based information systems, chiefly software applications, and computer hardware. The Internet is one of most successful results of the interaction between telecommunications and computation, so that nowadays it is virtually impossible to expand the development of telecommunications without computational support. These technologies have allowed the traffic of a great amount of data (based on the exponential capacity of fibre optics), covering continental distances through the use of satellites. As is well-known, there are other technologies of data transmission based on copper wires and broadcasting, but the amount of information they once transmitted and the range of these transmissions cannot be compared with the performance of the satellite and optical fibre.

Certainly, an isolated change does not make a revolution. Rather, these new technologies have interacted with each other and developed in parallel to the digital revolution. The digital revolution is sweeping all analogue media before it, allowing unparalleled success in long distance data transmission. Digital communication works by converting electronic signals (data, voice, music) into digital (binary) code. Digital data transmission can be broadcast through fibre optics and satellites, controlled by computers. This technology vastly reduces the potential for signal corruption during transmission by weather conditions, and other problems that can interfere with the quality of reception. As a result, the volume of information exchanged is not only much greater than the analogue system but is also much more reliable. The technological advances resulting from ICT devices have been making use of digital technology (and vice versa) and providing a massive exchange of data transmission worldwide.

Internet, satellites, computer systems and fibre optics revolutionise modern telecommunications, providing a high-quality and low-cost service of data transmission for users who have access to the sophisticated equipment. Companies, banks, central banks, stock markets and households can interact electronically at any time, twenty four hours a day, seven days a week, carrying out a wide variety of productive, commercial and financial activities.

The payoffs from such breakthroughs have been enormous. By satellite, data transmission between telephones and computers is almost instantaneous in virtually any part of the world, and as a result the use of these technologies in productive, commercial and financial activities has been extensive. But there is a crucial difference between the uses of these technologies in such activities. The nature of financial activity does not involve the same formal and bureaucratic proceedings as commercial ones. That means that the time to conclude a transaction is the key determinant variable that differentiates both activities. The time required to conclude a financial deal is much less than what is necessary in a commercial transaction. Consequently, the time of re-contraction is also much less. In this way, applications of ICT in finance and accounting have been encouraging better processing and easier dissemination of information than in other globalised activities, so one can conclude that its potential to increase is higher.

Technological developments have become increasingly enmeshed in contemporary society, and have been affecting a wide range of areas, from medicine to sports, from culture to finance. Progress in this field has made a profound impact on global integration, both positive and negative since ambiguities are inherent in any process of technological change. Nevertheless, it is worth emphasising that technology is not a panacea or a “free lunch”, and it is also not capable of bringing the world to Utopia. As a matter of fact, ICTs are distributed unevenly worldwide. More recently, prompted by the uneven geographical diffusion of ICTs and the Internet, multilateral institutions such as the UN, the World Bank and the OECD have turned their attention to the inequalities of access to information. This is the well-known topic of Digital Divide.

The problem promoted by the digital divide is not only geographical but social (DiMaggio *et al.*, 2004). Technology *per se* is one important dimension of globalization but it has neither an even worldwide spread nor the capacity to eliminate social inequalities, conversely it has been widening the gap between rich and poor nations. Hence, reducing the digital divide is often considered as a major political matter in the world (digital) economy.

Changes in international law have also played an important role in the current process of globalization. This dimension can be seen through the development of multilateral agreements in a variety of areas such as trade, finance, human rights, property rights, international crime, environment, terrorism, money laundering, etc. From the end of WWII to the 1960s, these issues had mostly lain within domestic jurisdiction, i.e. domestic states were dealing with some of these issues isolatedly. However, the idea of nation-state sovereignty has greatly changed since those days.

The erosion of nation-state autonomy, especially in the wake of the 1990s liberalisation era, has transformed international law from the “law of the state” to the “law of the international community”. The increased international connectivity in various areas, (including especially the rapid growth of internet business) has also brought to light a variety of legal issues that have been solved through adjustments in the former established legal apparatus. In other words, most of the aforementioned prominent legal matters such as international trade, finance, human rights, business crime and terrorism are no longer domestic concerns, but concerns of the international community.

These changes have urged the necessity to codify some rules to deal with a variety of problems raised. These rules have been addressed by the establishment of new regulations, codes, international conventions and multilateral agreements to adapt previous international law in order to deal with the new judicial *status quo*. The absence of international regulation and multilateral agreements in the light of these developments could lead the global society to a chaotic state. All these procedures, put into operation by legal institutions, are an indication of the striking transformations caused by the recent surge of globalization.

Even recognising that the state’s abilities for governance have changed and weakened considerably during the last few decades, non-mainstream scholars believe that the role of the nation-states remains pivotal in providing legitimacy for supra-national and sub-national governance mechanisms. According to them, the pressure coming from international financial markets has changed the scope of the domestic political economy but it has not eliminated the autonomy of nation-states. Even agreeing that governments have lost some degree of manoeuvrability to manage their economic policies during periods of high capital integration (past and present), the aforementioned authors sustain that this does not mean the end of nation-states and the absence of political alternatives against the process of economic policy homogenisation (see Chang 2002a, 2002b, 2011, Chang and Grabel 2004-5). In other words, domestic financial systems are still

regulated and managed by public policies, although the political and economic power of nation-states may vary over time from country to country.

To summarize this aspect related to the globalization politics, in comparison to the period before the current surge of globalization, governments have less autonomy to operate their economic policies but now there is not absolute loss of control over them. According to them, global markets do not eliminate global inequalities and, as a result, additional public policies are necessary to bridge this gap. Furthermore, in order to deal with those problems, many other instruments must be taken into account by nation-states (and/or by global institutions) such as adequate disclosure practices, prudential guidelines on controlling risk and restructuring the advances of financial institutions, and the development of institutions that fight against corruption and money laundering. This is the alleged new historical role of the state.

Culture is another dimension that has been changing considerably under the current globalization, and this aspect is closely related to the emergence and global spread of the Internet. The World Wide Web (www) has changed the lifestyle and working environment of people all over the world. Communication through the internet has been an icon of global integration, not only for searching for and exchanging information but also through the use of internet telephony provided by companies such as Skype, Google Talk, Yahoo! Messenger and MSN Messenger, to mention only the most well-known enterprises. These companies allow the broadband user to call landlines in any country via computer devices at a very low cost in comparison to traditional telephone companies. Once the users have acquired basic devices there is no additional cost for the calls to places around the world covered by these companies. Even if the user wishes to make a call to a traditional telephone landline, the cost is very low. Among others, the providers mentioned above also allow local/international calls and teleconferences between computers with broadband connections. They also provide communication services on wireless or wired internet service provision without additional costs or any value-added tax charge for broadband users.

Mostly spurred by the rapid progress in commuting information, globalization has been promoting greater international cultural exchange in various aspects, for instance, it can be seen in music of all types, in science, art, religion, politics, etc. By the way, how to measure, for example, the role played by social media in current days? Besides strengthening communication and exchange of information worldwide, it has been also spreading social and political values to different cultures worldwide. In fact, it has been

one of the elements that contributed to speed up political changes. On this account, remember that it was used (primarily among the youth) to arrange meetings in Tahrir Square in Egypt in 2011, during the protests against the dictatorship of former president Hosni Mubarak. It also happened in other countries in the 2010 wave of protests that became known as the Arab Spring, and gained notoriety more recently from the work in digital journalism of blogger Yoani Sánchez.

Still in relation to the cultural changes promoted by globalization, one can mention that multi-national companies and credit institutions took advantage of decreasing state regulations in different sectors and developed a variety of strategies (joint ventures, mergers, acquisitions, inter-firm alliances, subcontracting arrangements, outsourcing, new financial products, etc) to overcome national frontiers, aiming to reach remote and wide markets. Accordingly, over the past few decades, these corporations have significantly increased their ability to operate in different cultures and transcend ethnic divisions in order to achieve their investment goals on a global scale.

In 1951, the American Sociologist Paul Meadows mentioned the word globalization (p. 11) within inverted commas, with the same meaning with which it is used currently. This article arguably could be considered a seminal paper which, on sociological grounds, reveals key insightful thoughts relating globalization to the culture of the modern industrial society. For obvious reasons, he does not provide a scientific analysis of globalization, nor does he develop the concept per se, but puts forward a basis of a debate about the tendency towards cultural universalization in the context of the advent of modern industrial technological societies. According to him, the tendency had been stronger than a cultural localisation. In Meadows's (1951, p. 11) words: "with industrialism, a new culture system has evolved in one national society after another; its global spread is incipient and cuts across every local ethos." As this tendency is supposed to evolve over time, he concludes that this new culture pattern is in the process of "globalization," which is "replacing the central mythos of the medieval Church."

Language plays a key role in the globalization of culture. As English is the predominant world language, the aforementioned aspects (especially music, films and science) have been widely spread around the world, influencing (not eliminating) these cultural activities in many countries. English became the world language primarily as a result of colonisation and the huge British Empire both in the Indian sub-continent and Africa.

In those days, French was the language used in the diplomatic service but became marginalised by the growth of English over the years.

Although both France and Germany were themselves colonists, their Empires in the late 19th and early 20th century were not as widespread as that of Britain, particularly in Africa. These areas used English not only as their second language, but also their first language or common language. That happened because of the numerous languages/dialects spoken, so that the only language common to all was English. After WWII, the US became a great power, spreading its culture to Latin America and also to South East Asia because of their involvement in WWII. Of course, there are more Chinese speakers in the world than speakers of other languages, but China has never played such an economically and politically significant role in world affairs as Britain did before WWI and the US has been playing since WWII, although the country is losing this condition after the deleterious effects of the 2008 crisis.

Moreover, English has become the common language through which scientists from many disciplines have chosen to communicate their thoughts, achievements and criticisms. Therefore, nowadays, English-language journals and books are preferred as a vehicle for exchanging scientific knowledge.

The data presented below is evidence of the point made above. The British Linguist David Crystal has researched the rise of English as a global language since the end of WWII. Crystal (2003, p. 111) presents evidence to the fact that English is currently a global medium of communication of the world's scientific knowledge, especially in areas such as science and technology. More research could provide the same evidence in economics but there is no reason to think that the picture described below is much different or less significant in economics or in most other social science fields.

A 1980 study of the use of English in scientific periodicals showed that 85 per cent of papers in Biology and physics were written in English at that time, whereas medical papers were same way behind (73 per cent), and papers in mathematics and chemistry further behind still (69 per cent and 67 per cent) respectively. However, all these areas had shown a significant increase in their use of English during the preceding fifteen years – over 30 per cent, in the case of chemistry, and over 40 per cent, in the case of medicine – and the figures twenty years further on would certainly be much higher. This can be seen even in a language-sensitive subject such as linguistics, where in 1995 nearly 95 per cent of the 1,500 papers listed in the journal *Linguistics Abstracts* were in English. In computer science, the proportion is even higher.

Another example is the development of computer software and the number of sites on the internet written in English. According to Robertson & Scholte (2007:714) 68 per cent of Web pages were in English in 2004. This figure is huge when compared with sites in Japanese (7 per cent), German (6 per cent), Chinese (4 per cent), or French (3

per cent). It clearly shows that not all the users who visit Web sites in English are native speakers, which is an additional indication of the role played by English as a world language, shaping a distinct cultural aspect of contemporary society.

5. Concluding remarks

Over the past two decades, the debate on globalization has elbowed its way right to the top of economic, social and political agendas worldwide. Globalization has also acquired a wide-reaching audience in academic circles during this period. Never before has a phenomenon produced such an extensive range of debates, concerns, policy changes, controversies, convergences, dissensions and even passions (ROGALSKI 1997) to such a broad group of people, and in such a short time. Due to the rapid transformations in many areas of the human life and its ambiguous consequences throughout the last decades, some have associated globalization with the end of history, the end of renewable natural resources, the end of the nation-state, even the end of the world.

Globalization is a multi-faceted topic and has brought a relevant transformation in the organisation of contemporary society. It has influenced the policies of local authorities, transformed the spectrum of global power, changed the notion of space, the decisions of private investors, the behaviour of transnational corporations, the actions of multilateral institutions, and the social interactions of many people around the world.

The article has displayed a panoramic view on some qualitative aspects surrounding the academic debate on globalization. It has addressed key issues such as its preconditions, periodization and some of its dimensions outside economics. Despite the effort to present a concise and wide picture of the theme, the article naturally did not cover all the areas of the debate. Nevertheless, the broad picture painted shows the essential aspects of the phenomenon.

In the introduction of his *History of Economic Analysis* (1954) (published posthumously by Elisabeth B. Schumpeter), Joseph A. Schumpeter reasoned that the economic facts should be addressed by arguments that reconcile theory, history and empirical evidence. This survey looks to bring together the first two elements in order to examine the globalisation phenomenon that marked various eras of human life.

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