

Globalization and Human Welfare

Other texts by Vic George and Paul Wilding:

Motherless Families

Ideology and Social Welfare

The Impact of Social Policy

Welfare and Ideology

*British Society and Social Welfare**

* Also published by Palgrave

Globalization and Human Welfare

Vic George and Paul Wilding

palgrave



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First published 2002 by
PALGRAVE
Houndmills, Basingstoke, Hampshire RG21 6XS and
175 Fifth Avenue, New York, N.Y. 10010
Companies and representatives throughout the world

PALGRAVE is the new global academic imprint of
St. Martin's Press LLC Scholarly and Reference Division and
Palgrave Publishers Ltd (formerly Macmillan Press Ltd).

ISBN 978-0-333-91566-0 hardcover

ISBN 978-0-333-91567-7 ISBN 978-1-4039-1401-9 (eBook)

DOI 10.1007/978-1-4039-1401-9

This book is printed on paper suitable for recycling and
made from fully managed and sustained forest sources.

A catalogue record for this book is available
from the British Library.

Library of Congress Cataloging-in-Publication Data

George, Victor.

Globalization and human welfare / by Vic George and Paul Wilding.

p. cm.

Includes bibliographical references and index.

ISBN 978-0-333-91566-0—ISBN 978-0-333-91567-7 (alk.)

1. Human services. 2. Social policy. 3. Globalization.

I. Wilding, Paul. II. Title.

HV40 .G455 2002

361—dc21

2001057741

10 9 8 7 6 5 4 3 2 1
11 10 09 08 07 06 05 04 03 02

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List of Abbreviations

AIC	Advanced Industrial Country
AIDS	Acquired Immunodeficiency Syndrome
ASEAN	Association of South East Asian Nations
BIS	Bank for International Settlements
CSD	Commission on Sustainable Development
EU	European Union
FAO	Food and Agriculture Organisation
FDI	Foreign Direct Investment
G7/G8	Group of Seven/Eight
GATT	General Agreement on Tariffs and Trade
GEF	Global Environment Facility
GDP/GNP	Gross Domestic/National Product
HIPC	Highly Indebted Poor Countries
HIV	Human Immunodeficiency Virus
IDC	Industrially Developing Country
IGO	International Governmental Organization
ILO	International Labour Organization
IMF	International Monetary Fund
MAI	Multilateral Agreement on Investment
MEI	Multilateral Economic Institution
MNC	Multinational Company
NAFTA	North American Free Trade Association
NGO	Non-Governmental Organization
NPM	New Public Management
OECD	Organization for Economic Co-operation and Development
PPP	Purchasing Power Parity
SAP	Structural Adjustment Programme
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environmental Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNHCR	United Nations High Commission for Refugees
UNICEF	United Nations Children's Fund

UNO	United Nations Organization
WB	World Bank
WHO	World Health Organization
WTO	World Trade Organization

Acknowledgements

Our thanks to Ian Holliday and Jan Pahl for stimulating and helpful advice on parts of the manuscript, and to friends and colleagues at the City University of Hong Kong for their responses in seminars on globalization which we presented there.

This book marks the likely end of more than thirty years of collaborative work. We like to think that it illustrates the benefits and advantages of collective endeavour over the private strivings of possessive individualism! Certainly that is how we have found it since our first joint project in 1969.

Introduction

Globalization is a long-term process which has affected all aspects of society – economic, political, cultural and social. Its pace has varied from one period to another. It certainly gained momentum during the last quarter of the twentieth century as a result of technological changes in information technology and political decisions at the national and international levels. We view globalization as the increasing and uneven interconnectedness and homogenization of the world in economics, politics and culture.

During its long history, globalization has been accompanied by different ideologies. Even in the short period of the second half of the twentieth century, it was first accompanied and driven forward by the Keynesian view of economics and welfare only to be replaced in the 1980s by its current neoliberal philosophy. Globalization can coexist with different ideologies – a fact that is often overlooked with the result that it is wrongly seen as inherently neoliberal in its approach to economic and social issues.

If there is one issue on which opinion is almost unanimous, it is that globalization has reduced both space and time. Messages can be flashed across the world in seconds; travel time has been substantially reduced; and goods can be transported from one part of the world to another faster than before. The world may not be a global village but it is certainly a more compact place.

Opinion is divided, however, about the economic and social effects of globalization on societies. Some view it as fundamentally benevolent, while others see it as a destructive, exploitative force. The evidence presented in this book suggests that the effects of globalization can be both desirable and undesirable and can vary from one country to another. Some countries have seen their economies expand while others have experienced economic stagnation or even contraction in recent years; poverty has declined in some countries and increased in others; and income inequalities have widened in some but narrowed in other countries.

On the political front, some insist that globalization has irretrievably undermined the powers of the nation state while others feel that the nation state has lost no significant powers. The reality is messier than this. This book takes the view that the forces of globalization have reduced the powers of the state somewhat but that the state remains fundamental to people's lives. There is no evidence, either, that this is the thin end of a long wedge that will see the nation state being replaced in the long run by transnational bodies.

In the cultural domain, globalization has encouraged the spread of primarily western ideas and attitudes all over the world during the past 500 years. Whether one views this as cultural imperialism or as a liberating force is a personal value judgement. The truth may well be that it contains elements of both. The recent spread of gender egalitarian ideas, for example, may well undermine patriarchy in many societies and may also increase marriage breakdown. It will be welcomed or condemned depending on one's view of the world.

The Structure of the Book

This book is concerned with, first, the effects of globalization on human welfare, that is, on employment, the distribution of income, poverty, education, health and the environment; second, with the influence of globalization on gender inequalities in various aspects of life; third, with the effects of globalization on migration and ethnicity; and fourth with the role of global institutions in dealing with the undesirable effects of globalization.

Spatially, the book looks at the effects of globalization in both the advanced industrial countries (AICs) and the industrially developing countries (IDCs) in order to reach a more balanced judgement as to the desirability or otherwise of globalization. Much of the existing writing on globalization has been confined to AICs.

The book is essentially divided into three parts. Chapters 1 and 2 are concerned with clarifying the debate on the meaning of globalization and setting out our own approach. Chapter 1 provides a typology of the various definitions of globalization and also sets out our own views on the issue. Chapter 2 takes a more detailed look at the debate on whether globalization undermines the ability of the nation state to deal with economic and social issues.

Chapter 3 looks at the effects of globalization on human welfare in AICs while Chapter 4 looks at the same issue in relation to IDCs. We take the view that employment and income from work are fundamental to people's welfare and that the social services complement this. For this reason, we examine both economic and social issues in these two chapters. Chapter 5 looks at the effects of globalization on gender inequalities in an attempt to be rather more specific about the effects of globalization and to deal with the justified criticism that much of the debate on globalization is gender-blind. Chapter 6 looks at the ways in which globalization has influenced migration in recent years and how it has affected the adjustment between immigrant communities and the receiving societies.

Chapter 7 looks at the growth of global social policy within the various United Nations institutions – the ILO, WHO, WTO, UNICEF, the World Bank

and the IMF. These institutions have been concerned either directly or indirectly with improving the social situation at the global level, even though their activities have sometimes had the opposite effect from that intended. Chapter 8 puts forward our views on how globalization needs to be controlled and steered at the global and national levels in order to improve its beneficial effects and reduce its destructiveness. There is no reason to accept the argument that globalization can only benefit the strong. Political forces can shape the nature of globalization to make it a more beneficent process for all humanity.

We hope that the book will provide a much needed corrective to past debates by highlighting the social impact of globalization and the significance of social policy at the national and global level in counteracting the unequal effects of the current form of globalization. Globalization is here to stay and the challenge facing us all is how to harness its economic and social potential for the benefit of the whole of humankind.