Globalization: Interconnected Worlds
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Definition

Although in its simplistic sense globalization refers to the widening, deepening and speeding up of global interconnectedness, such a definition begs further elaboration. ... Globalization can be located on a continuum with the local, national and regional. At one end of the continuum lie social and economic relations and networks which are organized on a local and/or national basis; at the other end lie social and economic relations and networks which crystallize on the wider scale of regional and global interactions. Globalization can be taken to refer to those spatio-temporal processes of change which underpin a transformation in the organization of human affairs by linking together and expanding human activity across regions and continents. Without reference to such expansive spatial connections, there can be no clear or coherent formulation of this term. ... A satisfactory definition of globalization must capture each of these elements: extensity (stretching), intensity, velocity and impact. (Held et al., 1999: 14–15, emphasis added).

But, be cautious in your reading of globalization. Defining globalization can bring more questions than answers, as Dicken (2004: 5) comments:

‘Globalization’ is a big problem in every sense of the term. It is, first and foremost, a problem in a material sense, insofar as its associated syndrome of processes creates highly uneven geographical and social outcomes. ... It is also a problem in a rhetorical or discursive sense, in that its meaning and significance
are deeply and widely contested. ... ‘Globalization’ has evolved into a catch-all term, used by many to bundle together all the goods and bads of contemporary society.

INTRODUCTION: GEOGRAPHIES OF GLOBALIZATION

Globalization, its meaning and conceptual value, has long been contested within human geography. As probably the most fashionable concept of the 1990s and now the new millennium, the rhetoric surrounding academic and media uses of the term ‘globalization’, make it easy to lose sight of its multifarious meanings. As Dicken (2004) argues, globalization is inherently geographical. Understanding globalization as a process requires us to consider the way space, place and time are configured and reconfigured as a result of contemporary changes in technological, economic and political practices. For Taylor et al. (2002), this is why ‘geography and globalization’ are so intimately related: all processes of globalization have geographical dimensions. They expand on this idea in three further ways:

- The ‘geography in globalization’. As Swyngedouw (1997) argues, globalization is actually a local-global or ‘glocalization’ process. Instead of focusing solely upon the global as a scale, we also need to recognize the interconnections between different scales (local, regional, national and global) and how these make up the process of globalization.
- The ‘geography of globalization’. Processes of globalization create new geographical patterns of flows and activity. For example, the New International Division of Labour reconfigures both the geography of manufacturing activities, but also, as a side-effect, geographies of uneven development, poverty and wealth.
- ‘Geography for and against globalization’. Needless to say the concept of globalization has caused great debate within human geography and many other social sciences.

But why do geographers have so much to say about globalization, good, bad or indifferent? Dicken (2003: 1) argues that for geographers studying globalization, the ‘basic aim is to analyse the processes shaping and reshaping the global map’. These processes exist in the form of cultural, economic, political and social practices that have become increasingly transnational in recent times. Key actors driving these processes include, for example, transnational corporations (TNCs) – firms that have expanded outside their home countries and developed command and control operations in multiple locations – and governments, both at the national scale where regulations that are friendly to global trade and foreign direct investment (FDI) are promoted (Department for Trade and Industry, 1998) and also at transnational scales where supranational bodies such as the World Trade Organization promote transnational standards. In addition, globalization is manifested by technological changes that facilitate transnational flows of media, information, people and goods that enable the emergence of the type
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of globally interconnected, shrinking world many associate with globalization (Allen and Hamnett, 1995). Together, these different actors mean the inter-connection between places has increased in recent times as a ‘space of flows’ has emerged that many suggest was unparalleled in previous eras (Castells, 2000; Thrift, 2002).

In the following sections we examine two case studies of different forms and impacts of globalization: in economic globalization, the phenomenon of off-shoring and call centres; and in cultural globalization, the transnationality of commodity cultures. Throughout these we draw attention to the geography in and of globalization, and the changing processes that have produced new forms of interconnected worlds. In the conclusions, we then reflect critically upon these discussions and consider why such examples have led to debates between those for and against suggestions that we live in a newly globalized world.

ECONOMIC GLOBALIZATION AND INTERCONNECTED WORLDS

In human geography processes of globalization triggered important debates about the spatial organization of economic activities. Here an important starting point were studies of the Spatial Divisions of Labour (Massey, 1984) that emerged during the second half of the twentieth century. The concept of spatial divisions originally pointed to the geographical selectivity of labour processes in manufacturing and the way that at both national and international scales it was possible to see firms dividing up the production process into skilled (knowledge-intensive) and unskilled (labour-intensive) works. Selected labour processes were then sited in the developed (core) and developing (periphery) countries of the globe respectively. Often referred to as the New International Division of Labour (Frobel et al., 1980), this resulted in new spatially interconnected geographies of economic activities as different components for any one product (e.g. a mobile phone) began to be produced in different places with core, world locations retaining skilled work processes (e.g. research and development) and the periphery seeing the establishment of new branch plants responsible for labour-intensive assembly and low-skilled functions (e.g. producing the battery for a mobile phone) (see Hudson, 1994; Wright, 2003; Dicken, 2007). As Dicken (2007: 113) describes, locating labour-intensive assembly processes in the periphery in places like the Export Processing Zones can mean production costs are up to 30 times lower, with hourly wages being above US$30 in Denmark and Norway and as less than US$1 per hour in Sri Lanka.

Hornby, the maker of Scaletrix racing sets and model trains is a prime example of how such a strategy can be used to improve the profitability of a firm. The company manufactured all of its products in the UK until 1997 in its factory in Margate, Kent, that employed 750 people. However, falling sales and profit margins led to a New International Division of Labour being created. All manufacturing was moved to China through the establishment of a major manufacturing plant employing 1,500 people. This reduced costs by two-thirds and allowed production levels to be increased at no extra cost to the firm. Since 1997 sales have risen, as have profits, and the value of the company has now increased by one-eighth (Financial Times, 2003).
Central to the emergence of these geographies is the TNC. Defined by Dicken (2007: 106) as ‘a firm that has the power to coordinate and control operations in more than one country, even if it does not own them’. TNCs emerged rapidly in the second half of the twentieth century, initially from North America and western Europe and more recently from Southeast Asia. Today, some of the best-known consumer brands, such as Ford, Heinz, Sony and Tesco, are leading TNCs. They have tens or hundreds of subsidiaries located throughout the world and serve consumers from Birmingham to Beijing. As Dunning and Norman (1987) argue in their ‘eclectic paradigm’, competitive advantage and profitability was sought through this globalization as firms exploited three types of advantage: *ownership* of manufacturing expertise that could be used to set up effective plants in foreign markets; *internalization* advantages that meant owning overseas plants and controlling their activities ensured efficiency and profitability; and *location* advantages which meant that being present in overseas locations allowed cheap labour assets and consumer markets to be exploited. As a result, levels of FDI, where firms invest capital overseas to establish new operations, increased rapidly towards the end of the twentieth century, trebling between 1984 and 1987 and reaching US$196 billion by 1989, well in excess of the previous peak of US$57 billion in 1979 (UNCTAD, 1991). The latest data shows FDI reaching US$916 billion in 2005, a 29% increase on 2004, suggesting no sign of a slowdown in the globalization process (UNCTAD, 2006).

Central to these changes was continuous and rapid technological changes that facilitated economic globalization (see Warf, 1989, 1995). These began with the invention of the telegram, but it was the telephone and the fax machine that revolutionized the geography of business activities. More recently, the internet has superseded these devices. All, however, have one thing in common. They allow the co-ordination of economic activities across space with managers at headquarters being able to communicate with and control subsidiaries quickly and efficiently. Alongside these devices, the humble containership and Jumbo Jet have been similarly influential, allowing components and assembled goods as well as the executives of TNCs to move across space cheaply and efficiently. The effect of this is captured by the idea of the ‘spaces of flows’ that are said to exist in the contemporary ‘network society’ where spatial interconnectivity lies at the heart of economic activity (Castells, 2000). Movement and flows of people (Beaverstock, 2004), goods (Dicken, 2007) and knowledge (Faulconbridge, 2006) characterize this new world space economy.

**The shift towards services**

As the 2004 World Investment Report suggested, the most recent trend in economic globalization has been the emergence of transnational service firms [UNCTAD, 2004]. In 2005, 52% of the total share of FDI was in services (with 30% in manufacturing and 18% in primary industries) [UNCTAD, 2006].

This has been especially important for producer services (firms providing services to other businesses) with, for example, accountants, advertisers, management consultants and lawyers following their clients’ globalization strategies and themselves opening overseas offices in many cities around the world.
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In finance, this has resulted in the emergence of various ‘off-shore’ locations – financial centres – such as, for example, the Cayman Islands, where favourable tax regimes are exploited to minimize the tax incurred by the wealthiest (Roberts, 1994). Together, this has created new ‘hot-spots’ of service activity, principally in world cities where the command-and-control functions of banking and advanced producer service firms are located and the financial needs of TNCs are met (Taylor, 2003; Sassen, 2006). In a different arena, but equally importantly, the globalization of services has also involved consumer services with, in particular, the process of off-shoring effecting the way day-to-day services in banking, telesales and back-office administration are handled (Hudson, 1999) (see Box 19.1).

Significantly, what all of these processes of economic globalization have in common is the continued importance of place (see Chapter 9 on place and human geography). Whether it is because TNCs design their globalization strategies to facilitate access to the resources of a particular location, or because TNCs gain their characteristics from their home country but are also affected by the local cultures of the host countries in which they operate (Dicken, 2007), or because certain locations, such as world cities, remain disproportionately important in global economic activities and in some activities, especially the delivery of services, business simply has to take place in fixed locations to be in close proximity to the consumer.

CULTURAL GLOBALIZATION AND INTERCONNECTED WORLDS

The emergence of the ‘spaces of flows’ alluded to earlier led to intense debates about the effects of new forms of interconnectivity on, broadly defined, cultural practices. Initially, the emergence of an ‘Americanized world’, where the McDonald’s culture became ubiquitous, dominated discussions of globalization and cultural geographies (Short and Kim, 1999). Flows of people, images and firms were said to be leading to converging consumer practices and tastes with the American model acting as a blueprint for global culture. Indeed, as Short and Kim (1999) describe, the emergence of English as the dominant language in business and academic work is another example of how one culture can gain worldwide power and legitimacy when economic and political forces, such as the globalization of the English language and US firms, enable the spreading of cultures and values. As others have shown though (Held et al., 1999; Jackson, 2002; Crang et al., 2003), the effects of globalization on cultural practice and commodities are often more complex than stories of the global domination of McDonald’s and the English language might suggest. On many occasions intricate processes of de- and re-territorialization occur that mean the spread of cultures is messier than might be expected.

In order to understand such processes, as with economic geographies, geographers have first identified the types of flow influencing cultural practice. This has often drawn on the work of Appadurai (1996: 33–6), who conceptualizes cultural globalization by identifying five forms of flow: (1) ethnoscapes, the global landscape of persons made up of tourists, workers, refugees and others
Box 19.1 Off-shoring the call centre: success and failure in the globalization process

One controversial form of economic globalization in recent times has been the emergence of off-shoring strategies in relation to back-office activities and, in particular, telephone call centres. While not that new as a process [see Hudson, 1999], off-shoring has had significant impacts on the economies of developed and developing countries alike in the past 10 years. The rationale for off-shoring call centres is no different from that of the globalization of manufacturing firms: spatial divisions of labour allow the exploitation of reserves of cheap labour. However, the process of successfully establishing off-shore call centres is more complex than it might first appear.

Advancements in technology means that managing overseas call centres and redirecting calls to overseas locations is a fast, simple and cheap process. Wages in India, where 75% of all overseas call centres are located, are significantly less than in the USA and UK, the countries where these call centres often originate. An average, newly qualified worker in India will often earn around £2,000 a year [Dicken, 2007]. Consequently, when the expense of redirecting calls and establishing overseas infrastructures through FDI have been taken into account, this wage differential often means savings of between 55% and 75% can be achieved [Corporation of London, 2005]. Interestingly, those employed are not the low-skilled labourers often associated with such globalization strategies. Instead, they are often university graduates fluent in multiple languages. Hiring such graduates would not only cost 10–20 times more in the home countries of call centres, but it would also be difficult as such work is often unattractive to educated workers. In contrast, working in a call centre in India (many of which are in Bangalore, Chennai or Mumbai) is a popular and prestigious form of employment [Bryson and Henry, 2005].

These advantages have led many firms, including American Express, British Airways and the UK’s National Rail Enquiry Service, to off-shore their call centres to India. However, this has not been a problem-free process. While workers in India speak English, cultural differences and misunderstandings have plagued operations. New employees were often showed editions of the UK soap opera EastEnders or the US soap opera Friends to try to help them understand the norms of the countries they were dealing with, while they were also given cards detailing the meaning of slang phrases or local dialects [Financial Times, 2004]. However, such strategies have been largely unsuccessful with many customers complaining about misunderstandings and the service received from overseas call centres. As a result, the off-shoring trend has started to slow or even be reversed. Around 1 million people are expected to be employed in the call-centre industry by the end of 2007. Firms that have not off-shored their operations are now more hesitant about embarking on globalization strategies with some, such as the Aviva insurance group, which employs 8,000 call-centre workers in India, feeling
they have reached the limit to which they can off-shore work. For example, the remaining call centres [such as breakdown recovery services] in the UK often require detailed ‘local’ knowledge that off-shore employees do not have. Indeed, some firms, such as the Natwest bank in the UK, actually market themselves as having no off-shore call centres and direct lines to customers’ local branches because of the perceived benefits of talking to someone relatively close by. Indeed, those firms in the UK still pursuing off-shore strategies, while sometimes still choosing India, are increasingly turning to locations such as Ireland or parts of Eastern Europe because of their geographical and cultural proximity yet relatively low wages. As suggested, geography really does still matter and processes of economic globalization have to overcome numerous geographical hurdles which, in the case of call centres, seem to be acting as a break on processes of change.

who are mobile; (2) technoscapes, the global configuration of technologies that allow movement across space; (3) financescapes, the high-speed global circuits of capital that are central to contemporary life; (4) mediascapes, the networks capable of producing and distributing information in printed and visual forms; and (5) ideoscapes, the political ideologies and values often circulated through mediascapes. Combined, these flows are said to have the ability to move, reconfigure and reproduce cultural practices, something that was less intense during previous periods in history.

Today, such flows manifest themselves in global media such as CNN or the Financial Times (Thrift, 1997), mobile managers and chief executives in firms that are said to be producing a new global executive culture (Sklair, 2001) and the emergence of global architectural gurus, such as Lord Foster and the Foster and Partners architecture agency, that is responsible for numerous landmark buildings worldwide (McNeill, 2005). The most intricate conceptualizations of the effects of such flows highlight the processes and practices that increasingly lead to both the spread of dominant (often Western) cultures, but also the subtle forms of change and reconstitution in cultures as they move across space and time. McDonald’s is also a useful example of this. As Watson (2004) suggests, cultural change has been occurring at breath-taking speed in recent decades. However, using the examples of the arrival of McDonald’s in Hong Kong, he notes that:

The people of Hong Kong have embraced American-style fast foods, and by so doing they might appear to be in the vanguard of a worldwide culinary revolution. But they have not been stripped of their cultural traditions, nor have they become ‘Americanized’ in any but the most superficial ways (Watson, 2004: 125).

The arrival of McDonald’s was greeted in Hong Kong as the arrival of an ‘exotic’ culture, something different, but not a replacement for Chinese culture. Today, while McDonald’s is ingrained in the fabric of consumer life in Hong Kong, it has not replaced but instead complements existing cultures. Indeed, as
Box 19.2 suggests, the meaning and form of cultural commodities often change as they move across space and time. For McDonald’s, this has meant the reinvention of menus to respond to local consumer demand, something that means the Big Mac is not always present.

**Continuity and change in cultures?**

Human geographers have increasingly argued that the result of such complex processes of cultural flow is not only the replication worldwide of dominant cultures, but also the creation of new, reproduced cultural forms that sometimes differ across space and time. Hannerz (1996) suggests using the term ‘creolization’ to symbolize the process of Western cultures being transformed and reconceptualized outside the Western world. Indeed, Massey (1991) argues that a ‘global sense of place’ is now needed to understand the cultures that infuse any one community (see Chapter 9 on place and human geography). Drawing on the example of Kilburn High Street in London, she argues that place is infused with cultural values and practices that have multiple geographies. Consequently, a progressive sense of place involves recognizing how ‘cultural imports’ such as the kebab house and the branch of the Middle Eastern bank are experienced differently depending on the influence of ‘race’, gender and other forms of positionality. This is not to say that there are not important forms of globally present cultures. As the McDonald’s example suggests, the ‘golden arches’ and fast-food culture that emerged in the USA is now at home throughout the world and accepted by consumers from London to Beijing, Moscow to Manilla. They are accepted hegemonic forms. Nevertheless, as Massey’s work reminds us, we should explore both the globalness of such cultures and the experience of them by different people in different places.

This discussion highlights quite clearly, the fact that globalization has had important effects on the geographies of cultures and cultural practices. Undoubtedly there are forms of ubiquitous, homogeneous and hegemonic cultural forms that pervade daily life today. However, there are also important forms of reproduction, interconnection and time–space contingent occurrences of these cultures and associated cultural practices. The role of the geographer is, then, to provide a critical interpretation of the geographies of such ‘global’ cultures.

**CONCLUSIONS: A ‘NEW’ GLOBALLY INTERCONNECTED WORLD?**

While geographers have been keen to study the processes of globalization, they have also been quick to note the contested and imagined nature of globalization (see, for example, Cameron and Palan, 2004). As Dicken (2004) argues, this does not mean engaging in sterile arguments about whether contemporary globalization is something new, or not. Instead, for geographers, the challenge is to provide insight in the qualitative changes occurring in relationships between geographical scales (see Chapter 12 on scale and human geography). In this sense, it is important to negotiate a path between two opposing visions of globalization.

*Hyperglobalists* (O’Brien, 1992; Ohmae, 1992) have suggested that the current period of globalization has rendered the national and the peculiarity of place...
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Box 19.2 Transnational commodity cultures

One of the most compelling recent studies of the effects of globalization on cultural phenomena has focused upon the way various commodity have moved across space (Dwyer and Crang, 2002; Crang et al., 2003; Dwyer and Jackson, 2003). This has revealed the way that foods, such as the Indian curry, and fashions, such as South Asian ‘ethnic’ dress and materials, are de- and then re-territorialized by a number of often different economic actors. This process results in varying degrees of change in the cultures, in particular as adaptations are made to tailor them to spatially heterogeneous consumer desires and expectations.

As Crang et al. (2003) reveal, the movement of food such as curry and the popularization of, for example, Pataks sauces in the UK involves multiple actors, including the producers of spices, buyers and retailers who set standards for these goods, and cultural intermediaries such as advertisers and culinary experts who construct both a market but also a standard for such products. In addition, the consumers themselves and their habits and behaviours feed back into the commodities’ ‘life’ through their buying practices. As a result, the recipe, flavour and consumption habits associated with such food often change as products move across space. So while the Indian curry is now a global dish, the experience of it often varies between places. Perhaps the best known example here is the British Tikka Massala sauce, a flavour and recipe designed to ‘please’ the British palate which lead to the mass consumption of curry. Often, the sauces retailed in the West are not direct replications of those traditionally consumed in South Asia. Instead, they are reproductions or hybrids modified by these multiple actors that enable processes of de- and re-territorialization.

Dwyer and Jackson (2003) describe a similar process in the fashion industry. Here, leading designers using South Asian fabrics and designs reproduce both the characteristics of fabrics and designs differently depending on the consumer markets for which they are destined. Interestingly, they point out that in the UK different designers take very different approaches to this. Some, such as the retailer Monsoon, target the mass-consumer market by adapting designs to reduce costs and generate appeal to a wide audience. In effect, they respond to a mass-market, socially constructed view of ethnic fashions. In contrast, specialist retailers, such as Anokhi, target niche markets where traditional hand-made designs that more accurately replicate the fashions of South Asia are desired. Such an approach, however, has much less widespread appeal and attracts a very different audience with a different view of fashion. As this suggests, cultures have multiple meanings not just across space, but also in particular places because of the social processes involved in their reconstitution.

insignificant. This is the type of rhetoric often used in the media to portray a borderless world of flows. Sceptics offer a very different interpretation of the current period (Held et al., 1999). They argue that contemporary globalization is actually not that
different from the forms of interconnectivity that existed in the past, particularly
during periods of Empire. The flows and interconnectivity that exist are, according to
this group, actually more regional than global (e.g. intra-European) and the nation-
state and the national scale continue to play a central role in mediating cross-border
flows. Arguably, the most useful views of globalization are those that are able to nego-
tiate a path between these two positions and recognize recent qualitative changes but
also the continuities that exist. This often requires more than quantitative analysis of
datasets detailing changes in trade flows, but also qualitative descriptions of the intri-
cacies of the way these flows move across space and continue to be affected by cul-
tures, economies, politics and societies that vary within and between places.

Globalization, then, as a process, is an ongoing syndrome. As Held et al.
(1999) remind us, we should not accept this as an inevitable and logical process
with a clear and identifiable outcome. Instead, globalization is contested whether
it be because of the positive and negative impacts on a country and its people or
because of continued barriers to a world of global flows, whether these are
national borders and regulations, technological gaps (such as in internet coverage
in Africa) or socio-cultural complexity (such as the failure for a global consumer
culture to emerge). The challenge for geographers is to understand how and why
all of this plays out over time and space and to provide examples of the effects
on people in their everyday lives.

SUMMARY

- Defining and explaining the contested meanings of globalization is not an easy
task. Globalization as a concept or process must be read in a critical fashion
and understood as being inherently uneven over time and space.

- Globalization is quintessentially geographical in scope. Globalization is not only
about the interplays between local, regional, national and global scales, but also
about interconnectedness, flows and uneven development in the world.

- The strategic practices of transnational corporations, aided significantly by techno-
logical change, have been central to shaping processes of economic globalization
with respect to geographies of production, employment and, ultimately, location.

- Globalization is not just about economy, international trade and employment.
Globalization affects all walks of life in many different ways, from the cultural to
the political. Contrary to some beliefs, processes of globalization have not pro-
duced homogeneity or standardization in everyday life, but have instead brought
much difference and diversity to global society.

- Globalization remains a highly emotive and uneven process throughout the
world. Geographers have a key role in unpacking and critiquing globalization in
order to illustrate to others that globalization is uneven in scope and has nega-
tive as well as positive impacts on people in their everyday lives.

- Always contest and think critically about globalization!
Further Reading


*Note*: Full details of the above can be found in the references list below.

References


