ABSTRACT

As we move into the global century, several aspects of social and economic life are changing and post-industrial shifts are unparalleled by virtue of the interconnectedness that brings together the corners of the globe. New technologies, new economic relationships, new social processes, and new political developments are all characteristics of globalization (Hudson and Lowe, 2004: 22) in a post-industrial age featured by information, innovation, finance and services. As the world has contracted, people’s quality of life has changed regardless of where they live. In fact, the propagation of free market mindsets in emerging economies has created collective network connections with considerable good but pervasive inequalities as well. A fundamental aim of this book is to argue that these changes are part of a economic transition to post-industrialism associated with risks and inequalities that shape human experience in the midst of a formidable global financial climate. There is an obvious tension with this. On the one hand, life expectancy, health statuses and per capital incomes are at an all-time high and many feudal practices have been relegated to the past (Phillipson, 2006). On the other hand, vast numbers of people struggle with poverty and significant pockets of poverty portend more than lack of income. Those living on the bottom of the socio-economic ladder labor under the burden of avoidable, lifestyle diseases, hunger and related maladies, not to mention myriad social risks (Turner, 2008). Those on the upper reaches of the same ladder garner disproportionate shares of the resources and are able to support comfortable lifestyles.

Keywords: globalization; modernity; power; nation states; resources
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CHAPTER ONE: INTRODUCTION

Globalization has a rich history associated with the emergence of modernity. Indeed, the rise of modernity has been defined by a number of historical processes including the Atlantic Slave Trade and attendant institutions of slavery, and European colonization of Africa, Asia, and Latin America. The idea of modernity evokes the development of capitalism and industrialisation, as well as the establishment of nation states and the growth of regional disparities in the World system. The period has witnessed a host of social and cultural transformations. Significantly, racial categories emerged during this epoch as two fundamental axes along which people were exploited and societies stratified.

A hallmark of modernity is the expansion of Europe and the establishment of Euro/American cultural hegemony throughout the world. Nowhere is this more profound than in the production of sociological knowledge about human behaviour. As a result, the theoretical interests and concerns of Enlightenment philosophers such as Kant and Rousseau coupled with historical social theories Marx, Durkheim and Weber have dominated intellectual thought.

Indeed, Marx, Weber, and Durkheim have provided theoretical models which capture many elements of the global world: capitalism; religion and rationalisation; and division of labour. Their models were developed in nineteenth and early twentieth century Europe, and were based primarily on their study of European society and European thought. Marx, Weber, and Durkheim considered their approaches universal in the sense of developing an understanding and analysis of all societies at all times. They wrote in a Europe that dominated much of the rest of the world politically and economically, and the authors of European social thought of this period generally considered their analyses universal. For example, Weber’s Protestant Ethic argument was designed to show why Christianity, continuing certain patterns of ancient Judaism, gave rise to the dynamism of modern capitalism; whereas the omitted civilizations of Confucianism, Buddhism, Hinduism and Islam did not.

Marx, Durkheim and Weber have been accused of being eurocentric. This is the practice, conscious or otherwise, of placing emphasis on European and, generally western theories and ideas at the expense of those of other cultures.

Implicit in this definition is the assumption that Western concepts are fundamentally different from those in other cultures or civilizations. A somehow contradictory but equally important implication is the assumption that Western concepts are universal; including individualism, human rights, secular authority and law, and the separation of religion and state. For Blaut (2000) the are four principal ideological claims that underpin Eurocentric explanations of the power of the West:

1. **Religion**: Europeans (Christians) worship the true God and he guides them forward through history.
2. **Race**: White people have an inherited superiority over the people of other races.
3. **Environment**: The natural environment of Europe is superior to all others.
4. **Culture**: Europeans, long ago, invented western culture that is progressive and innovative.

One effect of this definition of Eurocentrism is the racialisation of knowledge: Europe is represented as the source of knowledge and Europeans as knowers. Indeed, male gender privilege as an essential part of European ethos is enshrined in the culture of modernity.
Occidental Modernity: The Great Divide – The West v The Rest

According to Mann (1986) the approach to understanding western modernity as a social/political/economic phenomenon may be entitled the ‘Great Divide’ perspective to theoretical analysis. This approach sees history in terms of a single great divide between the modern, Western, industrial world and that of the ‘rest’ (Worsley 1987). Not only that, the power of the nation states to wield their power over non-western states saw its fruition with the rise of colonialism and slavery. Indeed, Gilroy (1987) asks if historically, the ‘Enlightenment’ and ‘Modernity’ equates with narratives of ‘progress’, how does this fit with the historical and contemporary economic, cultural and racist exploitation of African countries? Similarly, in recent times, Giddens (1993) points out that the economic power of multi-national corporations (General Motors) outstrips the financial revenue of many third world countries; meaning economic dependence of third world countries has become contingent on non-democratic organisations such as corporations.

Giddens (1991) suggests that the dynamism of the modern world is linked with modernity, that is, a social process that subsumes capitalism in a broader set of features. Globalisation is seen as having been made possible by what Giddens (1990) calls ‘modernisation’. For him, there are four major aspects of ‘late modernity’: capitalism, industrialism, the surveillance capacities of the nation state and nationally based military power. These trends are identified as a Western phenomenon that subsequently illuminates the leading role of the ‘West’ in each of these aspects of what can be called ‘globalisation’.

Capitalism has created a single world-wide division of labour and market for capital and commodities while industrialism in the 19th and 20th centuries formed the technological and organisation base for these trends. For example, modern communications advances, such as satellite delivery systems and computer technologies based on the microchip are unthinkable without a strong industrial base. Similarly, the rise of nation-states has encouraged the development of transnational political organisation designed to regulate conflicts between nation states. For example, the United Nations (UN) was founded by Western nation states to curtail conflict in the world order. Finally, there is the issue of military power in global affairs. This has been an important causal mechanism in securing resources and overcoming obstacles that threaten the dominance of Western globalisation (See Gulf War II, 2003-). This is also reflected in the colonisation process that from the 16th century onwards acted as an arm of political and economic imperialism in South and East Asia (Mann 1986).

The Eurocentricism of the ‘Great Divide’ thesis

It is the ‘West’ rather than the global system as a whole that solves or worsens population subsistence crises. According to Roland Robertson (1992) there is a very biased perspective which suggests that by adopting Western economic and social institutions other non-Western nations and regions can only advance. This implies that the ‘rest’ in some way are not as proficient as the ‘west’. According to Phillipson and Powell (2004) ‘the West’ is very much a term for the ‘club’ of the economically and politically successful. The danger and risk of enforcing western ideals on diverse cultures is a ‘straight jacketing’ of western culture on non-western cultures. Featherstone (1995) makes the point that the problem of western culture idealises a ‘universal’ consumer dream in which everyone on the globe can become a part of. The dark side of this is that in order for production of consumer goods to materialise, many immigrants from third world countries have been financially exploited for their labour.
Further, Hall (1992) perceives modernity as the dominance of Western economic and cultural interests over the ‘rest’ of the world. This dominance means the perpetuation of inequality between rich and poor countries and regions. Wallerstein (1980) has described this as the operation of the ‘world capitalist order’ or to mis-paraphrase former US President George Bush it is a process of ‘the new world disorder’.

The problem here is not only the perpetuation of gross inequalities, but also what has been referred to as the ‘Coca-Colonization’ (Vincent 1999) of the world, whereby Third World populations are incorporated into the western economy as passive consumers of standardised products and nothing more. Perhaps we need to ask the question if modernity is synonymous with the history and contemporary power of the ‘west’ against the ‘rest’? This book assesses the global issues that affect power across the globe: neo-liberalism and economics.
CHAPTER TWO: GLOBALIZATION AND ECONOMICS

This chapter explicates how transformations in globalization are of historical scale, how they play out in terms of risks and inequalities shaping human experience, and how they have changed social welfare and public policy making worldwide.

After presenting facts of inequality and such consequences as planetary poverty and gender stratification, it highlights the reformulation of economic power associated with burgeoning free-market economies and accompanying diffusion of instrumental rationality, standardization, commoditization, or secularism. In contrast with the economic downturn and global softening of labor markets which cry for greater social protection, the welfare state of the last century has been replaced by a competitive state of the 21st century, as a “non-sovereign power” mindful of its global positioning but less powerful in shaping daily life among social forces including the role of NGOs. Indicating a lag between transnational developments and the way analysts think of social policies, the book asserts that nation-states nonetheless serve important administrative functions in a world dominated by transnational corporate interests.

With few options and having to make hard choices, welfare provision has seen trends toward commodification of social services etc. while globalization is affecting social contracts as well. In considering all the challenges to justice and governance, the authors argue that social welfare needs to be redefined and extended while market economy must be guided by moral principles that embody fundamental human values.

Introduction

As we move into what can be called the “global century”, many aspects of social and economic life are changing and post-industrial shifts are unparalleled by virtue of the interconnectedness that brings together the far corners of the globe.

New technologies, new economic relationships, new social processes, and new political developments are all characteristics of globalization (Hudson and Lowe, 2004: 22) in a post-industrial age featured by information, innovation, finance, and services. As the world has contracted, people’s quality of life has changed regardless of where they live. In fact, the propagation of free market mindsets in emerging economies has created collective network connections with considerable good but pervasive inequalities as well.

A principal aim of this book is to explicate how these changes are of historical scale, how they are part of what post-industrial welfare is all about, and how they play out in terms of risks and inequalities shaping human experience. There is a tension with this. On the one hand, life expectancy, health statuses and per capital incomes are at an all-time high and many feudal practices have been relegated to the past (Phillipson, 2006). On the other hand, vast numbers of people struggle with poverty and significant pockets of poverty portend more than lack of income.

Those living on the bottom of the socio-economic ladder labor under the burden of avoidable, lifestyle diseases, hunger and related maladies, not to mention myriad social risks (Turner, 2008). Those on the upper reaches of the same ladder garner disproportionate shares of the resources and are able to support comfortable lifestyles (Esping-Anderson, 1990).
Global Poverty and Inequality

Around the globe there are bona fide challenges facing nation-states as they attempt to adapt to the impact of modifications in morbidity, mortality, and need gradients among diverse segments of their populations. In the face of rapid demographic transformations resulting in fewer casualties from acute diseases, aging of populations, and tumultuous economies, there are widening disparities between the “haves” and the “have nots” and considerable quality-of-life inequalities within and between populations. In developing countries, China being one of the most striking cases in point but with parallels in a number of other developing countries the differential in per capital incomes of urban and rural people is at least a factor of three with virtually no top quartile wage earners residing in rural areas (Powell and Cook, 2010). Not surprisingly, there is a tangible rural to urban migration for economic gain, thereby creating even greater disparities as those left behind barely eke out subsistence livings.

It is impossible to overstate the risks of planetary poverty. More than 2.5 billion of the planet’s population live on less than US$2 a day and nearly a billion still have less than US$1 daily (Chen & Ravallion, 2007). As might be apparent, in this day and age poverty creates conditions in which rationality is redefined, nation-states struggle to control circumstances, not to mention criminality, low birth weights are ubiquitous, ill-health a fact of life, illiteracy rampant, malnutrition commonplace, environmental degradation seen as the cost of doing business, and notions of social justice are brought face-to-face with priorities said to have greater standing (Beck, 1999). Focusing on the extent of the disparities for just a moment: not only is there asymmetry but real immiseration as well -- only about five percent of the world’s income is earned by the poorest 40 % of its people (Estes, Biggs and Phillipson, 2003).

The chasm between rich and poor is becoming even steeper. According to the 12th Annual World Wealth Report (2008), the wealth of people around the world with more than US$1 million in assets grew faster in 2007 than the world’s economy. The world’s economy exhibited a 5 % gain in 2007; compared with a growth rate of over 9 % among those with at least US$1 million in assets. Furthermore, the average wealth of these high net worth individuals (HNWIs) climbed to over US$ 4 million, exclusive of their residence. Interestingly, the greatest growth among HNWIs occurred in Eastern Europe, Latin America and Asia led by Brazil, Russia, India and China. When the “mass affluent” population (those with less than US$ 1 million but with substantial assets nonetheless) is added to the picture, the result is that the richest 20 percent of the world’s population controls more than 75 % of its wealth. In the past few decades there has been some astonishing gains among a relatively small percentage of the world’s population (approximately 10 million out of 6.7 billion people can be classified as HNWIs) who are tapped into robust gains and wealth generation strategies (Annual World Wealth Report, 2008). As should be apparent, the ascendency of those forces concentrating high net worth wealth and capital accumulation among a narrow upper-crust is also capable of producing abject poverty among other segments of the population (Arias and Logan, 2002:197; Jessop, 2002). While the richest 1 percent of wealthy outliers are benefiting from speculation and the deregulation of commerce and free trade, those on the other end of the economic ladder are gaining little, if at all as the wealth gap widens.

Some estimates conservatively place the gap between the richest and poorest nations at an all time high of more than 50 to 1 (Clark, 2007). Even with the stalling of mature economies, the gulf between the most advantaged and the most disadvantaged in developed countries is no less dramatic; factor in the impact of gender, ethnicity or other social impediments and the complexity intensifies as formidable inequalities shape well-being (Powell and Cook, 2010).
The disparities play out in a number of ways, extending well beyond vital income differentials to quality of life issues, education, structured dependencies or social exclusions resulting from policy decisions (Townsend, 2007). Navarro (2007) and others add their voice to Townsend’s assertion by noting that escalating differentials can be attributed in no small part to interventionist strategies adopted and endorsed by national governments. Not surprisingly, as a consequence of the richest segments of the population having far greater assets and control over their lives, they feel they have more in common with their counterparts in other regions than they do with their less affluent opposite number in their own regions (Hoogvelt, 1997).

These trends are becoming increasingly vivid and no government is evading the prospect of having to reshuffle what they provide their citizens. Cross-cultural comparisons are extraordinarily valuable in helping lay out causal connections and for double-checking inferences. For example, the Organization for Economic Co-operation and Development (OECD) has a reliable cross-national comparative database of indicators of social policy expenditures in 30 member nations and their state sponsored social welfare provisions entitled Social Expenditures (SocX) in the period 1980-2003. It covers public expenditures for typical forms of welfare including old age, survivors, incapacity-related benefits, health, family, active labor market programs, unemployment, housing, and other social policy areas (education excepted).

Shalev (2007) points out that if health and pension benefits are combined as a share of GDP countries like Sweden rank at the top by devoting some 14% of its GDP to health and pension protections. Data for the period 1980-2001, the latest available on the OECD web-site, suggests that Germany expends about 8% and the United States and Japan about 4%. Overall, however, the English speaking countries are among the most conservative spenders for health and old-age provisions, while Japan is a high spender when all provisions are considered.

Globalization and Reformulation of economic power

The proliferation of adjuvant ideologies evolving out of burgeoning free-market economies along with an accompanying diffusion of instrumental rationality, standardization, commoditization, or secularism have become embedded in our thinking, challenging all other relational metrics of daily life. In the process, modes of interaction and standards of assessing relational status or personal worth are recast. In both developed and emerging economies the nature of work and the meaning of careers are also undergoing major reformulations. There is a global softening of labor markets linked to downsizing of local employment opportunities, redundancies, a spate of subcontracting arrangements, and an economic volatility abetted by technological innovations that chip away at employment security, wage or benefit packages bringing a degree of economic and existential uncertainty to greater numbers of people. Of course such changes are not distributed evenly across all forms of employment, further exacerbating inequalities.

It should also be stressed that adversity does not appear to strike women and men equally – and it is certainly reasonable to say that disadvantage begets disadvantage when downturns occur. Women are disproportionately among the most disadvantaged and with age even greater hardships accrue to them. Adding to the intricacies of these unparalleled changes is the velocity with which they are taking place and the fact that they are accompanied by a deepening division between those whose principal pursuits are in subsistence or service sector markets and their counterparts who are primarily involved in large-scale export, international sectors, or equity markets. Together these forces are bringing about a profound imbalance within and between...
populations as one group shares in the generation of wealth while the other becomes increasingly dependent and is being subordinated to decisions made in the other sector, by a cartel half a world away (Bauman, 1998).

Without suggesting or trying to make it sound as though national governments or their policies are anything less than all-encompassing in their reach, it is also the case that national governments no longer set their own course independently of economic currents sweeping around the globe, felt in every country and affecting virtually every policy a government might implement. This is not to say that states are mere minions of transnational interests but it is no longer the case that nation-state sovereignty can be taken-for-granted in the policy realm. Nor is it necessarily the case that state policies are as all-powerful as they once were in shaping daily life (Dallmayer, 2005; Fraser, 2005). As Evans and Cerny (2004) so cogently assert, the welfare state of the last century has been replaced by a competitive state of the 21st century, always mindful of its global positioning (see also, Hudson & Lowe, 2004).

Foucault (1978) coined the phrase “non-sovereign power” when he was discussing issues of bodily control. By drawing a nice analogy Yapa (2002:15) proposes that a parallel concept may provide insights into the vagaries of post-industrial public-sector decision making. To make sense of domestic versus international priorities and their effect on daily life, scholars would do well to come to terms with the notion of “non-sovereign power” as it applies to social justice, autonomy, monetary policies and capital mobility, and other forms of extra-national pressures emending local policies. We would assert that to date there has been a real lag between transnational developments and the way analysts think of social policies. Appadurai (2001) attributes the stumbling blocks in conceptualization to “…the disjunctures between various vectors characterizing this world-in-motion that produce fundamental problems of livelihood, equity, suffering, justice, and governance” (Appadurai, 2001: 6). In his characterization, proximate social issues have causes that are hardly local and call for non-parochial perspectives if they are to be addressed.

As Giddens maintains, one of the most significant impacts of globalization is that it has brought an “intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa” (Giddens, 1990:64). As a consequence, few governments are eager to make decisions separately from their reliance on global enterprise; it is as though they are in a situation of shared sovereignty, having to negotiate between domestic, international, corporatist, and transnational interests (Esping-Andersen, 1990; Hill, 2006; Kennett, 2001; Navarro, 2007). NGOs such as the World Bank and the International Monetary Fund have also become architectural partners in local policy deliberations by sanctioning preferred welfare policies as a condition of their support of monetization (Deacon, Hulse, & Stubbs, 1997; Dembele, 2007; Hart, 2002). Even so, nation-states nonetheless serve important administrative functions in a world dominated by transnational corporate interests and it is unlikely that governmental responsibilities are either going to be usurped or allowed to wither in light of their functionality (Hill, 2006; Navarro, 2007). It is not too far fetched to say that certain transnational interests see themselves as having universal jurisdiction, assertions of state autonomy notwithstanding.

With the spreading of these transformations has come a reshuffling of local priorities, with governmental emoluments directed or redirected to areas defined as having the greatest public importance and bringing the greatest returns. Of course the realities behind that assertion are deserving of close scrutiny as the policy process is unquestionably political and the state must mediate rival claims as it serves as the principal mechanism by which revenues are collected and resources distributed. Meanwhile, social entitlements, expenditures, and daily experience for people who may not fully grasp the raison d’être behind their situations reflect
these same priorities. Hill (2006) suggests that social policy regimes are regularly structured to be consistent with other forms of social stratification within a country. To the extent there is a convergence in social welfare policies around the globe it might not be mere coincidence that social stratification and social class divisions are growing more pronounced in the face of globalization. In light of global economic flows, the salience and permeability of national borders, whether in Europe, the western hemisphere, or in the East are a different matter than they were even half a century ago (Kearney, 1995).

In terms of both economics and domestic social policies, the impact of international economic relations has recontoured the landscape, so to speak, all the way to the regionalization and appropriation of economic relations. What were once bold lines of demarcation are now dotted lines more suggestive of administrative spheres than jingoistic borders. In the global century, deregulated markets are tightly integrated with political and social transformations, affecting local circumstances and communality (Geetz, 1973). All in all, the globalizing influences of the early 21st century are producing a distinctive era in social history linked to the emergence of transnational actors as well as economics and technologies that are helping fuel the shifts. Global economic change portends more than alterations in per capita income, the nature of financial products and currency markets, or the rapid circulation of goods, communication or technologies.

It is precursor to broad cultural and political shifts that challenge pre-contact arrangements, notions of social justice and solidarity, as well as local interaction patterns. In a post-modern world, globalization is creating interlocking dependencies linked to the ways in which priorities are ordained by transnational interests. As Chen and Turner (2006) point out in a discussion focused on the welfare of the elderly but equally applicable to all social welfare, the accrual of public benefits reflects the invisible hand of market forces, the invisible handshake of tradition, and the invisible foot of political decisions. Despite avowals about the secularity of modern life, economic-thinking, what might be termed spreadsheet logic, is accorded near theological status, its canons seen as universally applicable and providing appropriate precept for adjudicating what is considered fair and just. These tendencies are abetted by what is sometimes called the cyber infrastructure, or more simply, informatics, reinforcing these shifts and creating a digital divide separating those on either edge of the diffusion of innovations. Of course there is more to this technological transformation than the appearance of new ways to communicate, it has also paved the way to a post-fordist formulation that Castells (2000) labels network capitalism.

Globalization and the Social Contract

We do not mean to imply that globalization comes as a unified package; it is nonetheless true that major changes have resulted from an ability to move capital around as summarily as desired to gain leverage, possibly destabilizing local financial and labor-markets in the process. Real questions have emerged about the autonomy of nation-states and the balancing of altruistic social expenditures with economic participation on the world stage. The tensions between social protections and global corporate connections are contributing to what can aptly be called “social deficits” in which people are left to fend for themselves to the extent that they are able. In the face of inflation and related economic adversities, slashing social spending is routinely offered as a fitting resolution preferable to raising taxes for wealthy individuals or corporations (Mishra, 1999). The global span of information technologies and the advent of the global compass held by transnational corporations means they are able to shift extraction,
manufacturing, fabrication and many service functions to whatever locale offers the most favorable economic returns, including tax structures. These and other consequences of globalization are fraught with new risks and ambiguities in daily experience and in the way matters of worth are defined; along with the many positive aspects that are undeniably part of the process associated with privatization.

In a synopsis of a few of the more evident effects of globalization, Navarro (2007) points to the privatization of services, public assets, and other public provisions in asymmetrical fashion; deregulation of labor and currency markets as well as other forms of commerce; free trade; escalation of an accompanying anti-interventionist rhetoric; encouragement of individualism and consumerism. A number of commentators have noted that a corollary of globalization results in an unprecedented pattern of social risk. As Townsend (2007) so elegantly points out, the globalization of the marketplace is changing the face of dependency. It is as though the configuration of risks has shifted from settling on just those poor, down andouters living along society’s margins to those derailed by restructuring of labor markets, the dramatic spread of employment in service sector jobs, shifts in the types of career patterns that so characterized the 20th century, and the role of informatics affecting employability of middle-class workers.

These risks are not grounded merely in the absence of resources but in an absence of personal autonomy and by people’s position relative to others. Add to these factors the fact that as they wrestle with the issues, national and local governments are assailed from multiple fronts; pressed by transnational interests to provide open trade liberalization for private enterprise; and pressed by the growing need for social protections and labor policies to sustain the working populace and those whose lives have fallen through the proverbial social safety net. Ever more inclusive protections call for targeted expenditures at exactly the time when expenditures are hemmed-in by capacity to levy taxes of any type but especially progressive taxes and by powerful interested constituencies. The neoliberal globalizing drive has disenfranchised workers and their representatives in ways that have eroded their ability to bargain for benefits. Many commentators have noted that governments have generally adopted a laissez faire stance when for one reason or another they have chosen not to intervene in the disempowerment of the citizenry (Navarro, 2007).

As a facet of a much broader movement toward privatization, governmental social services are adopting a market-based management model and relying on non-governmental agencies (NGOs) to take up the slack. There is a wide array of subtypes and expenditure patterns associated with every form but an underlying logic in nearly all instances is a push toward commodification or cost-effectiveness of the programs (couched in terms of return on investment measured by market-driven stipulations), in contrast to their ability to genuinely affect lives. Policy recipients not likely to provide economic returns on governmental investments in them tend to be defined as burdensome charity cases. There are extensive changes that may be adapted to local contextual factors reflecting long-standing norms, values, religions, policies, existing social metrics, and institutionalized arrangements even as they embody overtones imposed by international priorities (Dallmayer, 2005; Fraser, 2005). Unraveling the relative importance of domestic arrangements and transnational influences can be a tricky task, to say the least. It involves both an in-depth grasp of domestic issues and an international perspective, an awareness of transnational forces impinging on local decisions, and sophisticated methodological and theoretical frameworks.

The commodification of social services, as it is sometimes called, is abetted by a transfer of issues of citizenship to a forum which is no longer native in its scope but transnational; marked by intergovernmental structures, multinational corporate influence, and population...
changes (Ascoli and Ranci, 2002; Phillipson, 2006:202). There is another layer of complexity 
added by a worldwide tendency to view a number of social issues through a medical lens (e.g., 
Kutchins & Kirk, 2003) and the insecurities experienced by the citizenry in general are without 
parallel in world history. What might be described as apodictic, self-evident truths of tradition 
tend to lose their currency and help demarcate generational and participatory categories from 
one another.

In the face of an unswerving drive to be players on the world’s stage, enhance market 
share and survive economic rip-tides, nation-states must balance the demands of competing 
claimants – leaving them few options but to make hard choices. Not only do they have to 
adjudicate where to put scarce resources and which groups are deserving of protection or 
support, but few actions are indemnified against the next economic shortfall meaning they will 
have to review their priorities anew each time the economic tides turn. It has always been true 
that in times of plenty promises about solutions to societal woes are an easy pledge to make; 
during times of scarcity it is a different story and keeping even the best intentioned promises 
offentimes creates real conflicts. Societal-level redefinitions of what is fair and just are a 
common means to solutions that do not always do well by citizens in need of assistance, 
dermining personal sense of security and identity as well as social solidarity (Powell, 2010).

An illustration of a macro-level problem may be helpful for thinking about the type of 
quandary involved. As nation-states undergo economic development via participation in global 
commerce, per capita incomes generally increase, never mind for the moment internal 
disparities, life expectancies increase, and demands for healthcare mount. Continued change 
and desires to remain viable in the global economy mean a country will face enduring 
challenges in providing social safety nets, medical interventions, or financing health care 
protections. To focus on just the health care issue: despite subsidized provisions for indigent 
citizens, most healthcare coverage around the world is linked to employment and economic 
productivity (workfare) and as employment is destabilized so, too, is healthcare. Needless to 
say, employment-based systems are costly, leading to cost shifting which also serves to grant 
license to employers to cut jobs and move production around to minimize the expense of doing 
business (ironically, economic reform in former socialist countries took the same direction, e.g., 
Chen, 2004). For those not covered by employment-based plans, subsidized coverage is 
offentimes available but financed by taxes and premiums or by governmentally mandated 
insurance groups saddled with high expectations and expenditures. But social policies 
supportive of indigent care for those not involved in economically productive activities are 
often singled out as a cost sink and are among the first issues put on cost-cutting agenda (Jessop, 
2002).

In order to comprehend the underpinning of certain forms of inequalities it is also 
important to examine some of the transformations that are altering people’s lives. One post-
modernist reality of the 21st century is the existence of a digital divide between those who have 
always known how to navigate in key-stroke technologies and those “anceints” who learned it 
later or not at all. Those who are comfortable with the technology have the world at their finger 
tips and no longer depend on local relationships or role models for solace or validation. The 
result is an indisputable social segmentation. Whatever norms of reciprocity had existed before 
are likely to falter and fray under the impact of interdicting worldviews in which the deep 
granram of socialibility is no longer meaningful to those versed in the newer modes of activity. 
At the same time, there is an erosion of communities of like minds with shared representations 
cutting across society at large and fostering social solidarity. Instead they are replaced by 
segmented, smaller communities and a blurring of ways of knowing the world. Beck, Bonass 
and Lau (2003: 6) characterize the effects of technological innovation as “revolution through
side effects” and suggest a deep-seeded societal segmentation is a likely upshot and should not be surprising. Addressing comparable consequences, Dasgupta (2006:159) phrased it succinctly: “globalization has thus created an identity crisis, since many are neither local nor global and are overloaded with changing stimuli…resulting in a ‘don’t care’ attitude, commercial interactions among family members, a rise of individualism and a disequilibrium…”

Transnational private enterprises cannot be ignored as they are altering the landscape but they are not doing so single-handedly. It is fair to say there are both private and semi-public but non-governmental organizations (NGOs) involved. Multilateral NGOs are playing an especially crucial role and certainly a role that is influencing developing countries as they sort out their welfare regimes. For example, since the issuance of the Berg Report in 1981, the World Bank and the International Monetary Fund (IMF) have become major players on the world’s stage oftentimes stipulating structural adjustments and preferred policies nation-states should adopt as a condition of support and in order to attract direct capital investments or other fiscal cooperation, including monetization. One illustration is that the World Bank began urging diminishes in pay-as-you-go (PAYG) pension provisions in favor of means-tested pensions and private provisions in the mid-1990s.

The World Bank and the IMF have been staunch advocates for over three decades for broadly defined market-led welfare policies as a preferred alternative to un- or under-funded public welfare (Dembele, 2007; Wade, 2007). Encapsulating both the criticisms and the confluence of forces fueling such a movement, McMichael (2000) asserts that the drive for economic integration pays precious little attention to nation-building, national interests, or public sector regulatory control. As a consequence, even nonprofit, social enterprises tend to be “doing good badly” (Tekula, 2010).

**Corollaries of Public Policy: Making Sense of Social Welfare in global Arena**

Although there is a remarkable absence of consensus, social welfare is customarily taken to mean statutory governmental intervention designed to provide supportive services and resources to those in need. Right away one question that has to be addressed revolves around eligibility requirements and stipulations of entitlement. Such issues as gender are very much a part of the state, as are discussions of family responsibilities, and welfare policies. At the risk of extreme simplification, whether women are eligible for social benefits and services in their own rights or as members of a male-breadwinner family is an abiding question whenever welfare regimes are examined. By the same token, gender ideologies are very much an aspect of poverty, labor markets and other market experiences, or the myriad inequalities that cut across the life course and through virtually every facet of experience (Calasanti, 2001; Hatch, 2000; Sainsbury, 1994; 1996).

These same forces also affect lives in even more subtle ways beyond the realm of income, access or protection. Just one case in point out of scores of similar situations should suffice to illustrate our contention. It is fair to say that institutional arrangements and structural realignments have altered time and temporality as they have altered space and other normative aspects of life. Containing our focus to the issues discussed thus far; the ebb and flow of transnational capital markets operate around the clock and penetrates virtually every aspect of governmental policy and, accordingly, daily life. Analysts generally concur that there has been a compression of time in many corners of the world as they are pulled into global market flows (Powell, 2010). As should be fairly obvious, any attenuation of earlier subjective temporal
reckoning requires a recalibration and re-integration as new templates are incorporated into mental models of what life is about.

Analysts have asserted that globalization brings a dilation, fragmentation and acceleration of the sense of time unsettling to many (Lestienne, 2000). But, as with so many other aspects of globalization, the results do not settle on all people in equal fashion. For those who live along the margins of such change, feelings of being in-control and the clarity of their proleptic futures may be challenged as the pace, and types of engagements in their lives are restructured. Considered in a broader sense, temporal reorganization is also impacting event timing and thereby the shape of life, views of dependency, and definitions of personal worth. As normative perspectives on the shape of life are reformulated and/or personal functionality wanes, the chances increase that some subgroups within the population will lose track of their referential guidelines (Moody 2006).

In her insightful analysis of German pension provisions, Scheiwe (1994) brings a fresh perspective to discussion of how institutionalized welfare rules also structure temporality. She broadens the focus considerably in her examination of time politics and gendered times in legislation that grants standing to many market-related definitions of time and discounts others associated most frequently with women’s roles outside the market or which result from discontinuous market-related activities deemed to be below time thresholds written into public welfare provisions. The gendered differentials in recognizing life’s events, their timing and related circumstances serve to create essential inequalities in financial and other types of well-being. Time and temporality, sense of the future, and eligibility for entitlements impose structure on lives in ways that may not have been intended but are highly salient, nonetheless.

For the most part, a definition derived from the legendary Beveridge Report published in the midst of World War II in Britain has been utilized to identify and operationalize major features of the welfare state (Finer, 1999). Yet that formulation begs the question of whether that world and those circumstances still exist and how they may have been modified by post-industrial or globalizing influences. We would assert that a definition of social welfare must extend beyond questions of delivery to include its financing and function. Almost certainly the provision of non-governmental services through NGOs or volunteer agencies and programs should be included as well. Ambiguities notwithstanding, it is hardly surprising that scholars looking at social welfare in a comparative focus have noted that there is a fairly direct correlation between national prosperity and percentage of GDP directed at supportive programs (Hill, 2006). However, within groups of nations (such as OECD, G-8, or G-20 countries) there are differences based on governmental types or economic developments and, we assert, in terms of underlying principles of moral economy that have shaped the formulation of welfare, whether that be public or private.

Conclusion

Inequality is an outstanding issue in the study of post-industrialism while globalization has widened its consequences such as planetary poverty and gender stratification. The potential reasons lie in the reformulation of economic power associated with burgeoning free-market economies and accompanying diffusion of instrumental rationality, standardization, commoditization, or secularism. In contrast with the economic downturn and global softening of labor markets which cry for greater social protection, the welfare state of the last century has been replaced by a competitive state of the 21st century, as a “non-sovereign power” mindful
of its global positioning but less powerful in shaping daily life among social forces including the role of NGOs.

However, nation-states still serve important administrative functions in a world dominated by transnational corporate interests. With few options and having to make hard choices, welfare provision has seen trends toward commodification of social services while globalization is affecting social contracts as well. In the face of all these challenges to justice and governance, there must be a twin track approach: social welfare needs to be redefined and extended while market economy must be guided by moral principles that embody fundamental human values.
CHAPTER THREE: GLOBALIZATION AND MODERNITY

Every nation state in the world has been experiencing the most formidable economic climate for several decades. A major focus has been on transnational financial institutions and lack of regulation for consumer populations in different nation states. Hence, these problems require a global response by the international community, not just by political leaders but also by social scientists. Historically, there have been a number of social scientists who explored how the Enlightenment and its legacy have impinged upon the emergence and creation of and social science disciplines that have attempted to explain social, economic, political and cultural transformations in modernity.

The processes of globalisation in the twenty-first century are not associated with encompassing neo-liberal ideologies in the way that was the case with processes focused at level of the nation state. The world is changing at a rapid pace, and the scope and impact of change have multiple dimensions and implications that transcend geographic and cultural boundaries (Turner 2006). Hence, globalisation has transformed the way people see themselves in the world. Everyone must now reflexively respond to the common predicament of living in one world.

This provokes the formulation of contending worldviews. In a compressed world, the comparison and confrontation of worldviews are bound to produce new cultural conflict. In such conflict, old traditions and new ideas play a key symbolic role, since they can be mobilised to provide an ultimate justification for one's view of the world – a case in point being the resurgence of Islamic fundamentalist groups that combine traditionalism with a global agenda but also the response of US/UK governments that wished to promote ‘democracy’ and ‘freedom’ through a ‘War on Terror’ against such groups (Sands 2006). A globalised world is thus integrated but not harmonious, a single place but diverse, a construct of consciousness but prone to multiplicity and fragmentation. In that context, it is highly pertinent that critical social science steps up to the challenge and rethinks how we ‘unmask’ the implications of globalization and impact on modern society.

The power of globalization

Globalization has become one of the central but contested concepts of contemporary social science (Ritzer 2004). The term has further entered everyday commentary and analysis and features in many political, cultural, and economic debates. The contemporary globalised world order originates in the international organizations and regulatory systems set up after World War II – including the United Nations, General Agreement on Tariffs and Trade (now the World Trade Organization), the International Monetary Fund, and the World Bank (Smart 2007). However, the end of the Cold War was the prelude to the maturity of the concept of globalisation. From 1989 to the present, it is possible at least to imagine a ‘borderless’ world (Ohmae, 1990) in which people, goods, ideas, and images would flow with relative ease and the major global division between East and West had gone. A world divided by competing ideologies of capitalism and state socialism has given way to a more uncertain world in which capitalism has become the dominant economic and social system, even for the communist-led People’s Republic of China.

Coinciding with these changes, a major impetus to globalisation was the development and availability of digital communication technologies from the late 1980s with dramatic
consequences for the way economic and personal behaviour were conducted – this has transcended to mass communication from the Internet in the 1990s to Mobile Phones from 2000 onwards (McGrew 2007). The collapse of communism in Eastern Europe and the USSR, and its modernising in China, plus growth of digital technologies further coincided with a global restructuring of the state, finance, production, and consumption associated with neo-liberalism. Coupled with this, in a post 9/11 world, there has been the recent ‘War on Terror’ and its implications for the re-ordering of the geo-political global agenda.

Since the advent of industrial capitalism as a feature of development of modernity, intellectual discourse has been replete with allusions to phenomena strikingly akin to those that have garnered the attention of recent theorists of globalisation (Bauman 2001). Nineteenth and twentieth century philosophy and social commentary include numerous references to an inchoate yet widely shared awareness that experiences of distance and space are inevitably transformed by the emergence of high-speed forms of technological transportation (for example, rail and air travel) and communication (the telephone) that dramatically heighten possibilities for human interaction across existing geographical and political divides (Smart 2007). Bauman has proposed nothing less than a rewriting of human history based on what he called ‘the retrospective discovery’ of the centrality of spatial distance and speed of communication in the constitution of all societies (Bauman 1998: 15).

Long before the introduction of the term globalisation, the appearance of novel high-speed forms of social activity generated extensive commentary about the compression of space. Indeed, Karl Marx, in 1848 formulated the first theoretical explanation of the sense of territorial compression. In Marx's account, the imperatives of capitalist production inevitably drove the bourgeoisie to:

\[ nestle\ everywhere,\ settle\ everywhere,\ and\ establish\ connections\ everywhere.\ The\ juggernaut\ of\ industrial\ capitalism\ constituted\ the\ most\ basic\ source\ of\ technologies\ resulting\ in\ the\ annihilation\ of\ space,\ helping\ to\ pave\ the\ way\ for\ intercourse\ in\ every\ direction,\ universal\ interdependence\ of\ nations.\]

(Marx 1979 [1848]: 476).

Thus, Marx identified an ever-rising scope and volume of transnational relations, along with technologically orchestrated process of deepening spatio-temporal integration, as central to the very ‘laws of motion’ of capitalist development. All manner of factors might interrupt or constrain these tendencies.

However, because they were rooted in its core relations, private property and wage labour, they would keep ‘reasserting themselves’, and on an ever greater scale, so long as those relations were reproduced over time. The consequence is that globalisation as a spatial process that has facilitated the emergence of a new kind of global city based on highly specialised service economies that serve specific, particularised functions in the global economic system at the expense of former logics of organisation tied to manufacturing-based economies. To enable global markets to function effectively, they need to be underpinned by local managerial work that is concentrated in cities.

Further, privatisation and deregulation during the 1980s and 1990s shifted various governance functions to the corporate world, again centralising these activities in urban spaces. In post-industrial cities there is a concentration of command functions that serve as production sites for finance and the other leading industries, and provide marketplaces where firms and governments can buy financial instruments and services. Global cities become strategic sites
for the acceleration of capital and information flows, and at the same time spaces of increasing socioeconomic polarisation.

One effect of this process has been that such cities have gained in importance and power relative to nation-states. There have emerged new ‘corridors’ and zones around nodal cities with increasingly relative independence from surrounding areas (Davis 2007). Globalisation simultaneously brings home and exports the processes of privatisation, competition, rationalisation, and deregulation as well as the transformation of all sectors of society through technology and the flexibilisation and deregulation of employment. As a process, debate centres on the uses of globalisation as the rationale and means by which corporate capital may transnationally pursue new low wage strategies and weaken the power of labour, women, and ethnic minority populations.

But whether globalisation is imagined or real requires rigorous analysis. The next section attempts to pull together main authors, ideas and trajectories of the globalisation and illustrate it by using key examples to consolidate understanding.

Theoretical complexities of globalisation

The theorisation of globalisation is extremely complex. Roland Robertson refers to the concept of ‘global consciousness’, which refers to ‘the compression of the world and the intensification of consciousness of the world as a whole’ (1992: 8). Through thought and action, global consciousness makes the world a single place. What it means to live in this place, and how it must be ordered, become universal questions. These questions receive different answers from individuals and societies that define their position in relation to both a system of societies and the shared properties of humankind from very different perspectives. This confrontation of worldviews means that globalisation involves ‘comparative interaction of different forms of life’ (1992: 27). Unlike theorists who identify globalisation with late (capitalist) modernity, Robertson sees global interdependence and consciousness preceding the advent of capitalist modernity.

However, European expansion and state formation have boosted globalisation since the seventeenth century and the contemporary shape of the world in the 19th century, when international communications, transportation, and conflict dramatically intensified relationships across societal boundaries (Mann 2006). In that period, the main reference points of fully globalised order took shape: nation-state, individual self, world-system, societies, and one humanity.

These elements of the global situation became ‘relativised’ since national societies and individuals, in particular, must interpret their very existence as parts of a larger whole. To some extent, a common framework has guided that interpretive work; for example, states can appeal to a universal doctrine of nationalism to legitimate their particularizing claims to sovereignty and cultural distinction (Delanty and Isin 2003). But such limited common principles do not provide a basis for world order.

For Anthony Giddens (1991) the concept of time-space distanciation is central. This is a process in which locales are shaped by events far away and vice versa, while social relations are disembedded, or ‘lifted out’ from locales. For example, peasant households in traditional societies largely produced their own means of subsistence, a tithe was often paid in kind (goods, animals, or labour), money was of limited value, and economic exchange was local and particularistic.
‘Reflexive modernisation’ replaced local exchange with universal exchange of money, which simplifies otherwise impossibly complex transitions and enables the circulation of highly complex forms of information and value in increasingly abstract and symbolic forms.

The exchange of money establishes social relations across time and space, which under globalisation is speeded up. Similarly, expert cultures arise as a result of the scientific revolutions, which bring an increase in technical knowledge and specialization. Specialists claim ‘universal’ and scientific forms of knowledge, which enable the establishment of social relations across vast expanses of time and space.

Social distance is created between professionals and their clients as in the modern medical model, which is based upon the universal claims of science. As expert knowledge dominates across the globe, local perspectives become devalued and modern societies are reliant on expert systems (Beck 1992). Trust is increasingly the key to the relationship between the individual and expert systems and is the glue that holds modern societies together. But where trust is undermined, individuals experience ‘ontological insecurity’ and a sense of insecurity with regard to their social reality (Giddens 1991).

Ohmae's (2005) concept of a ‘borderless world’ epitomises enthusiasm and the belief that globalisation brings improvement in human conditions. Ohmae describes an ‘invisible continent’ – a moving, unbounded world in which the primary linkages are now less between nations than between regions that are able to operate effectively in a global economy without being closely networked with host regions.

The invisible continent can arguably be dated to 1985 when Microsoft released its first version of Windows, CNN as a 24 hours a day new channel was launched, Cisco Systems began, the first Gateway 2000 computers were shipped, and corporations such as Sun Microsystems and Dell were starting out. Today, there has been an explosion of such corporations that affect virtually every social, economic and political relationship. Transnational corporations increasingly do not treat nation states as single entities and region states make effective points of entry into the global economy. For example, when Nestlé moved into Japan, it chose the Kansai region round Osaka and Kobe rather than Tokyo as a regional doorway (Smart 2007). This fluidity of capital is creating a borderless world in which capital moves around, chasing the best products and the highest investment returns regardless of national origin.

The Internet has changed not only the way business works but also the way people interact on a personal level – from buying and selling online to planning for retirement, managing investment and on-line bank accounts. Although, in recent times, the dark side of the Internet has revealed illegitimate ways that groups and individuals use ‘hyper borderless worlds’ with data espionage, data theft, credit card fraud, child pornography, extremism and terrorism - are ever more common on the internet with up to £40 billion a year made by international organised crime syndicates on the web (Huber 2004).

The Internet is a global system and decisions made on virtual ‘platforms’ (that are created by corporations rather than governments) determine how money moves around the globe. The emergence of ‘around-the-world’ 24/7 financial markets, where major cross-border financial transactions are made in cyberspace represents a familiar example of the economic face of globalisation (Schneider 2007). The definition and social construction of ‘the problem’ of state power is transferring from the state and its citizenry to private sector global finance. For example, Powell (2006) points to how the economic stakes and social consequences of ‘ageing populations’ cannot be underestimated for the upholding of power by multi-national corporations.

Looking ahead, the race is on for ‘Global Custody’ through the socially constructed ‘Ticking of the Pensions Time Bomb’, as described by the Financial Times with Europe as a
‘battleground’ for the US Banks (The Bank of New York, State Street Bank, JP Morgan and Citibank) competing against the European Deutsche, BNP Paribas and HSBC for custody of the growing pensions market and the highly lucrative financial services supporting it. As further incentive to eager financial enterprises, the ‘global picture’ in private wealth drawn from the lucrative business of pension providing is estimated by 2007 to exceed $13,000 billion in the USA, $10,000 billion in Europe, and $7,200 billion in Asia. In less developed countries, women especially have been among those most affected by the privatization of pensions and health care, and the burden of debt repayments to agencies such as the World Bank and the IMF (Walker and Naegelhe 1999).

David Harvey emphasises the ways in which globalisation revolutionises the qualities of space and time. As space appears to shrink to what Marshall McLuhan (1975) refers to as a ‘global village’ of telecommunications and ecological interdependencies and as time horizons shorten to the point where the present is all there is, so we have to learn how to cope with an overwhelming sense of compression of spatial and temporal worlds (Harvey 1990: 240). Time-space compression that ‘annihilates’ space and creates ‘timeless time’ is driven by flexible accumulation and new technologies, the production of signs and images, just-in-time delivery, reduced turnover times and speeding up, and both de- and re-skilling.

Harvey points for support to the ephemerality of fashions, products, production techniques, speedup and vertical disintegration, financial markets and computerized trading, instantaneity and disposability, regional competitiveness. For Harvey, flexible computer-based production in Silicon Valley or the ‘Third Italy’ epitomises these changes. Yet it could be argued that an exclusive focus on time-space compression would be misleading. Thrift (1994) suggests that international systems reliant upon rapid electronic communication and diffusion of data do not always result in a lessening of the importance of individual actors or localised face-to-face micro-social relations. He acknowledges that the international financial system has become, to an extent, ‘disembedded from place’, but emphasises that transnational financial networks generate vast amounts of data and a range of ‘meanings’ pertaining to the interpretation of those data.

The result is that inter-personal exchanges involving individual agency to negotiate, discuss, interpret and act upon the data are still of considerable importance. Since the vast majority of human activities is still tied to a concrete geographical location, the more decisive facet of globalisation concerns the manner in which distant events and forces impact on the local or ‘glocal’ situation (Tomlinson 1999: 9).

At the same time, globalisation also refers to those processes whereby geographically distant events and decisions impact to a growing degree on ‘glocal’ higher education (Loader 2001). For example, the insistence by powerful political leaders such as George W. Bush and Tony Blair in the Western world that the International Monetary Fund (IMF) should require that Latin and South American countries commit themselves to a particular set of economic policies might result in poorly paid teachers and researchers as well as large, understaffed lecture classes in San Paolo or Lima; the latest innovations in information technology from a computer research laboratory in India could quickly change the classroom experience of students in Tokyo.

John Urry (2005) argues that the changes associated with globalisation are so far-reaching that we should now talk of a ‘theory beyond societies’. This position is informed by the alleged decline of the nation-state in a globalised world, which has led to wider questioning of the idea of ‘society’ as a territorially bounded entity. This in turn prepares the ground for claims to the effect that since ‘society’ was a core theoretical concept, the very foundations of social science discipline have likewise been undermined. The central concepts of the new socialities are space
(social topologies), regions (interregional competition), networks (new social morphology), and fluids (global enterprises). Mobility is central to this thesis since globalisation is the complex movement of people, images, goods, finances, and so on that constitutes a process across regions in faster and unpredictable shapes, all with no clear point of arrival or departure.

Despite the contrasting theoretical understandings of globalisation, there is some measure of agreement that it creates new opportunities or threats. For example, globalisation offers new forms of cosmopolitanism (Delanty 2006) and economic growth (Smart 2007) but also new threats and global risks (Mythen 2007) such as ecological crises of global warming, climate change and environmental pollution; global health pandemics such as ‘swine flu’; and international crime and terrorism.

Globalisation may be seen as encroachment and colonisation as global corporations and technologies erode local customs and ways of life, which in turn engenders new forms of protest. Giddens has argued that the effects of globalisation must also be seen as positive and that integration into the global economy increases economic activity and raises living standards. For example, Legrain (2006) claims that in 2000 the per capita income of citizens was four times greater than that in 1950. Between 1870 and 1979, production per worker became 26 times greater in Japan and 22 times greater in Sweden. In the whole world in 2000 it was double what it was in 1962. Even more significantly, Legrain (2006) argues that those nation states isolated from the global capitalist economy have done less well than those that have engaged with it. Poor countries that are open to international trade grew over six times faster in the 1970s and 1980s than those that shut themselves off from it: 4.5 percent a year, rather than 0.7 percent.

By contrast to Legrain’s (2006) idealism, it can be argued that global patterns of inequality have become increasingly polarised (Estes, Biggs and Phillipson 2003). According to the United Nations, the richest 20 percent in the world ‘own’ 80 percent of the wealth; the second 20 percent own 10 percent; the third 20 percent own 6 percent; the fourth 20 percent own 3 percent; and the poorest 20 percent own only 1 percent. Throughout the world, 2.7 billion people live on less than $2 per day. These global inequalities predate globalisation, of course, but there are global processes that are maintaining a highly unequal social system (Phillipson 2005). Contradictions in global society are illustrated in other ways too. The globalisation of capital may not have driven costs down in developed countries where few workers are prepared to tolerate the conditions this new model creates. Flexible global ordering systems need not just produce flexible labour, but flexible labour in excess, because to manage the supply of labour it is necessary to have a surplus. Migrants have met this need (Miles 2004). But in the wake of hostility manifest in many developed countries, especially following threats of terrorist attack in US and Europe migrants face tightening border controls and deportation of those who are not in areas where there is a shortage of skills.

Globalisation has been the focus of extensive social movement activism and ‘resistance’, especially to neoliberal globalism represented by bodies such as the WTO. Glasius et al. (2002) identify the emergence of a ‘global civil society’ in, for example, the growth of ‘parallel summits’ such as the 2001 Porto Alegre meeting in Brazil attended by 11,000 people to protest against the Davos (Switzerland) World Economic Forum. These are organised through multiple networks of social actors and NGOs operating on local and international levels. There may appear to be an irony that many of the internationally organised or linked social movements use globalised forms of communication (the Internet) and operate transnationally, mobilising a global consciousness and solidarities on such issues.

The major contentious claim is that globalisation is a new form of imperialism imposing US political and economic dominance over the rest of the world (Estes, Biggs and Phillipson 2003). For example, the United States represents the most significant case of privatisation as an
element in the globalisation agenda, and a glimpse of what may come to pass for the broader community of nations. Pressures for more and more privatisation mount on the US state, as exemplified by the growth of the highly profitable $1.2 Trillion dollar largely private medical industrial complex, which more than tripled in size during Ronald Reagan’s two presidential terms during the 1980s alone. Indeed, the medical industrial complex, comprise nearly 15% of the American economy under the Bush Administration from 2000 - 2007 even though an alarming 16% (44 million) of US citizens are uninsured for health care.

The US federal government finances around 40% of US health care, while the state limits its own activities to supporting and complementing the market (Estes and Phillipson 2003). Multinational health enterprises are an increasingly important component of the US medical industrial complex. As early as 1990, 97 US companies reported ownership of 100 hospitals with 11,974 beds in foreign countries. Pharmaceutical firms are also major global corporate players, with the total value of exported and imported pharmaceuticals estimated in excess of $110 billion in 1998 (Phillipson and Powell 2004). Added to this:

\[
\text{After three decades devoted to market rhetoric, cost containment, and stunning organizational rationalization, the net result is the complete failure of any of these efforts to stem the swelling tide of problems of access and cost. Moreover, there are alarming increases in the uninsured populations among ethnic minority groups.}
\]

(Held 2000: 183)

President Obama is currently seeking to transform the provision of healthcare in the US, but the vested interests of the privatised healthcare system are seeking to limit and oppose the main thrust of his proposals, presenting these as being ‘socialist’ extensions of state power. Paradoxically, however, the neo-liberal ideology of globalisation further bolsters the more restrictive limitations on the role of the state with respect to its citizens. David Held and his colleagues make the point that a distinctive feature of the present period is the extent to which:

\[
\text{financial globalisation has imposed an external financial discipline on governments that has contributed to both the emergence of a more market-friendly state and a shift in the balance of power between the state and financial markets.}
\]

(Held 2000: 232)

In this respect, the political agenda of advanced capitalist states reflects in part the constraints of global finance, even though the specific impact of financial globalisation will vary greatly among states. A tangible consequence is the insertion of the operatives and ‘requisites’ of global finance into state policy-making in ways that frame, if not dictate, the parameters of state power.

Contrary to this, Sibeon (2004) suggests that national governments do ‘matter’, especially regarding globalisation and its implications for governance. It is Sibeon’s (2004) contention that we must recognise subnational governance in addition to transnational and policy processes. The renewed emphasis upon locale and subnational governance is reflected in work focusing on the significance of regions in the policy process. Amin and Thrift (1995), for example, have outlined a focus upon mezo-level governance/policy networks within European regions. Jenson (1995) has suggested that, in the case of Canada, regional governance can be both utilised as a way of asserting regional/ethnic autonomy (as in Quebec), or exercised
reluctantly (as in New Democrat-led Ontario) where subnational governments have identified a tendency for central governments to neglect or even abdicate responsibilities for maintaining standards of national economic management.

These developments can be viewed as part of a new global process of shaping the lives of present and future generations of populations in western and non-western states. The change has been variously analysed as a move from ‘organised’ to ‘disorganised capitalism’, to a shift from ‘simple’ to ‘reflexive modernity’, and to the transformation from ‘fordist’ to ‘post-fordist economies’. The final part of this book looks ahead and provides some reflective thoughts for questioning the extent to which a ‘global social theory’ is warranted.

**The Future of a Global Social Theory?**

At this point in the twenty first century, an array of opportunities and challenges present themselves for the study of social theory. There is a need to develop a clearer perspective on the pressures facing social groups that impinge on ‘race’, class, age, gender, disability and sexuality as a result of global change. A significant issue is how globalisation and its impingement on local governance is transforming the everyday texture of day to day living. In this context, the need for a framework to respond to the challenge associated with globalisation is warranted. The key dimensions here are the changing and contested form of the nation state, citizenship and nationalism; the enhanced role of supra-national bodies; the increased power of multi-national corporations; and emergence and retrenching of social inequalities across the globe.

We argue that social theory should not merely provide ‘critical questions’ about dynamics of social relations, but rather, it is what one does with critical questions that is the cornerstone for critical theorising. In concluding this final chapter the book, we develop this theme by highlighting the main issue of globalisation that a situated social theory will need to focus on in reflexive theorising in looking ahead for the future.

A key aim of social theory is, first, the examination of the social construction of reality and critical debunking of such contingent realities. A central task for social theory concerns the need to examine the structural inequalities and power dynamics that perpetuate current understandings of social world. An analysis that accepts enlightenment assumptions about, for example, ‘equality’, fails to ask the key questions about why this state of affairs holds true for some rather than for others. A critical social theory must move beyond appearances and seek explanations that overturn conformist realities. Crucially, power relations, social processes and structures must be examined as they appear in everyday relations. Links must be made between the traditional and contemporary social theories between macro, micro and meso levels of analysis, so that the pull of social inequalities can be identified and the emotional experience and daily interpretation of them explored. A key issue in theoretical interpretation concerns the place and nature of ‘society’. The ideas of society as a bounded self-sufficient entity most associated with the recent neo-functionalism of Alexander (2004) had become taken for granted within mainstream theorising. Such a formulation assumes there is a coherent and bounded society into which social integration is attainable. This view has become prominent by a small group of western societies, especially those associated with recent ‘War on Terror’ who aggressively promote nation statehood and democratic freedom (Walklate and Mythen 2007). Nevertheless, the notion of society as a sovereign entity is changing profoundly with the intensifying social forces of globalisation:
there are exceptional levels of global interdependence, unpredictable shock waves spill out ‘chaotically’ from one part to the system as a whole; there are not just societies but massively powerful empires roaming around the globe; and there is a mass mobility of people, objects and dangerous human wastes.

(Urry 2000:13)

This critical questioning of the modernist basis to society is a challenging one to social theory. In a sense the traditional formulation of ‘society’ is being challenged from global forces that impinges on new technology that transforms the experience of social relations (Whyte 2007). Indeed, in a networked world, everyday life is becoming detached from the protective nation state seen to be at the core of occidental modernity. Steering a path between Giddens’s (1991) ‘global optimists’ and ‘global pessimists’, it may be suggested that a new formulation is required that recognises diverse and unequal networks in and through the way people interact throughout their lives across national, transnational and sub-cultural contexts. A major dimension of inequities impinges on debates on issues such as climate change, power of multinational corporations, and third world countries of debt repayment (Mythen 2007; Phillipson 2006). The phenomenon of globalisation has transformed debates within social theory to the extent that it has re-ordered concepts typically used by social theorists across micro-macro continuum (Bauman 1998).

Ideas associated with the idea of modernity, the state, gender, class relations, ageing and ethnicity have retained their importance but their collective and individualised meaning is different and fragmented in the context of the influence of global actors and institutions (Mythen 2007).

A contentious point is that accepting the importance of globalisation also strengthens the case for rethinking social theory through re-assertion of macro analysis. Hagestad and Dannefer (2001: 66) note that the costs of micro analysis has been significant in ‘hampering’ our ability to address what we mean by society in the context of global economic and technological change’. Given the explanatory role of social theory, globalisation is setting major new challenges in terms of interaction between individuals, communities and nation states and the global structure within which these are constructed, contested and nested. Analysing the interpretation of daily life may be more appropriately assessed in the contexts of networks and flows characteristic of global society, these producing a loosening in those attachments which have traditionally embedded people to locative settings: for Marxists in social class and for Feminists in gendered configurations. With globalisation, these attachments are maintained but recontextualised and re-embedded with the influence of transnational communities, corporations and international governmental organisations producing new agendas and challenges for how we understand ‘modern society’ (Turner 2006).

Further, the nature of ‘citizenship’ and ‘rights’ so heavily influenced by Enlightenment philosophy are both heavily contested under the lead of the complex and commanding influences of powerful non-democratic intergovernmental structures such as the World Bank and International Monitory Fund (IMF), private multinational corporations such as banks and western states that are under new pressures associated with accelerating demography and migration. This contrasts sharply with the Enlightenment period which saw rights arguably independently defined and negotiated through various manifestations of British, European and American nation building and sovereign state-based power.

It may also be suggested that democratic rights have become more fragmented as well as individualised. What has changed is the duty and necessity to cope with these risks that are
being increasingly transferred to families (Bauman 2000). The new social construction of
everyday life may be defined as a global problem and issue but the social reconstruction of how
experience globalisation is being cast as a personal rather than a collective responsibility. This
development also implies an important role for social theory in interconnecting macro and
micro perspectives with new approaches in order to understand how global processes contribute
to the reshaping of the institutions in which the experiences of social groups are embedded.

A further task must be to construct new social theories about the nature of
individualisation in light of more fluid borders surrounding nation states. Important questions
concern whether and how people, socially differentiated, are facilitated or constrained by the
spread of mobile communities along with more varied forms of belonging and citizenship.
Social theory will be profoundly influenced by the ‘development of a common consciousness
of human society on a world scale and an increased awareness of the totality of human social
relations as the largest constitutive framework of all relations’ (Shaw 2002:12).

A further issue concerns the extent to which social theory may challenge the dominant
institutions that reproduce and perpetuate social divisions in society. Applications of the policy
sciences take for granted existing systems of capitalism as scholars work largely within
‘definitions of the situation’ that are framed by classical economic theories, assumptions and
models of cost-effectiveness and individual level outcomes. The end result is that only a limited
array of potentially viable policy options assuring the serious consideration of only incremental
changes that will do little to alter the underlying structural economic problems facing social
groups such as, for example, older people (Powell 2006).

In challenging this, there is a need for theorising that examines the structural forces and
social processes that profoundly shape individual and group experience in the global
community of the first, second and third worlds. Theoretical development from a critical
perspective seeks to illuminate alternative understandings and a vision to ‘what is possible’. It
is a requisite to lifting the ideological veil of scientific objectivity that obscures and mystifies
inequality and social injustice in a society and economy that prioritises the production of goods
and services primarily for its economic and exchange value rather than for its social value and
capacity to meet human needs across the world.

BIOGRAPHY

Professor Jason L. Powell BA (Hons), MA, Ph.D, FRSA is Professor of Social Gerontology and Associate Dean
of Faculty of Health and Life Sciences at University of Coventry. He holds an Honorary Fellowship at University
of Liverpool; Honorary Professor at Australia-Asia Research and Education Foundation at Tasmania University;
Visiting Research Fellow at Oxford; and recently invited as Visiting Scholar at Harvard University. He has been
Visiting Professor in Canada, US, Australia, Africa and Jordan. He was nominated and elected to Fellowship of
the British Royal Society of Arts (FRSA) in recognition of his research. He has strong interests in social theory,
ageing, power and identity. He is author of Social Theory and Ageing (2006) which was part of Charles Lemert’s

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