

Globalization Today

I. Definition and Sources of Globalization

II. Globalization Past and Present

IV. Implications

A. Inevitability?

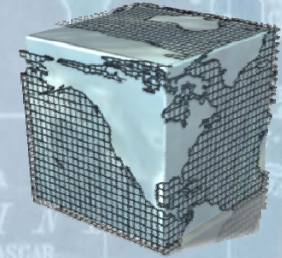
B. Role of the State?

C. Good or Bad?



I. Definition and Sources of Globalization

- Globalization as breaking down the barriers of space and time to international interactions (political, economic, cultural, etc.)
- Five Trends Producing Globalization
 - (1) Internationalization of Economic Activity
 - (2) Global Liberalization
 - (3) Technological Changes
 - (4) Improvements in Transportation
 - (5) Globalized Production Structures

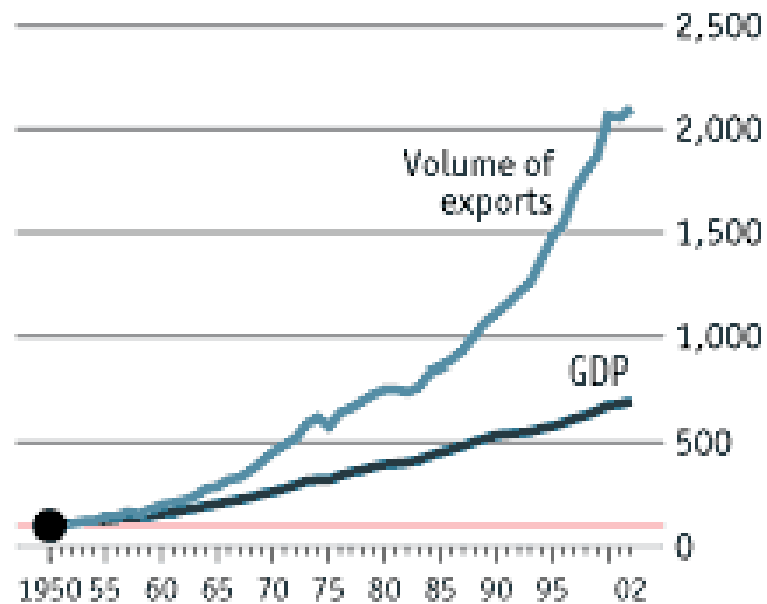


Growth in World Trade

A trader's era

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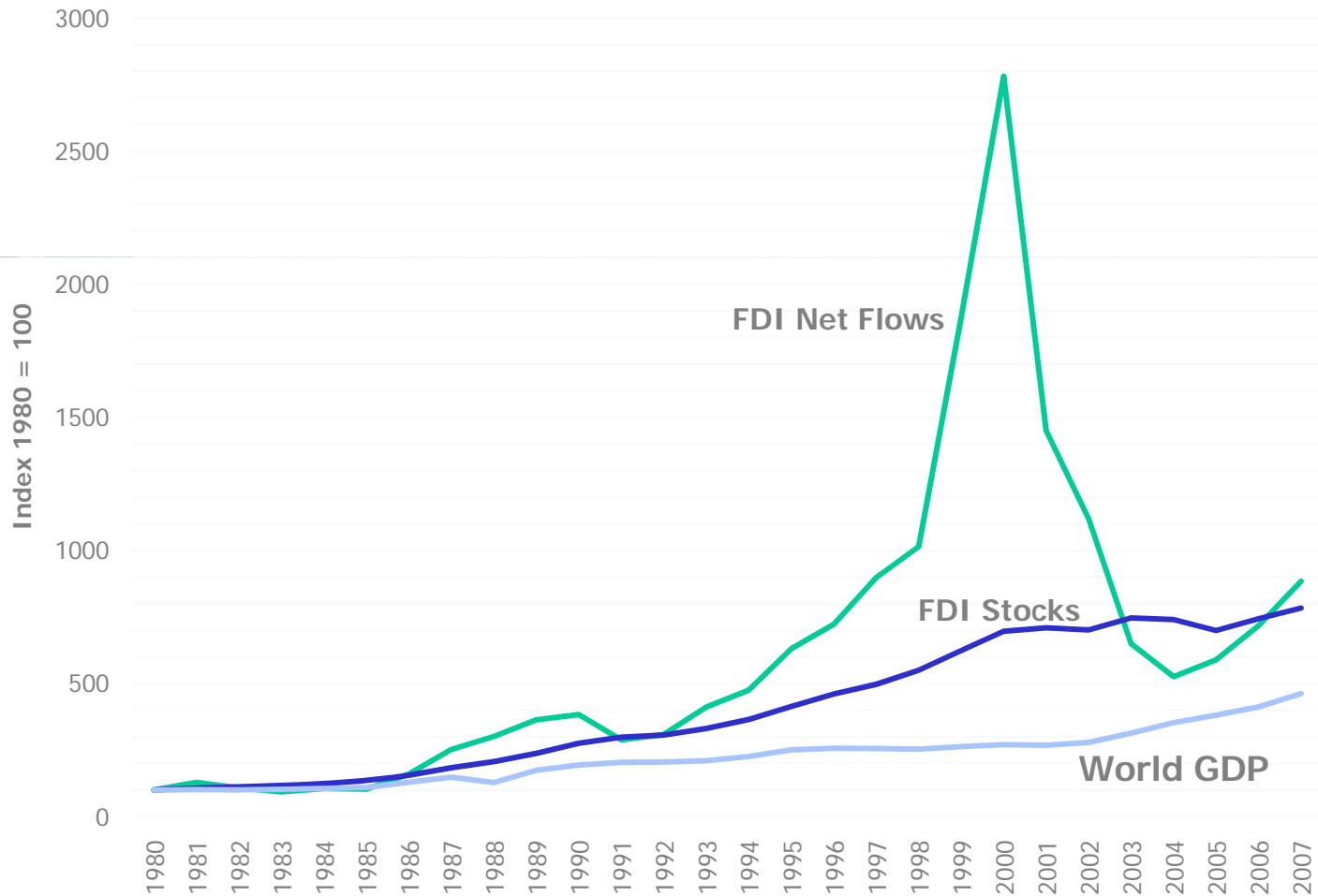
World GDP and trade, 1950–100



Source: World Trade Organisation

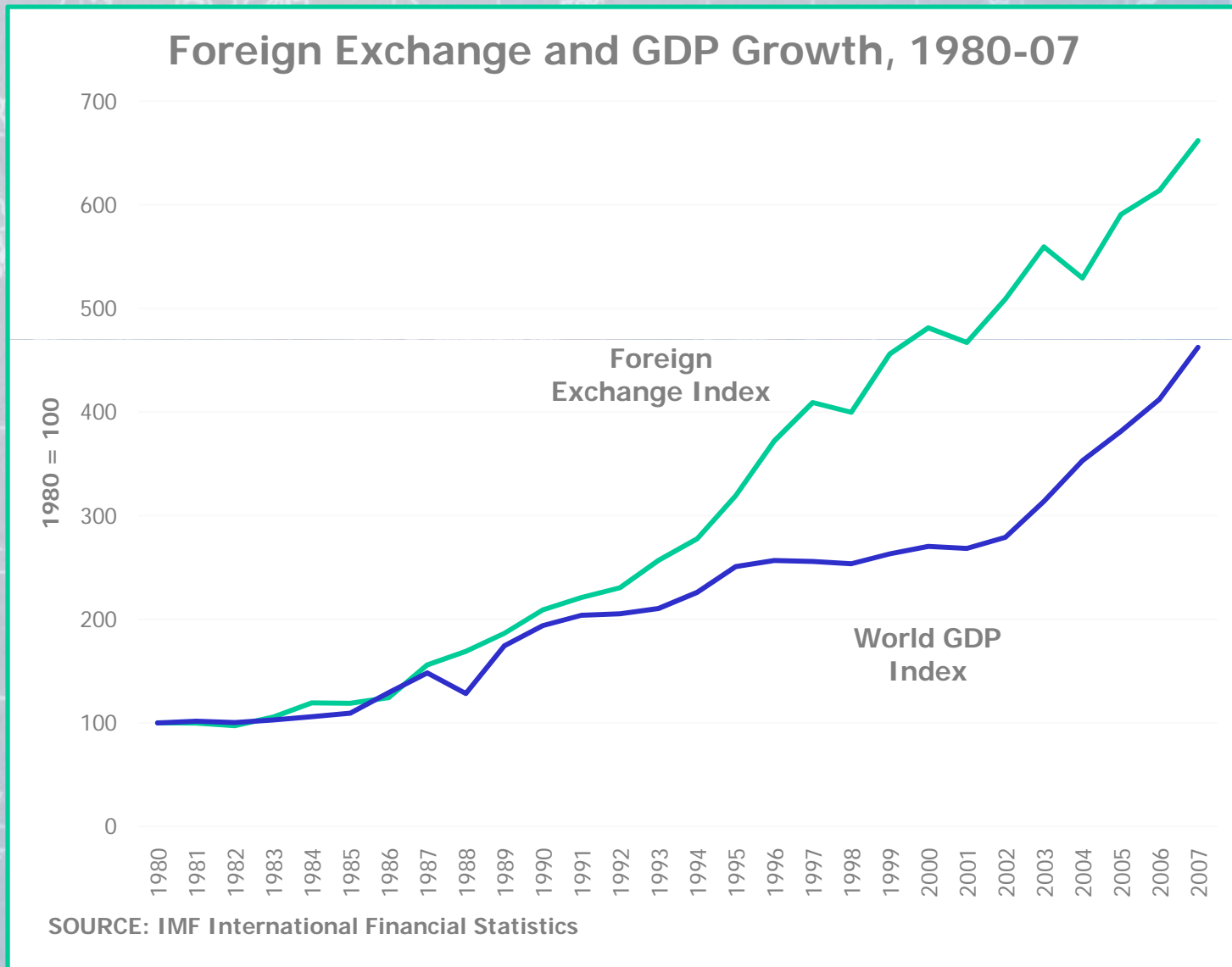
Growth in Global Investment

Foreign Direct Investment and World GDP,
1980-07



SOURCE: UNCTAD FDI Database; IMF

Growth in Foreign Exchange



II. Globalization Past and Present

- A. Eras of Globalization
 - First Era of Globalization (about 1850-1914)
 - Interwar Period (1920-1939)
 - Cold War Era (1945-1989)
 - Second Era of Globalization (1989-Present)
- Differences of Current Era of Globalization
 - Trade
 - Finance
 - Technology

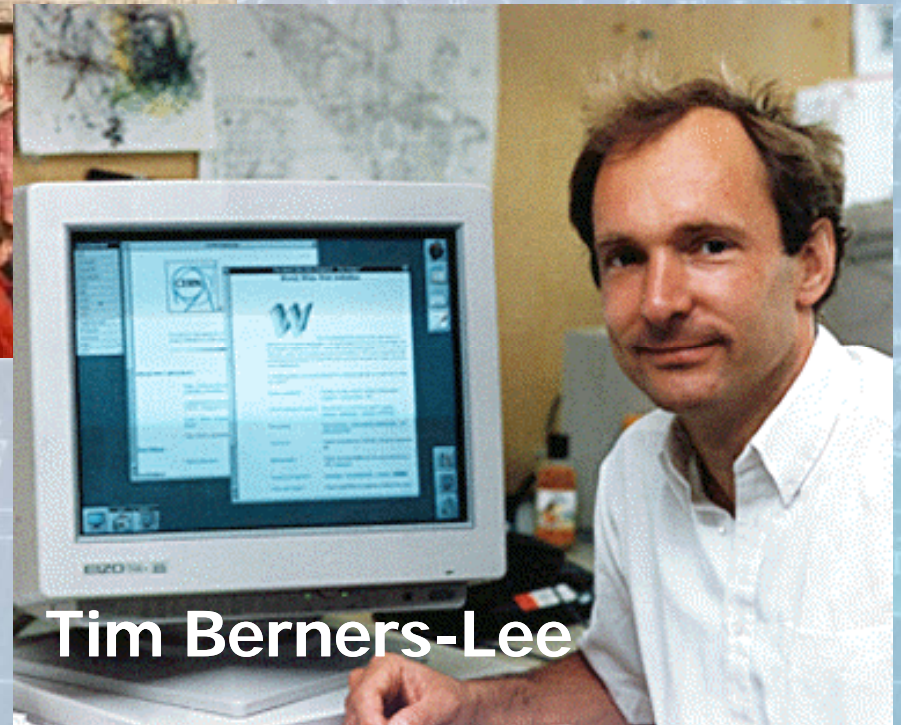
Globalization's Current Phase Begins

The Destruction of the Berlin Wall



The walls
come down
(1989)...

...and the (World Wide)
Web goes out (1991).



Tim Berners-Lee

IV. Implications of Globalization

- Inevitability?
 - Liberalization: Not inevitable
 - Technology: Tough to reverse
- Role of the State?
 - ‘Golden Straitjacket’ (Thomas Friedman)
 - Multilevel Governance
 - Multidimensional Security
- Positive or Negative?

