

Moving Toward Ethical Globalization

Introduction

Globalization, defined as “the tendency of investment funds and businesses to move beyond domestic markets to other markets around the globe, thereby increasing the interconnectedness of different markets” (dictionary.com) has had both positive and negative effects on Spaceship Earth. “Twenty percent of the world GDP is now being contributed by global trade.” (“Raising our game:,” 2007)

The term came into general usage in 1959, when many countries united to develop various societal foci, encompassing economy, education, society and politics. Globalization can provide a broad perspective, uniting cultures in a more holistic manner than merely using national boundaries.

Globalization fosters the civilization, business, morals, and accomplishments of people in one part of the world to mingle with those of the same or different nations. The process of globalization is the amalgamation of communication and incorporation of varied groups of people, organizations, and governments of different nations. This interaction is well armored by information technology.

This type of communication not only sways authorities and the welfare of people, but also impacts traditions, ethnicity, political structure, financial growth and affluences. Globalization creates new jargon in every aspect of human endeavor in formulating both domestic and international economies, paving the way for worldwide employment and investment ventures.

On the positive side, globalization has contributed to bringing nations together to form a more progressive outlook. Globalization has brought about a unanimous communication between diverse nations and people belonging to different cultures and religions.

More and more countries want a slice of the globalization pie and the profits it can bring. China and India are not only growing exponentially, they have empowered each other as trade partners. South Africa and Brazil have done likewise, on a smaller scale.

Globalization encompasses the following paradigms:

- Economic Integration through trade, investment and capital flows
- Political Interaction
- Information and Information Technology (IT)
- Culture

These paradigms influence every aspect of markets, whether they are natural, local, national or global through capital flows and investments (Panayotou, 2000).

Discussion

Despite its escalating potency, globalization and its resulting economic development are inadequately understood, as its implications are indirect. The word globalization was used as early as the 1950s, but its darker side was not fully grasped until 9/11. Most of the world’s

interconnection is unintentional and unstructured, and comes in the form of trade. Many hope that globalization will bring a beneficial coordination of the plans and actions of millions of people around the world, as a system of global cooperation.

According to Robertson, the temporal-historical route of global compactness and intricacy can be demarcated into five phases. His model encompasses:

- I. Germinal Phase: defines the individual and idea about humanity. It is believed that advent of globalization took place with the acceptance of heliocentric theory.
- II. Incipient Phase: National and transnational relations were developed by conducting debates on issues of nationalism vs. internationalism, for production and transportation processes.
- III. Take-off Phase: International society emerged with Eurocentric impression. A steady improvement was observed with respect to competition in the global market.
- IV. Struggle for Hegemony Phase: From the mid 1920s until the late 1960s, principles of national independence are established, with an emphasis on modernity.
- V. Uncertainty Phase: From the late 1960s to the early 1990s, global consciousness was observed, giving birth to a capitalist economic system (Robertson, 1992).
- VI. Consolidation Phase: Privatization becomes more intense. (Backhaus, 2003)

Globalization engenders the liberalization of markets by generating rapid economic growth in developing nations like China and India. By exporting jobs to these nations, more developed nations have caused an economic upheaval, both abroad and in their own countries.

On one hand, the capitalist definition of progress leads to wider availability of goods in demand by the population, but on the other hand, computerization and automation cause unemployment, resulting in communal disempowerment.

Unemployment can lead to corruption and even terrorism. In his seminal 1992 article, *Jihad vs. McWorld*, Benjamin Barber asserted that we would “increasingly see the forces of tribalism and globalization clashing as the trend toward cultural standardization provoked a violent backlash.”

As a result of globalization, the gap between rich and poor has increased, creating feelings of envy, regional wars and international terrorism (Ehrenfeld, 2003). In our haste for profits, we need to put basic human rights first. As the organization Realizing Rights states: “our common humanity doesn't stop at national borders.” (Realizing Rights)

Ehrenfeld discusses the significance of globalization and its impact on the global environment, both natural and economical.

1. Industrial: Provides a platform for the production and marketing of a wide range of foreign products, enabling customers around the globe to purchase finished goods.
2. Financial: Globalization has paved the way for borrowing and lending of finances.
3. Economic: Globalization has enabled global markets to be interdependent, and provides means to minimize the impact of any financial burden or collapse on a particular nation.
4. Political: Nations such as the United States, with strong economies hold political sway over other nations. In recent years, China is also emerging with strong financial position.

5. Informational: With the revolution in communication networks and good connectivity, the whole world is connected through satellites, wireless communication and/or through the internet.
6. Competitive: Superior skills and quality claim prime market positioning in the era of globalization.
7. Ecological: In the haste to fulfill the growing demands of international populations, concern about the environment has taken a back seat. Industrialization results in air, water, soil and noise pollution, making some industrial areas inhospitable to flora and fauna.
The release of various gases, such as methane chlorinated gases, halogen gases and particulates compromise air quality and causes global warming. When individuals are exposed to such noxious pollutants, they can develop hypertension, diabetes and even cancer and teratogenesis in neonates.
8. Cultural: A great deal of understanding of the ethics, beliefs and morals of foreign cultures is obtained, thereby diminishing social boundaries.
9. Technical: Advances in communication have been made across the globe.
10. Legal/Ethical: International guidelines are laid down for any kind of legal issues by international criminal courts and international justice movements (Nijam, A., Runnalls, D., Halle, M., 2007).

The cost of globalization is being felt by even the smallest and most sheltered communities and natural preserves of every nation, causing a great impact on the environment (Ehrenfeld, 2003). Globalization impinges on the environment in every way possible. It has enhanced the development, cataloguing, and adaptation of marginal lands for goods production, impacting local agriculture and livestock. (Ehrenfeld, 2003). In order to promote global wealth and industrial progress, the natural environment is degraded, leading to the endangerment and extinction of many species

Globalization results in the deterioration of natural resources, contamination of the environment, industrialization of open space and the exhaustion of fossil fuels to maintain machinery and to transport both raw and finished products to domestic and international markets. To maintain a competitive edge, industries employ both fair and unfair means to procure raw material, supply finished goods and recruit skilled workers.

Industrial areas show poor soil fertility, creating large stretches of barren land without any vegetation, in a spurt of “unprecedented urbanization” (“Raising our game:,” 2007). These areas soon become wastelands. The soil is full of pollutants and industrial waste, which alters the natural soil composition.

Globalization has augmented the use of chemicals for the enhanced production and ripening of fruits and vegetables. These chemicals are toxic to humans and other animals, which display bioaccumulation of pesticides over time. Animals eating these grains accumulate pesticides, and when they are consumed, they transfer dangerous levels of chemicals into the food chain.

Globalization has also diminished the endurance prototype flora and fauna. The identity of any geographical area is its flora and fauna, any kind of interruption either for industrial set up or clearing grounds for industrialization or for other human venture is enduring a great loss of

flora, herbs and other animals.

It is evident that transgenic animals are always dangerous as when environmental conditions vary from laboratory conditions then the incorporated genetic material can show some kind of variation that may be detrimental.

Globalization expedites the transfer of food items to various geographical areas with differing climatic conditions, facilitating the growth of harmful microbes. To solve this problem, preservatives that are perhaps even more harmful are used.

A loss of wild type is occurring due to genetic interbreeding of various species of plants and animals. It is evident that such transgenic forms show poor resistance in normal environmental conditions.

Some toxic pollutants have resulted in genetic mutations. The mutation of living beings leads to the alteration of their genomes. Effluents released from industries either contaminate potable water or breathable air. Some are toxic, even at very low concentrations as parts per million (ppm). Mercury poisoning causes dreaded diseases such as Minimata.

When polluted water is consumed, it can lead to fetal malformation, cancer or paralysis. Pollutants are capable of altering entire DNA structures of organisms. With the advent of globalization, nuclear reactors are used to generate electricity, resulting in radioactive pollution of the soil, which is capable of altering the physiology of organisms.

UV radiation is also a health hazard, causing gene mutation and altering the genetic makeup of living beings. These mutations are detrimental, as new microorganisms are emerging that are drug resistant and capable of changing their morphology, causing physiological changes in the living beings that they infect. Altered physiology due to altered gene product (enzymes and proteins) can cause Alzheimer's, brain dysfunction, teratogenesis carcinogenesis, paralysis or cerebral palsy.

When young children consume polluted water, they tend to display lowered IQs, underdeveloped brains, physical and mental weakness, poor physical growth or stunted growth and mental retardation. The result is an intelligence-impaired youth population, just at the time in our history when we need critical thinkers to create solutions.

Health and hygiene conditions in certain industries are a matter of great concern for the labor class and for local residents, as industrial effluents can be carcinogenic. Genetically modified organisms are being created to enhance the yield of milk products, meat and grains.

To maintain optimum laboratory-like conditions, they are kept in a controlled environment, which increases maintenance costs. The result of such temperature maintenance (the installation of air conditioners and temperature control devices) to accomplish desired yields dramatically lowers atmospheric quality and results in pollution.

Non-biodegradable plastic has revolutionized the packaging industry, but now it has emerged as a major pollutant. The shortsightedness of capitalists is the sole reason for the proliferation of this noxious substance. In the United States, every person discards almost 200 pounds of plastic annually, which amounts to double the weight of every person in this country.

To make matters worse, lobbyists and manufacturers have millions to spend on advertising campaigns that 'spin' the product to mislead consumers, such as the following: "We may not think about them often, but versatile plastics inspire countless innovations that help

make life better, healthier and safer every day” (American Chemistry Council).

Corporate plastic polluters abound, with General Electric as a standout. Not only does this mega-corporation pollute the Hudson River with PCBs, it has taken an adversarial position with the EPA regarding the required river bottom cleanup.

Globalization has brought about a remarkable impact on human civilization. Some technological ‘improvements’ not only degrade the physical environment by releasing high concentrations of carbon dioxide, altering temperature as well as our natural environment, but also profoundly impact the environment of nations.

Globalization is the leading cause of global warming, some of whose repercussions are listed below.

- Causes temperature variations
- Melts permafrost
- Oxidizes boreal peat deposits
- Transforms rainfall and storm distribution
- Raises sea level
- Diminishes the ultraviolet (UV) protective layer of the atmosphere (the ozone layer)

When one thinks of capitalism, cannibalism comes to mind. Capitalism can’t be fixed at this stage of its demise, and certainly not in a college student’s lifetime. The only way to deal with the crises caused by globalization is to prepare for a future with a democratic emphasis that perhaps precludes capitalism entirely.

Perhaps this is a controversial point of view. Perhaps some will think that socialism is the answer. But if you read the Constitution, it talks about the common welfare, but there’s no mention of the word capitalism. Gandhi said that economics can’t be separated from ethics.

The answer lies in co-op run organizations, micro loans to Third World countries, funding of green businesses and no more bailouts of large financial institutions. Global economists need to look at value systems, not the bottom line. The UN has declared 2012 as the International Year of Cooperatives.

In Malawi, for example, sustainable projects include beekeeping, vegetable and fish farming and fruit drying. Beekeeping has the double benefit of preserving forests as bee habitats. Thirty-five dollars can buy two large beehives. Once the fish farms are established, residents bring in larger animals, whose droppings feed the fish.

Kiva, a domestic micro-loan program, offers a unique open-market format, enabling borrowers and lenders to interact directly. Hundreds of small projects, from clothing stores to produce stands are funded by ordinary people every day. They team up with banks to provide free savings accounts.

Kiva makes a loan every 20 seconds, and lends an average of a million dollars a week, all without bureaucratic interference. They achieve their 99% payback rate through peer pressure. Small groups of lenders are teamed up, and if any one of them defaults on their loan, the whole group’s credit is suspended. Kiva puts staff on the street in poorer neighborhoods.

SustainAbility has compiled some predictions about the future of ethical globalization.

- The growth of economies “will need to be contained “within a ‘one planet’ agenda” (“Raising our game:,” 2007).
- The speed of business and planetary damage will continue to speed up.
- Unforeseen barriers to sustainable development will crop up.
- New leaders will probably come from “unexpected directions including from newly emergent city-states, NGOs, and companies.” (“Raising our game:,” 2007).

Conclusion

Sustainability needs to be embedded in the corporate culture as deeply as profits and losses. “Interactions between the complexities of globalization and the evolving sustainability agenda will define markets and politics in the 21st century. (“Raising our game:,” 2007).

Michael Doyle, a Columbia professor, sketches a portrait of what ethical globalization would look like. Multinational corporations entering a developing country would contribute to fighting diseases such as malaria and AIDS, and easing access to cheap prescription drugs.

Secondly, “we need to genuinely tackle the remaining barriers to fair international trade” (Tessier-Stall, 2008) by rescinding subsidies to farmers in developed countries. Thirdly, we need to revise immigration law to allow foreign workers to cross international borders freely and return home after work.

Here are some recommendations for ethical globalization:

1. Have first world countries produce their own raw materials and manufactured goods whenever possible, and work toward first world countries becoming completely self-sustaining.
2. Establish test farms at the edge of major first-world urban areas on idle land, so that fresh food has not far to travel.
3. Fund only sustainable organizations, those which repair their own ecological footprint; e.g., planting trees to supplant fossil fuel damage. A Latin American airline recycles used oil for its biodiesel ground vehicles, and supports domestic reforestation.
4. Fund greenscraper technology that creates electricity through wind turbines and solar power. Skyscrapers can now cool their interiors with rainwater, have helical wind turbines on their roofs, filter air pollution coming into the building, cleans the air around the outside. Greenscrapers make a significant start toward reversing local air pollution.
5. Take advantage of the current trend to make multi-national corporations accountable for their actions. Fund the watchdog organizations, and set up an incentive prize to the MNC that most effectively compensates for its own carbon footprint.
6. Put as much money as possible into birth control and reproductive education. Developing countries should consider Zero Population Growth as a viable solution.
7. Link salaries of company directors to sustainability actions and results.
8. Solicit sustainability suggestions from representatives of third world countries.
9. Assume that sustainable actions are a given in the drafting of corporate policies.

10. “Measure and improve performance related to GHG emissions, energy efficiency, buildings, water, waste and human rights.” (Ceres)
11. “Incorporate sustainable land-use and smart growth considerations.” (Ceres)
12. “Reduce toxic air emissions and hazardous and non-hazardous waste to zero.” (Ceres)
13. “Use sustainability as a primary filter through which all R&D and capital investments are made. Fifty percent of the R&D investment will be focused on developing sustainability solutions.” (Ceres)

Many think of globalization as favorable, because it increases competition between the world’s countries and their commerce, trade and exchanges. But globalization can cause a detrimental economic and environmental domino effect, sometimes even exacerbating the problems that ‘improvements’ were created to solve. “A world connected by technology and trade must also be connected by shared values, norms of behavior and systems of accountability.” (Realizing Rights)

Healthy competition combined with a model of cooperation when it comes to resources, the environment, pooling of services, and provision of goods, seems like a great combination. A vast web of cooperation seems plausible when we consider the speed of modern transportation and communication. The concept of globalization has great potential. It “could replace anarchy and antagonism as a template for understanding international politics.” ([Tessier-Stall, 2008](#))

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