

# Globalization: a cultural, economic and social phenomenon

## Cultural Heritage and Unesco between identity and business



### LOCAL SOLUTIONS FOR GLOBAL CHALLENGES

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## A Simple Globalization Definition

*Globalization means the speedup of movements and exchanges (of human beings, goods, and services, capital, technologies or cultural practices) all over the planet. One of the effects of globalization is that it promotes and increases interactions between different regions and populations around the globe.*

## What Is Globalization in the Economy?

*According to the Committee for Development Policy (a subsidiary body of the United Nations), from an economic point of view, globalization can be defined as: “(...) the increasing interdependence of world economies as a result of the growing scale of cross-border trade of commodities and services, the flow of international capital and the wide and rapid spread of technologies. It reflects the continuing expansion and mutual integration of market frontiers (...) and the rapid growing significance of information in all types of productive activities and marketization are the two major driving forces for economic globalization.”*

## When Did Globalization Begin? The History of Globalization





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For some people, this global phenomenon is inherent to human nature. Because of this, some say globalization begun about 60,000 years ago, at the beginning of human history. Throughout time, human societies' exchanging trade has been growing. Since the old times, different civilizations have developed commercial trade routes and experienced cultural exchanges. And as well, the migratory phenomenon has also been contributing to these populational exchanges. Especially nowadays, since traveling became quicker, more comfortable, and more affordable.

This phenomenon has continued throughout history, notably through military conquests and exploration expeditions. But it wasn't until technological advances in transportation and communication that globalization speeded up. It was particularly after the second half of the 20th century that world trades accelerated in such a dimension and speed that the term "globalization" started to be commonly used.

### **Examples of Globalization (Concept Map)**

Because of trade developments and financial exchanges, we often think of globalization as an economic and financial phenomenon. Nonetheless, it includes a much wider field than just flowing of goods, services or capital. Often referred to as the globalization concept map, some examples of globalization are:



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**Economic globalization:** is the development of trade systems within transnational actors such as corporations or NGOs;

**Financial globalization:** can be linked with the rise of a global financial system with international financial exchanges and monetary exchanges. Stock markets, for instance, are a great example of the financially connected global world since when one stock market has a decline, it affects other markets negatively as well as the economy as a whole.

**Cultural globalization:** refers to the interpenetration of cultures which, as a consequence, means nations adopt principles, beliefs, and costumes of other nations, losing their unique culture to a unique, globalized supra-culture;

**Political globalization:** the development and growing influence of international organizations such as the UN or WHO means governmental action takes place at an international level. There are other bodies operating a global level such as NGOs like Doctors without borders or Oxfam;

**Sociological globalization:** information moves almost in real-time, together with the interconnection and interdependence of events and their consequences. People move all the time too, mixing and integrating different societies;

**Technological globalization:** the phenomenon by which millions of people are interconnected thanks to the power of the digital world via platforms such as Facebook, Instagram, Skype or Youtube.

**Geographic globalization:** is the new organization and hierarchy of different regions of the world that is constantly changing. Moreover, with transportation and flying made so easy and affordable, apart from a few countries with demanding visas, it is possible to travel the world without barely any restrictions;

**Ecological globalization:** accounts for the idea of considering planet Earth as a single global entity – a common good all societies should protect since the weather affects everyone and we are all protected by the same atmosphere. To this regard, it is often said that the poorest countries that have been polluting the least will suffer the most from climate change.

## Globalization Benefits – A Financial Example

At the same time, finance also became globalized. From the 1980s, driven by neo-liberal policies, the world of finance gradually opened. Many states, particularly the US under Ronald Reagan and the UK under Margaret Thatcher introduced the famous “3D Policy”: Disintermediation, Decommissioning, Deregulation.

The idea was to simplify finance regulations, eliminate mediators and break down the barriers between the world’s financial centers. And the goal was to make it easier to exchange capital between the world’s financial players. This financial globalization has contributed to the rise of a global financial market in which contracts and capital exchanges have multiplied.

## Globalization – A Cultural Example

Good examples of cultural globalization are, for instance, the trading of commodities such as coffee or avocados. Coffee is said to be originally from Ethiopia and consumed in the Arabid region. Nonetheless, due to commercial trades after the 11th century, it is nowadays known as a globally consumed commodity. Avocados, for instance, grown mostly under the tropical temperatures of Mexico, the Dominican Republic or Peru. They started by being produced in small quantities to supply the local populations but today guacamole or avocado toasts are common in meals all over the world.



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## The Negative Effects of Globalization on Cultural Loss

Apart from all the benefits globalization has had on allowing cultural exchanges it also homogenized the world's cultures. That's why specific cultural characteristics from some countries are disappearing. From languages to traditions or even specific industries. That's why according to UNESCO, the mix between the benefits of globalization and the protection of local culture's uniqueness requires a careful approach.



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## The Economic Negative Effects of Globalization

Despite its benefits, the economic growth driven by globalization has not been done without awakening criticism. The consequences of globalization are far from homogeneous: income inequalities, disproportionate wealth and trades that benefit parties differently. In the end, one of the criticisms is that some actors (countries, companies, individuals) benefit more from the phenomena of globalization, while others are sometimes perceived as the “losers” of globalization. As a matter of fact, a recent report from Oxfam says that 82% of the world's generated wealth goes to 1% of the population.



# UNESCO - GLOBALIZATION AND CULTURE

Culture is a dynamic force for change rather than a rigid set of forms or parameters that must be strictly adhered to. As the World Commission on Culture and Development (WCCD) noted, a society's culture is neither static nor unchanging but rather is in a constant state of flux, influencing and being influenced by other world-views and expressive forms.

The current era of globalization, with its unprecedented acceleration and intensification in the global flows of capital, labour, and information, is having a homogenizing influence on local culture. While this phenomenon promotes the integration of societies and has provided millions of people with new opportunities, it may also bring with it a loss of uniqueness of local culture, which in turn can lead to loss of identity, exclusion and even conflict. This is especially true for traditional societies and communities, which are exposed to rapid 'modernisation' based on models imported from outside and not adapted to their context.

Balancing the benefits of integrating into a globalized world against protecting the uniqueness of local culture requires a careful approach. Placing culture at the heart of development policies does not mean to confine and fix it in a conservative way, but on the contrary to invest in the potential of local resources, knowledge, skills and materials to foster creativity and sustainable progress. Recognition and respect for the diversity of cultures also creates the conditions for mutual understanding, dialogue and peace.



A market stall in Mysore selling 'Gulal' powders, which are used during traditional festivals. Photographer: Philip Howard  
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