

Globalization, Culture and the Great Disruption: An Assessment

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Abstract

Globalization inspite of its touted advantages has become the greatest threat to economic and political sovereignty. Capitalism as we know it is falling apart especially in sub-Saharan Africa with a diverse culture and where the transformation is pervasive. This paper examines globalization historically, its dimension and context, national cultures and the ethnical perception of globalization. And concludes by examining the disruptive effect on African societies.

Introduction

The period we are in, has been described as the end of history, empire, nation state and the end of the world system. Globalization has given rise to movements aimed at reasserting control over economic forces (Alagoa, 1971). The period has also been characterized as “consumer civilization” or “civilizational crisis” showing the perception of human condition in the face of global unification. Development and “accumulation” have become more knowledge-based and deterritorialized. Immanuel Wallerstein asserts that we are currently in the period of transition from one world system to another. According to him:

“Once in a lifetime of a world system, when contradictions, secular trends, and cyclical rhythms combine in such a way that the system can no longer reproduce itself, a world system ends and is replaced by another (Wallerstein 2000:252).

According to the world system theory, the modern world system today is in structural crisis and has entered a chaotic, transitional period which will cause a systemic transformation to a new structure (Alagoa, 1971). The nature of the new structure has not yet been determined and cannot be predetermined.

The question that comes to mind is what globalization is and what its goals are. Only by answering the above can we really understand the extent of transformation that the system engenders.

What is Globalization?

Jaja (2010) has argued that the concept of globalization require deeper critical reflection to unravel its essence. He argued that in reality, the process is yet on-going and therefore yet to be accomplished. In considering the history of globalization, most scholars focus on the events since the European penetration of Africa in 1500, while others concentrate on the much more recent past. It must be noted that the interaction between the global and local economies has been a central driving force in world history. Strictly speaking, economic globalization means that world trade and financial markets are becoming more integrated. Jaja calls it the universalization of capitalism and mountain that the challenge facing sub-Saharan African nation is equivalent to swimming between Scylla and Charibolis (Jaja 2010:117) Globalization is the inexorable integration of markets, nation states and technologies to a degree never before witnessed in history. It enables individuals, corporations and nation states to reach around the world faster, deeper and cheaper than before, the spread of free market capitalism to virtually every country in the world.

A number of scholars assert that globalization leads to the increasing integration of the production of goods, services, ideas, culture communication and environmental pollution on a wide scale affecting a wide range of population and labour. What are the dimensions of globalization? This we will consider shortly.

Dimensions of Globalization

Globalization can be examined from a number of dimensions. These are economic, political and cultural. Economic globalization denotes the economic sovereignty and domination of international capital globally. Political dimension denotes the collapse of the Soviet Union and the emergence of the U.S.A. as the superpower and the single authority in the new world order and security. The cultural dimension exposes two unrelated results of this phenomenon. The first is globalism of consumer behaviour, such as consuming similar food, clothes, entertainment and similar products in any aspect of daily life. The second is micro-nationalism, too much freedom for citizen's results in destruction of the unitary structures of independent nation states.

In reality, globalization relates to every field of daily life. For instance, a marketing staff and an engineer could interpret globalization in different ways:

Economics: Related to globalization in trade, many, corporations, banks capital.

Political: Science, governance, war, peace IGOs, NGOs and regimes.

Sociology: Communities, conflict, classes' nations, agreement.

Psychology: Individuals as subjects and objects of global action.

Anthropology: Cultures overlapping, adapting, clashing, merging.

Geography: Everything provided it can be anchored in space.

Each of these discipline look at a special aspect of the whole system of interdependent parts that constitute our world system. Each discipline constructs a concept of globalization that reflects its special point of view. How has this affected sub-Saharan Africa?

Africa and Globalization

In Africa, the FDI inflow was remarkable. It amounted to 36 billion dollars in 2006 and rose to 53 billion in 2007 (UNCTAD, 2008) (see figure 1) the increase in a large part is related to investment in extractive industries although it rose in various service sectors too. In spite of the global financial crisis developing and transition economies attracted record FDI flow in 2008 (88 billion dollars) it is worthy of note that Africa recorded the greatest increase in inward FDI (27%) in 2008 resulting in the increase of FDI stock in the region to 511 billion dollars.

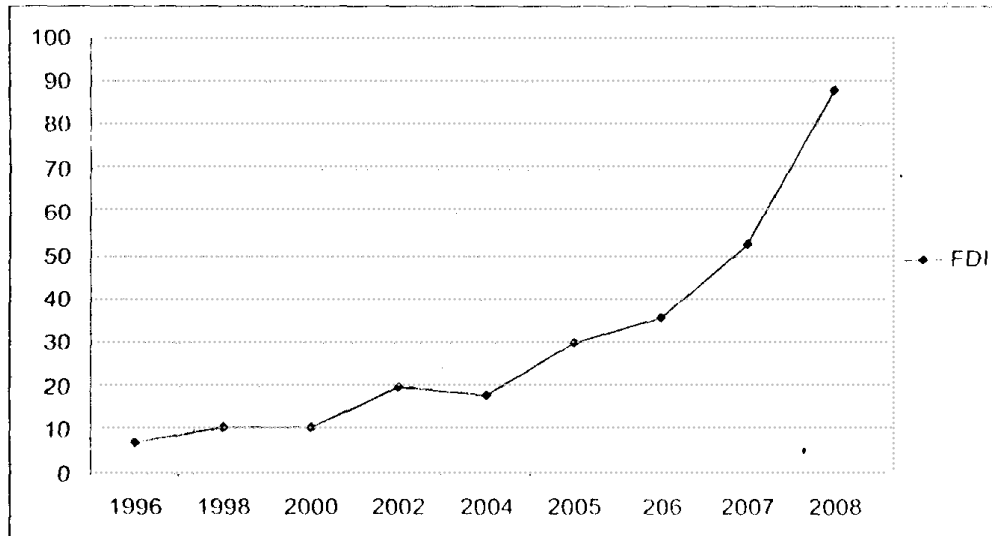


Fig. 1: FDI Inflows (1996 – 2008) to Africa

Similarly, trade volumes also increased considerably over the period, however, world trade growth slowed in 2007 and 2008, although developed countries like the US and Japan import volume growth turned negative (World Trade Report, 2009). The report noted that expansion was more resilient in developing and transition economies. The total exports volume of African countries which stood at 8a5a billion dollars in 1982 nearly doubled to 150 billion dollars in 2000 and by 2008 the figure had risen to over 570 billion dollars (fig. 2).

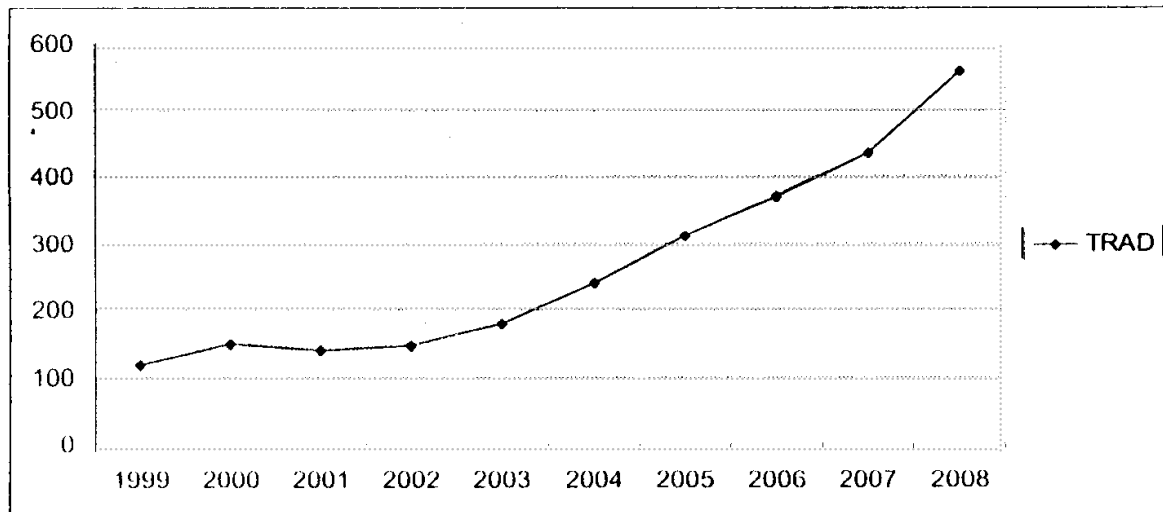


Fig. 2: Export Volume of African Countries (1999 – 2008).

National Cultures and Globalization

Scholars are never agreed on a simple definition of culture. The anthropologist Edward Taylor as far back as 1871 defined culture as;

“That complex whole which includes knowledge, belief, art, morals laws, custom, and other capabilities acquired by man as a member of society” (Taylor 1871).

Other capabilities include economic and political philosophy, religion, language and education systems. Religion particularly is very important in shaping ethical systems. Religion refers to a set of moral principles, values that are used to guide and shape behaviour. Most of the world ethical systems are product of religions.

Most traditional definitions of culture centre around the notion that culture is the sum of the values, rituals, symbols, beliefs and thought processes that are learned, shared by a people, and transmitted from generation to generation. Values mean abstract ideas about what a group believes to be good, right and desirable. If we put it differently, values are shared assumptions about how things ought to be (Mead 1994:7) values are rules and guidelines that prescribe appropriate behaviour in particular situations.

There is a relationship between the cultural environment and the perceived ethical problem of society. The most important ethical problem to international business in Nigeria is large scale bribery. Although different cultural environments result in different ethical perceptions, in sub-Saharan Africa it is necessary to generate internationally applicable ethical regulations that will impact on globalization.

Globalization and the Great Disruption

Globalization has resulted in global economic management and global governance leading to the enslavement of the world. Overviews of contemporary global economic situation

show that the system generates financial fragility and instability. The growth of US deficits results in the rapid growth of international reserves which led to financial crashes like the Japanese bubble of the 1980's, the East Asian bubble of 1990s and the financial crisis in emerging markets have increased since 1980s. The first months of 2008 witnessed market instability and increasing government interventions with measures to mediate the instability. In the US, the Federal Reserve's cut interest rate twice in an attempt to stabilize the global market and the US in particular.

The system has not produced higher growth globally. Much of the developing world has experienced no growth at all or even negative growth. In sub-Saharan Africa, average income is below the poverty level (even below the 1980 and 1990s level). In Eastern Europe, the economy steadily went into decline and created as elsewhere, social reaction ranging from apathy to unrest. Only South Asia, China and India can be said to have improved, although there were periods of instability.

In essence the financial giants- the IMF and World Bank are facing what is termed a "crisis of relevance" as their traditional "products"- economic aid packages and policy advices to governments are increasingly questioned. Scholars have interpreted their prescriptions as aimed at the Mathew effect, which hold that:

"To him that has shall be given, to him that hath not, to him that hath not, shall not be given" (Mathew 25:29).

This seems to operate with vengeance and has resulted in what is known as "Debtonation" especially within African nations. "Debtonation" describes the systematic crisis that affects the heart of the financial model and rocks economic globalization. More and more banks collapsed from the pressure of consumers surviving on credit in developing nations.

The Nigeria economic was not spared from this global economic crisis. This is understandable since 85 percent of Nigeria exports (mostly crude oil) go to Europe and the US while about 80 percent of its imports come from the same source. Consequently, there is no way Nigeria would have been isolated from the crisis. Nigeria experienced the global depression as a client. This is known as client depression. Nigeria being part of the global economy enjoys a dependent relationship – essentially an exporter of crude petroleum and an importer of finished goods. It is also important to state that the non-sophistication of Nigeria's financial market lessened the negative impact of the global economic crisis.

In Nigeria the increasing rate of collapse led to the consolidation of banks initiated by Prof. Chukwuma Soludo. More than 15 banks went under leading to widespread panic in the financial system. Two years after, the new Governor of the Central Bank of Nigeria made further attempt to secure depositors fund and even fired and prosecuted top officials of some banks for financial irregularities and fraud. No less than five top executives of banks were fired.

The economist lamented that:

"Those of us who have supported financial capitalism are open to the charge that the system we championed has merely enabled a few Spivs (criminals) to get rich (the Economist, 20, September 2008).

Ekpo has argued that the Nigerian economic crisis predates the global economic crisis. According to him, though the Nigerian economy grew on the average, by about 6%, the stock market had shown signs of stress (bearish) as portfolio investors “worked away with their portfolio partly to arrest the crises in their own economies. The crisis is really severe on the Nigerian economy, unemployment among youth remained high, the economy is generator-driven, collapse of health and other social services, weak institutions, lack of transparency as well as leadership crisis. The real sector (industry, agriculture transport) was comatose. Banks and other financial institutions were not lending to the real sector, and where they did lending rate was about 23%.

Some have argued that the crisis is related to the “rapture” the religious bliss expectation and anticipation of meeting Christ mid-way in the air upon his return to earth. They argue that it is signs of the end times. Rapture is a response to faith based governance of the widespread belief in the form of Devine “bailout by God”. It is widely believed that the more fundamental and complex the problems faced by humanity, the higher the probability of devine intervention.

The Economist therefore called for “faith”, “hope” “trust” and “belief” in the economic system in the face of collapse. But can religion really intervene in the face of economic collapse?

Simply put, it is dangerous to leave problem at the footstep of religion. It is crucial to provide safety nets not only for the vulnerable group (unemployed, aged, youth, sick) but also for those who would lose jobs during the economic crisis. A growing mass of discontented aggrieved population could be a strong force to keep in check.

Globalization and African Nations

Africa nations are at a cross road in the face of globalization. The reality is that these societies are best thought of as a complex hybrid; Ali Mazrui characterized contemporary Nigeria as a nation witnessing.

“Urbanization without industrialization, deep Western consumption pattern without Western productive techniques, unchecked Western tastes without Western skills, secularization without the scientific spirit, increasing poverty and steady corrosion of most post colonial developmental projects”. (Mazrui 2001:2).

This characterization is typical of most African nations. The pontifical council in its statement pointed out that African nation suffers;

“Through lack of planning, the outskirts or suburbs of every megapolis are like ghettos. There are often huge agglomerations of people who are socially rootless, politically powerless, economically marginalized and culturally isolated” (Pontifical Council for Culture, No. 8).

David Barkin further argued that:

“The global expansion of capital integrates resources and people into a polarized system of great wealth accompanied by poverty and despoliation... in the process, large hords of people are forced into precarious conditions in rural areas or urban slums”. (Barkin 1995:174).

It is clear that the global system generates waste of both natural and human resources and hence imposes great burden on African nations in particular.

Globalization is not only economic but cultural or at bests an unholy fusing of both of them. Globalization is the economization of the cultural and the culturization of the economy. The paradox it generates is the quest for cultural universalism as well as particularism. In other words African nations under globalization must be both unique and individual but they must be able to make universal claims about their uniqueness, particularity and difference. It also means relativism of cultures and their views about life. Ali Mazrui lamented the serious threat on cultures when he said:

“One of the repercussions of globalization worldwide has been to arouse cultural insecurity and uncertainty about identities. Indeed the paradox of globalization is that it both promotes enlargement of economic scale and stimulates fragmentation of ethnic and cultural scale”. (Mazrui 2001:1).

African nations are now faced with global paradox. The paradox of being more universal and yet acting more tribal. This paradoxical coincidence of the propagation and realization of a world culture and a simultaneous diversification of cultures appear enigmatic, it belongs to the very logic of modernity.

Van der Merwe elaborated on this when he observed that the logic of modernity presupposed a detachment of or emancipation from a particular cultural community or collectively shared horizon of significance. For this reason modernity could expand trans-culturally and develop into a global world culture. But for this same reason, it cannot provide people with an attachment to those specific meanings values for which they are dependent on cultural forms of life (Van der Merwe 1997:77).

In view of this, the problem is similar to that confronting philosophy through the ages:- the problem of the one and the many. It is also the issue of unity in diversity, how can one remain one and still be part of the one which is also many. It is the problem of cultural identity and particularism. It is the problem of cultural universalism and particular histories.

Conclusion

It is evident that globalization has given rise to a number of development with effects that are far-reaching to the African nation. It is also obvious that African nations have no alternative but to live with the consequences of globalization. The result of globalization and the crisis it engendered is with us and has affected our ability to provide for our families in the future. The impact is seen in unemployment, homelessness, militancy and crime. The politicians

and economist are no longer trusted as they have no answers to the problem. Those who give ready solution such as “bail out” plans may only be “comforting the comfortable and afflicting the afflicted”.

Nigeria is experiencing what most advanced countries have experienced at various stages. The realization that unstable and inequitable and unclear economic policies lead to unacceptable levels of social disruption and hardship that can only be contained by repression. Recent events have shown the contradiction put forward includes: economic (unemployment in the face of harsh economic policies), political (institutionalized corruption and the failure of educational system), and cultural (cultural insecurity and uncertainties). These are more insurrections and demand for strikes. Virtually every arm of labour, the teachers, civil servants, media, doctor’s, banks and insurance worker, lecturer’s even retirees groan at the impact of the great disruption. Only the politicians smile to the bank. For the rest of the populace, “enough is enough, no more”. There is no doubt that wealth is created but this is not effectively distributed and not all things can be commoditized. The social relationship of family and community or environment which are vital to human wellbeing and survival and indeed to the functioning of the market itself is gradually destroyed. What solution or alternative is there if equitism is unjust, unstable and destructive to human and environmental wellbeing? Maybe there is no alternative to alternative at all.

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