

Economics in the Global Age

*A market economy is to economics what democracy is to government:
a decent, if flawed, choice among many bad alternatives.*

—Charles Wheelan, *Naked Economics: Undressing the Dismal Science* (2002)

Essential Question: How did the global economy change and remain the same from 1900 to the present?

Global trade exploded with the end of the Cold War. The new global economy was part of a renewed emphasis on market-oriented policy advocated by leaders such as **Ronald Reagan** in the United States and **Margaret Thatcher** in Great Britain. They advocated cutting taxes, regulations, and government assistance to the poor as a way to promote economic growth. As Wheeler pointed out, this was a flawed choice producing greater wealth for many but hardships for others. At the same time, revolutions in information and communications technology led to the growth of knowledge economies in some regions, while industrial production and manufacturing were increasingly situated in Asia and Latin America.

Acceleration of Free-Market Economies

Globalization is interaction among peoples, governments, and companies around the world. The Indian Ocean trade and European imperialism are both examples of globalization. However, the term usually refers to the increased integration of the global economy since the 1970s. The Eastern Bloc nations that had been under Soviet control suddenly could trade freely with capitalist democracies. India and other countries that had been nonaligned during the Cold War relaxed restrictions on trade in the 1990s. This opening up of a country's economy is called **economic liberalization**.

Ronald Reagan and Margaret Thatcher wanted **free markets**, which are economic systems based on supply and demand, with as little government control as possible. While Reagan and Thatcher were strongly nationalistic, corporations used the shift in emphasis to move jobs to countries with lower wages, lower taxes, and fewer regulations. Critics charged that globalization led to labor exploitation and environmental damage.

Economic Liberalization in Chile In Chile in 1973, **Augusto Pinochet** took power in a U.S.-backed coup against a democratically elected socialist government led by Salvador Allende. Pinochet ruled from 1974 to 1990. Then a coalition of citizens ousted him because of his violent tactics. Indicted for kidnapping, torture, money laundering, and murder, Pinochet died in 2006 before he could be convicted. “We buried our democracy, and we buried freedom,” the Chilean author Isabel Allende said about his rule.

However, during his rule, the Chilean economy took a turn away from state control toward a free-market approach. Among the goals of this approach were privatizing formerly state-run businesses and taming the serious inflation Chile was experiencing. Economists known as the Chicago Boys because they studied under free-market economist Milton Friedman at the University of Chicago helped design Chile’s economic reforms. The reforms were unpopular because they did not address poverty and other social concerns, and Pinochet used repression to enact them. Subsequent administrations, however, guided the economy with a balanced approach, using a combination of economic growth as a result of free trade and government programs to significantly reduce poverty. (Connect: Evaluate the success of the free-market economic approach of both Chile and the Soviet Bloc. See Topic 8.9.)

Chinese Economic Reforms Economic liberalization reached China as well. In 1981, **Deng Xiaoping** became the Chinese leader. Under him, the Communist Party backed away from its commitment to economic equality, and more actively promoted economic growth. Deng called his policy “Let some people get rich first.” The government took several steps to open up the economy, even as it kept overall control:

- It replaced communes with peasant-leased plots of land where the peasants could grow their own crops and sell part of them in markets. This reform led to agricultural surpluses instead of the famines of the past.
- It allowed factories to produce more products for consumers.
- It encouraged foreign companies to set up factories in special economic zones. Foreign firms were attracted to China because of low wages and lax environmental laws.
- It reopened the Shanghai stock market and allowed private ownership of some businesses.

Some Chinese thought that these economic reforms should be accompanied by political reforms, such as freedom of speech and the press and the end of the Communist Party’s monopoly on political power. Political discourse did become somewhat freer than in the past. In 1989, however, a large but peaceful student-led demonstration in **Tiananmen Square** in Beijing was met by force from the government. Soldiers using guns and tanks broke up the demonstrations, killing hundreds of people. (See Topic 9.5.)

Economic Change: New Knowledge Economies

In the late 1900s, revolutions in information and communications technology led some countries to undertake a new kind of economy—the **knowledge economy**. A knowledge economy creates, distributes, and uses knowledge and information. Designers, engineers, teachers, and many others have jobs in the knowledge economy. In the United States, the knowledge economy is evident in the vast stretch of technology companies in Silicon Valley in California, where workers use their knowledge to create ways for other people to use theirs through technology, communication, innovation, and collaboration.

Knowledge Economy in Finland In many cases, knowledge economies have evolved with the explosion of information and communication technology. In knowledge economies, governments and investors put resources into research, education, innovation, and technological infrastructure.

Finland, for example, had been an agrarian economy in the 1950s but followed other European countries in industrializing after World War II. When the Soviet Union collapsed, Finland lost one of its main customers of manufactured goods and faced an economic crisis. In the 1990s, Finland turned a corner by entering the global marketplace, encouraging competition, and establishing the Science and Technology Policy Council to set a direction of economic growth through technology and innovation. Finland experienced great economic growth in this endeavor and led the way in the development of mobile phones. By investing in education and communications technology, Finland was able to build on its success with mobile phones and establish software companies. These industries required highly educated workers, while outsourcing hardware production to countries with lower labor costs.

Japanese Economic Growth Japan followed a somewhat different path. After World War II, Japan implemented economic policies similar to 18th-century mercantilist policies that were designed to increase exports and decrease imports, as well as policies to boost competitiveness:

- To encourage exports, the government coordinated its finance and labor policies with large corporations and gave them subsidies to help them keep their costs low.
- To discourage imports, the government used high tariffs and other trade restrictions on goods made abroad.
- To prepare its citizens to be productive workers, Japan emphasized rigorous education.

These policies, aided by large investments from the United States and other countries, turned Japan into a manufacturing powerhouse.

However, Japan's impressive growth came at a high cost for its consumers. Low-wage workers producing items for foreign markets often could not afford to buy what they made. For example, Japanese-made cars were more expensive

in Japan than they were in the United States. Over time, Japanese unions became strong enough to negotiate higher wages, and international pressure forced Japan to relax its trade restrictions. Japan's economy diversified, and it became a knowledge economy and an international center of banking, finance, and information technology. Although Japan's growth slowed after the 1980s, Japan remained the third-largest economy in the world in 2014, behind only the United States and China.

Closely following Japan's economic model were four states known as the **Asian Tigers**—Hong Kong, Singapore, South Korea, and Taiwan. Like Japan, these states prospered through government-business partnerships, high exports, intense education, and a low-wage workforce. The success of the Asian Tigers and China raised hundreds of millions of people from poverty.

Economic Continuities: Shifting Manufacturing

As the knowledge economy develops in some regions, industrial production and manufacturing in those regions, including in the United States, have declined. Manufacturing plants are increasingly located in Asia and Latin America rather than the United States and Europe. Countries in both Asia and Latin America have become known for their contributions to the textile and apparel industries, though they manufacture many other products. So while it has moved to different regions, manufacturing continues to play a key role in the global economy.

Vietnam and Bangladesh Importers who once purchased their manufactured goods from China have been finding other options in such Asian countries as Vietnam and Bangladesh, where labor costs tend to be significantly lower than in China (where they are already significantly lower than in the United States and Europe). Both Vietnam and Bangladesh have become known for their exports of clothing. In compounds the size of small villages in some places, garment manufacturers—often funded by foreign investors—churn out the clothes that end up on hangers in stores in developed countries. Clothing accounts for 80 percent of exports from Bangladesh. Phones are the largest export from Vietnam, worth about \$45 billion in 2017, with apparel and electronic goods each bringing in \$25.9 billion.

Workers in both Vietnam and Bangladesh have mounted strikes in recent years, protesting both low wages and poor working conditions. Their pay has increased slightly as a result, but not enough to keep up with rising costs of living.

Manufacturing in Mexico and Honduras In 1994, the United States, Canada, and Mexico negotiated **NAFTA**, the North American Free Trade Agreement. This agreement encouraged U.S. and Canadian industries to build **maquiladoras** (factories) in Mexico that used low-wage Mexican labor to produce tariff-free goods for foreign export. Many factories hired large numbers of young women and exposed them to harsh working conditions.



Source: Public Domain

A maquiladora [factory] in Mexico takes raw materials and assembles, manufactures, or processes the material and exports the finished product.

Labor unions in the United States complained that NAFTA led to the export of thousands of U.S. jobs to Mexico, where wages and benefits were lower and safety and environmental standards were weaker.

Honduras in Central America, the second largest exporter of textiles in the Americas, has sought to upgrade its manufacturing using principles of sustainability—recycling or treating its waste materials—and fair labor practices, including housing and education plans for workers, through business-government partnerships. As in Vietnam and Bangladesh, considerable business investment comes from enterprises in South Korea and Taiwan.

Transnational Free-Trade Organizations

Several organizations contributed to the growth of the global economy in the decades following World War II. Some countries joined regional organizations such as the European Economic Community, **Mercosur** (in South America), and the **Association of Southeast Asian Nations (ASEAN)**. Many countries signed an international accord, the **General Agreement on Tariffs and Trade (GATT)**, which lifted restrictive barriers to trade. **Protective tariffs**, which are taxes on foreign imports, had been at a world average rate of 40 percent before GATT. By lowering and eliminating many tariffs, the agreement promoted more international trade and helped restore economic prosperity to war-ravaged Europe. By the 1990s, average tariff rates had sunk below 5 percent, easing the movement of goods across national borders and lowering prices for consumers.

In 1995, the **World Trade Organization (WTO)** took over GATT's operations. The WTO made rules that governed more than 90 percent of all international trade. In part because of its power, the organization became controversial. Its meetings were closed to the public, and its board members represented mostly corporate interests. Also, the organization's rules favored trade over consideration of issues of moral concern. For example, through strict application of WTO rules, a member nation that refused to buy clothing made by sweatshop labor could suffer trade sanctions from the organization.

Multinational Corporations

A **multinational corporation** is one that is legally incorporated in one country but that makes or sells goods or services in one or more other countries. The joint-stock companies of the Commercial Revolution, such as the British East India Company and Dutch East India Company (see Topic 4.5) were the earliest examples of multinational corporations. Multinational corporations were also the business means through which imperialist nations made their wealth during the age of imperialism, exploiting the resources and labor of the colonized regions for profit in home countries.

Today's multinational corporations take advantage of both knowledge economies and more traditional manufacturing and industrial economies. They employ leading edge workers in the knowledge economy—software designers, communications specialists, and engineers—and at the same time hire low-wage workers abroad to make their products. They also have a global market in which to sell their goods and services.

To free-market supporters, multinational corporations produce the greatest gains for both developed and developing countries. For example, in the early 1990s, India opened its markets and allowed in more imports. With its highly educated, English-speaking workforce, India became a software and information technology powerhouse, drawing investments from American and European companies that wanted to outsource jobs and lower labor costs. Multinational corporations, such as **Microsoft** and **Google**, also invested in the Indian economy. The influx of corporate wealth and foreign goods created a thriving consumer culture among India's middle class, the ranks of which swelled tremendously after 2000. In 2014, the Indian middle class was estimated to be the largest of any country in the world, with more than 350 million people.

The India-based multinational corporation **Mahindra & Mahindra**, which produces cars, farm equipment, military vehicles, and electrical energy, is headquartered in Mumbai, India, but has operations not only throughout India but also in South Korea, China, Australia, the United States, South Africa, and other Africa nations. Some multinational corporations are criticized because they lack a strong national identity and therefore do not necessarily adhere to the ethical standards of their home country. They are also criticized for exploiting workers and establishing their operations in such



a way that they avoid as many taxes as possible. Mahindra & Mahindra, in contrast, has received awards for its socially responsible corporate practices and is considered one of the most trusted businesses in India.

In contrast, Swiss-based multinational **Nestlé** corporation, the largest food company in the world, has been the subject of many controversies and criticisms, including purchasing cocoa for its chocolate products from suppliers who use child labor and engage in cocoa production on protected lands. It has also faced criticism for its bottled water business for its attitude toward drinking water as a product rather than a human right. At the same time, Nestlé invests in a number of research programs aimed at sustainable agriculture and training for farmers.

KEY TERMS BY THEME		
<p>ECONOMY: World Trade economic liberalization free market Asian Tigers NAFTA <i>maquiladora</i> Mercosur Association of Southeast Asian Nations (ASEAN) General Agreement on Tariffs and Trade (GATT) protective tariff World Trade Organization (WTO)</p>	<p>GOVERNMENT: Leaders Ronald Reagan Margaret Thatcher Deng Xiaoping Augusto Pinochet</p> <p>SOCIETY: China Tiananmen Square</p>	<p>ECONOMY: Globalization knowledge economy multinational corporation Microsoft Google Mahindra & Mahindra Nestlé</p>



Source: Wikimedia Commons

A Mahindra plant in Mumbai, India

Calls for Reform and Responses

We pledge ourselves to liberate all our people from the continuing bondage of poverty, deprivation, suffering, gender and other discrimination.

—Nelson Mandela (1918–2013)

Essential Question: How have social categories, roles, and practices changed and stayed the same since 1900?

In the age of global economics, global transportation and communication, and global devastation from war, human rights were, for the first time, also elevated to the level of global discourse, which challenged long-held assumptions about race, class, gender, and religion. Efforts to establish and safeguard human rights opened doors of educational and professional opportunity and political participation for some who had previously been excluded. People sought liberation from the “continuing bondage,” in Nelson Mandela’s terms, that had kept them in poverty. People around the globe also began to protest the inequalities and environmental damage that globalization had created or reinforced.

An Era of Rights

In December of 1948, the United Nations laid the groundwork for an era of rights when it adopted a foundational document, the **Universal Declaration of Human Rights**, asserting basic rights and fundamental freedoms for all human beings. It stated that everyone is entitled to these rights without distinctions based on “race, colour [color], sex, language, religion, political or other opinion, national or social origin, property, birth or other status.”

The UN and Human Rights Since its creation, the United Nations has promoted **human rights**, basic protections that are common to all people. As part of its humanitarian work, the UN created the **United Nations International Children’s Emergency Fund (UNICEF)** in 1946 to provide food for children in Europe who were still suffering more than a year after the end of World War II. In 1948, the UN formalized its position on human rights in the Universal Declaration. Since that time, the UN has investigated abuses of human rights, such as genocide, war crimes, government oppression, and crimes against women.



The **International Court of Justice** is a judicial body set up by the original UN charter. It settles disputes over international law that countries bring to it. Also called the World Court, it has 15 judges, and each must be a citizen of a different country. It often deals with border disputes and treaty violations.

Another main aim of the UN is to protect **refugees**, people who have fled their home countries. In times of war, famine, and natural disasters, people often leave their country and seek refuge in a safe location. Working through sub-agencies such as NGOs (non-governmental organizations) and the agency UNHCR (United Nations High Commissioner for Refugees), the UN provides food, medicine, and temporary shelter. Among the earliest refugees the UN helped were Palestinians who fled the disorder when the UN partitioned Palestine to create the state of Israel in 1948.

Global Feminism On January 21, 2017, the day after Donald Trump’s inauguration as president, the Women’s March on Washington drew about 500,000 demonstrators standing up for women’s rights and other concerns. However, the march drew even more power from the millions more demonstrators who took part in locations on every continent around the globe, from Antarctica to Zagreb, Croatia and from Buenos Aires, Argentina to Mumbai, India. As many as five million people stood together that day representing a global solidarity for women’s rights. That march was the most dramatic sign of global feminism, but other landmark events since 1900 had done their part to solidify the movement.

Landmark Events in Global Feminism after 1900		
Date	Event	Highlight
March 1911	First International Women’s Day Celebration	One million demonstrators in Austria, Denmark, Germany, and Switzerland stand for women’s rights
April 1915	Meeting of First International Congress of Women	Representatives from 12 nations, including the United States, attended.
June 1975	United Nations First World Conference on Women	Representatives from 133 nations met in Mexico City and planned for the advancement of women over the next decade.
December 1979	Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW)	An “international bill of rights for women” adopted by United Nations
September 1995	Meeting of Fourth International Congress of Women	Thousands of participants and activists met in Beijing, China, where then-First Lady Hillary Clinton declared that “women’s rights are human rights.”

The 1979 Convention on the Elimination of All Forms of Discrimination Against Women outlined many rights and protections that are cornerstones of global feminism:

- The right to vote and to hold office
- The right to freely choose a spouse
- The right to access the same education as men
- The right to access family planning resources and birth control.

Cultural and Religious Movements Discourse on rights also became part of cultural and religious movements. For example, the **Négritude Movement**, which took root primarily in French West Africa, emphasized pride in “blackness,” the rejection of French colonial authority, and the right to self-determination. **Léopold Sédar Senghor** of Senegal wrote poems about the beauty and uniqueness of African culture and is now regarded as one of the 20th century’s most distinguished French writers. (Senghor later served as first president of independent Senegal.) During the 1920s and 1930s, American intellectuals such as W. E. B. Du Bois, Richard Wright, and Langston Hughes wrote movingly about the multiple meanings of “blackness” in the world. What many now refer to as “black pride” of the 1960s had its roots in the Négritude Movement

Inherent rights became a focus of a religious ideology as well. **Liberation theology**, which combined socialism with Catholicism, spread through Latin America in the 1950s and 1960s. It interpreted the teachings of Jesus to include freeing people from the abuses of economic, political, and social conditions. Part of this liberation included redistributing some wealth from the rich to the poor. In many countries, military dictators persecuted and killed religious workers who embraced liberation theology.

However, advocates of liberation theology had a few notable successes. In Nicaragua, they helped a rebel movement topple a dictator and institute a socialist government. In Venezuela, President Hugo Chávez was deeply influenced by the movement. Then, in 2013, the Roman Catholic Church selected a cardinal from Argentina as pope, the first one from Latin America. The new leader, who took the name **Pope Francis**, reversed the Vatican’s opposition to liberation theology.

Steps toward Gender Equality

During the 20th century, men and women made great strides toward securing some of their rights and participating more fully in professional and political life. In the first part of the century the percentage of women who could read and who attended college increased, and in country after country, women won the right to vote. However, not all the women in a country won the right to vote at the same time. In the United States, for example, white women won



the right to vote in national elections in 1920. Native American and African American women did not have full voting rights throughout the country until the Voting Rights Act of 1965. Britain granted women the right to vote in 1918, but at first only women over 30 who met a property qualification could do so. British women did not achieve the same right to vote as men until 1928. In Australia, white women gained some voting rights in 1894, but aboriginal men and women did not gain the right to vote until 1962.

When Women Won the Right to Vote	
Country	Year
New Zealand	1893
Azerbaijan	1918
Britain	1918
United States	1920
Brazil	1932
Turkey	1934
Japan	1945
India	1947
Morocco	1963
Switzerland	1971
Kuwait	2005
Saudi Arabia	2015

As of 2018, only the tiny country of Vatican City did not allow women to vote. Whether women are able to exercise their vote is another issue. In Pakistan, women gained the right to vote in 1947. However, in 2013, women cast only 10 percent of votes there.

Steps toward Racial Equality

In the United States, African Americans won major victories against discrimination and segregation. Through the 1965 **Civil Rights Act**, which outlawed discrimination based on race, color, religion, sex, or national origin, and the 1965 **Voting Rights Act**, which banned discrimination in voting, the federal government stepped in to protect the rights of all citizens. African Americans also sought equality of education through desegregation of schools.

South Africa's Colonial Legacy South Africa's system of **apartheid**, instituted in 1948, enforced the segregation of people based on race. Although white South Africans made up only 15 percent of South Africa's population, apartheid reserved good jobs and other privileges for them. So-called **pass laws** required black South Africans to carry identity documents when entering areas set aside for whites, which they often had to do when traveling to their

jobs. They were banned from living in certain areas of the country. Mixed marriages were prohibited. Although South Africa had 11 major languages, classes for blacks were taught only in Afrikaans, the language of many of the white South Africans who ruled the nation. These dehumanizing decrees marginalized the 85 percent of South Africans who were black, South Asian, or mixed race.

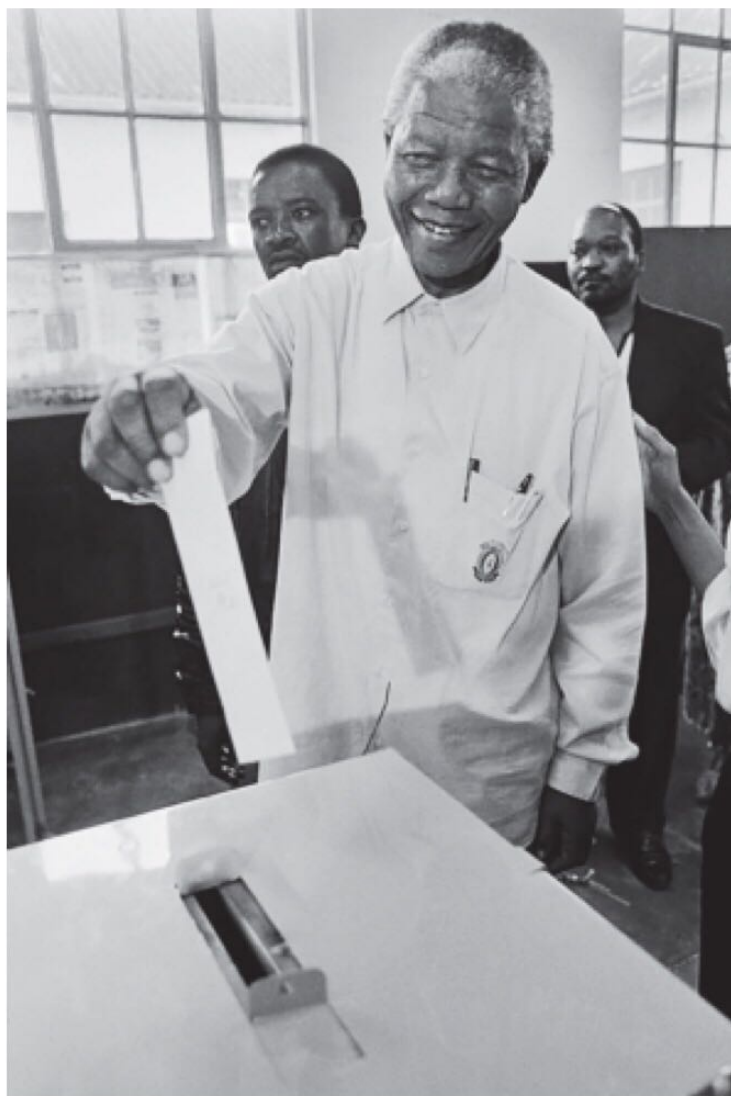
The white-dominated South African government had its basis in European colonization of Africa in general and the Dutch and British colonization of South Africa in particular. The colonizers pushed the native people off the fertile lands and gave them no say in government. South Africans began to demand equal treatment. “I am not interested in picking up crumbs of compassion,” said **Desmond Tutu**, Anglican Archbishop of Cape Town, South Africa, and human rights activist. “I want the full menu of rights.”

Challenges to Apartheid In 1964, **Nelson Mandela**, a leader of the **African National Congress (ANC)**, was imprisoned for life for agitating against apartheid. The ANC’s primary goals were to end white domination and create a multiracial South Africa. Mandela’s imprisonment throughout the 1960s, 1970s, and 1980s inspired a global movement to end apartheid. Black protests in South Africa, which were often peaceful, were crushed violently by the government’s forces. South Africa’s reputation grew worse in the eyes of the global community. Musicians staged concerts calling for Mandela’s release from prison, college students urged universities and corporations to divest from South Africa, and many countries voted for strict economic sanctions against the country. The United Nation expelled South Africa in 1974 because of its apartheid,

As South Africa became a **pariah state** (undesirable state) in the 1980s, its leadership began to take notice. Mandela himself began negotiations with the government in 1986 while still in prison. In 1989, **F. W. de Klerk** became the nation’s acting president. He recognized the need for change. Within six months, de Klerk announced Nelson Mandela’s release from prison.

Although euphoria was high in the weeks following Mandela’s release, apartheid remained the law of the land. Police violence against protesters persisted, which stalled negotiations between Mandela and de Klerk. However, a series of reforms in the 1990s ended apartheid. In 1994, South Africa held its first free elections and rejoined the United Nations. The African National Congress won the majority of the seats in the Parliament. The Government of National Unity was established with ANC members in the majority. On May 10, 1994, Nelson Mandela was sworn in as president, South Africa’s first black leader.

Uniting South Africa Immediately the Government of National Unity set up the **Truth and Reconciliation Commission (TRC)**. Unlike the Nuremberg Trials that sought retribution for crimes against humanity committed by Nazis during World War II, the TRC sought to restore and establish an atmosphere of trust in the new multiracial South Africa. The TRC organized a series of 19 public hearings designed to expose the truth of human rights violations that



Source: Wikimedia Commons

Nelson Mandela voted for the first time in 1994, at age 76. In that year, he was selected as president of South Africa.

had occurred during apartheid, while at the same time granting amnesty to members of the apartheid regime who agreed to testify.

Caste Reservation in India The fight for civil rights was also a global effort as people from different races and social classes began to demand equality. In India, the 1949 Constitution outlawed discrimination against the *Dalits*, also known as untouchables. Pakistan outlawed discrimination against Dalits in 1953. Before then, many people believed that being touched by a Dalit required the person who was touched to undergo a cleansing ritual. People in India and Pakistan continued to discriminate against Dalits until well into the 21st century.

To open doors of opportunity to social groups or castes that had faced historical discrimination, the government of India established the **caste reservation system**. Through this system, the government guaranteed that a certain percentage of government and public sector jobs and enrollment in higher education would be set aside for people whose caste had conferred an underprivileged life.

Human Rights Repression in China

After the economic reforms of the late 1980s and 1990s, China quickly became an economic powerhouse. The economic liberalization, however, was not matched by democratic reforms. The Chinese Communist Party (CCP) ruled the People's Republic with an iron fist. It censored the news industry and controlled what students were taught in primary and secondary schools. Such practices limited freedom of speech and thought. The CCP also required all nonstate organizations and groups to register with the government. International nongovernmental organizations (NGOs) were not free to operate in China unless they were willing to undergo strict regulation. Opposition political parties did not stand a chance in China's governing system, although some debate was allowed in the legislative process. Overall, however, the governing system was designed to thwart all challenges to the CCP's authority.

How could the CCP have such power? The Communists had controlled China since 1949. The government owned and controlled all industries. Government officials had killed or imprisoned those who had spoken out against previous government actions, such as the Great Leap Forward.

Tiananmen Square Chinese intellectuals and students had a history of protesting against their government based on the May Fourth Movement in 1919. In the spring of 1989, pro-democracy activists organized a public event mourning the death of a sympathetic high official. The protesters demanded a chance to speak with Chinese leaders about freedom of the press and other reforms. After the Chinese government refused to meet with the activists, citizens in more than 400 Chinese cities staged sit-ins, refused to attend classes, and began hunger strikes. Hundreds of thousands of students, professors, and urban workers staged a massive protest in Beijing's Tiananmen Square. After seven weeks of protests, the government declared martial law. It sent troops armed with tanks and assault weapons into Beijing. Citizens responded by setting up barricades to block the troops.

On June 4, 1989, the army arrived in Tiananmen Square and attacked the unarmed protesters. The Chinese government claimed that nobody died in Tiananmen Square that day. No mention of the event was included in school texts, and the government blocked all Web sites that discussed the Tiananmen Square incident and human rights abuses in China. However, estimates by Amnesty International, the International Red Cross, and the *New York Times* indicated that anywhere from several hundred to a few thousand civilians were killed. As Chinese officials continue to describe the Tiananmen event as a western conspiracy, Tiananmen mothers are prohibited from openly mourning family members who died in June 1989. The government still imprisons those who commemorate June 4. (Connect: Analyze the methods of protest at Tiananmen Square and the May 4th Movement. See Topic 7.5.)

Minority Rights in China The communist government in China has struggled with the demands of the nation's 55 ethnic minorities. Some prominent examples were calls by Tibetans for more autonomy or independence



and the complaints of the Uighur people concerning religious and political discrimination in the northwest province of Xinjiang.

In 2011, some of the Mongolian people in China protested against the high number of Han Chinese who had moved into Inner Mongolia, an autonomous region of northern China, and disrupted their pastoral way of life. The Han are the largest ethnic group in China and worldwide. The Mongolians protested the environmental damage that came with settled agriculture, strip-mining of coal, building of highways, damming of rivers, and overgrazing of land.

Steps toward Environmental Repair

People realized that part of securing their rights in a globalized world is to claim their environmental rights to clean water and air and a sustainable planet with biodiversity. A number of organizations try to identify and achieve goals toward guaranteeing those rights.

Earth Day Starting in 1970, citizens in the United States designated April 22 each year as **Earth Day**, a day for people to focus on environmental awareness. Organizers hoped to highlight recycling, developing alternative energy, eating locally grown and organic foods, and passing antipollution legislation. Today, about 174 countries observe and participate in Earth Day activities with the Earth Day Network, an environmental advocacy group.

Greenpeace Founded in 1971 as an organization to advocate for the environment, **Greenpeace** grew into a multinational agency with offices in more than 55 countries. It battles deforestation, desertification, global warming, the killing of whales, and overfishing. Greenpeace has engaged in lobbying and education, but it became famous for its direct actions, such as confronting whaling boats in the ocean.

Green Belt Movement In 1977, Kenyan activist **Wangari Maathai** founded the **Green Belt Movement**, a direct response to the environmental degradation resulting from the colonial experience. Women in rural Kenya were reporting that streams were drying up and their food supply was unpredictable. The Green Belt Movement helped women work together to plant trees to improve the soil and collect rainwater. More than that, however, Dr. Maathai and the Green Belt Movement helped women see their capacity for making changes through participation in public life rather than leaving decisions to others.



Source: Wikimedia Commons

In 2004, Maathai won the Nobel Prize for Peace, becoming the first African woman to do so. “We are called to assist the Earth to heal her wounds and in the process heal our own,” she said.



Steps toward Economic Fairness

To counterbalance the strictly commercial interests of the powerful World Trade Organization (see Topic 9.4), organizations from around the world combined resources to create the World Fair Trade Organization (WFTO) in 1989. Member organizations subscribe to the following 10 principles of fair trade, and the WFTO monitors its members to make sure they follow these principles.

World Fair Trade Organization Principles of Fair Trade

1. Creating Opportunities for Economically Disadvantaged Producers
2. Transparency and Accountability
3. Fair Trading Practices
4. Payment of a Fair Price
5. Ensuring no Child Labor and Forced Labor
6. Commitment to Non Discrimination, Gender Equity and Freedom of Association
7. Ensuring Good Working Conditions
8. Providing Capacity Building
9. Promoting Fair Trade
10. Respect for the Environment

KEY TERMS BY THEME

<p>SOCIETY: Leaders and Thinkers Nelson Mandela Negritude Leopold Senghor Pope Francis Liberation Theology W. E. B. DuBois Desmond Tutu F. W. de Klerk Wangari Maathai</p> <p>ENVIRONMENT: Actions Earth Day Greenpeace Green Belt Movement</p>	<p>GOVERNMENT: United Nations Universal Declaration of Human Rights United Nations International Children’s Emergency Fund (UNICEF) International Court of Justice</p>	<p>GOVERNMENT: Power and Control human rights refugees Civil Rights Act Voting Rights Act apartheid pass laws African National Congress (ANC) pariah state Truth and Reconciliation Commission (TRC) dalits caste reservation system Tiananmen Square</p>
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Globalized Culture

What is interesting is the power and the impact of social media. . . . So we must try to use social media in a good way.

—Malala Yousafzai, Pakistani human rights activist (born 1997)

Essential Question: How has globalization changed culture since 1900?

At the start of the 20th century, political and social developments led to new directions in the arts. Writers, painters, and musicians developed **modernism**, a rejection of tradition in favor of experimentation and uncertainty. World War I, a global depression, and World War II had focused attention on survival. After World War II, however, citizens of wealthier nations began to develop a **consumer culture**—one in which people tended to focus more on what they bought and owned than on where they lived, what they did for a living, or what they believed. As trade restrictions loosened and new technology became more widely available, people worldwide began sampling arts, popular culture, and ideas from faraway countries. However, few could predict the global connectedness made possible by social media, nor its power to do both good and ill.

Political, Social, and Artistic Changes

Change was everywhere at the start of the 20th century. In just about every main field of human endeavor, new perspectives and discoveries were redefining the way people thought about their social and physical environments. Key political changes also helped shape society.

Political Changes At the beginning of the 20th century, imperialism was creating sometimes fierce competition among nations. Two world wars raised the conflict to the level of deadly force, although allies standing together developed a good working relationship and understanding of one another. The Cold War divided much of the world into camps, stressing differences rather than commonalities. After the Cold War, however, both economic and cultural barriers fell, bringing countries closer together. In some key ways, collaboration gradually replaced competition as nations formed cooperative regional organizations such as the European Union and NAFTA as well as global associations such as the United Nations for conflict resolution and the World Trade Organization to regulate international trade.

Social Changes Along with these changes came social changes. International organizations and collaboration brought people of different cultures into closer contact with one another, just as international exchanges had done in the past. Rights movements—civil rights and women’s rights especially—helped bring formerly marginalized voices into the mainstream conversation.

People were also questioning long-held beliefs about humans and their environments. Albert Einstein (1879–1955) and other scientists upended people’s understanding of physical reality. Sigmund Freud (1856–1939) probed the invisible inner workings of the human psyche. Jean-Paul Sartre (1905–1980) philosophized that nothing had meaning. Technological developments in communication, transportation, and medical and other scientific knowledge brought change after change—from horses to cars, from telegraph to radio, from antibiotics to vaccines.

Artistic Changes These changes were reflected in the visual arts, literature, and music of the time. Cubism, a style Picasso used in his famous painting “Guernica,” challenged traditional perspective in the visual arts (See Topic 7.4.) Stream-of-consciousness writing by such authors as Marcel Proust (1871–1922) and James Joyce (1882–1941) rebelled against traditional narrative forms, and atonal music such as that composed by Arnold Schoenberg (1874–1951) explored musical expression outside of familiar tonalities, to name just a few examples. Many scholars suggest these expressions were a response to the mechanized, urbanized society widespread in the early 1900s.

An especially vibrant expression of 20th century perspectives was the Harlem Renaissance, a “rebirth” of African American culture as it sought to distance itself from the stereotyped portrayal of African Americans in literature and onstage. During the Harlem Renaissance, writers, poets, musicians, and social activists made Harlem a thriving center of energy for black artistic expression. Jazz emerged and became an international language.

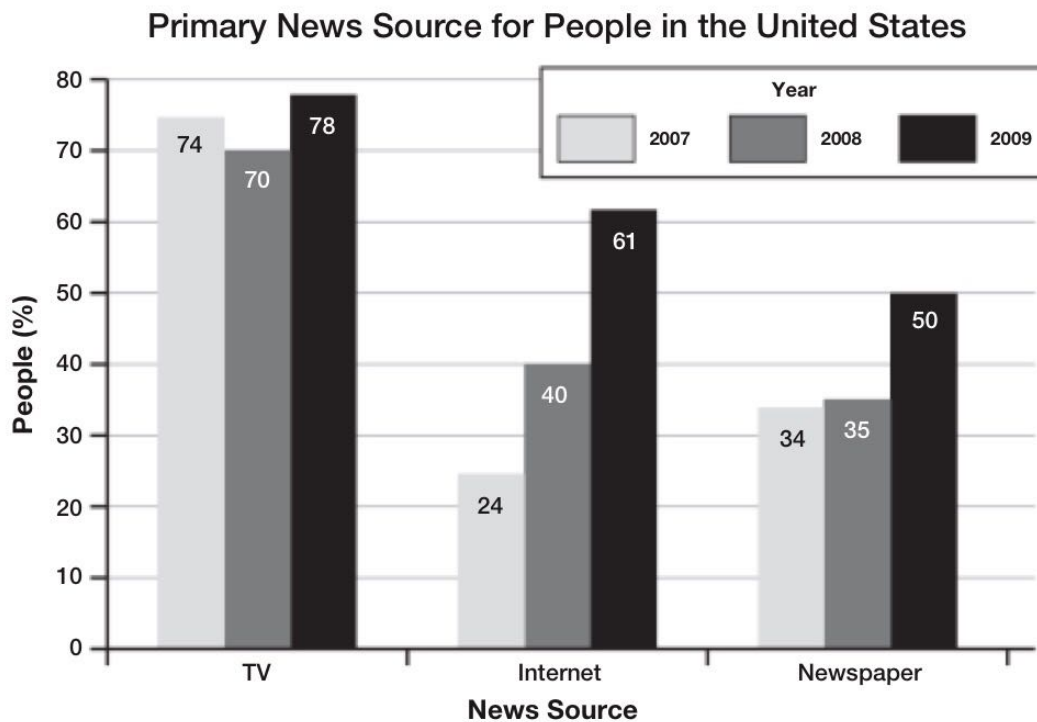
Global Consumer and Popular Culture

In the 1920s, **popular culture**—the culture of everyday people rather than the educated elite—expressed itself through new media: radio and motion pictures. Radio, movies, and later television created a culture shared throughout a nation, and eventually throughout the world. Radio provided a variety of programs, from easy-going comedies to music hours featuring the latest in big band entertainment, and during World War II it played a vital role in national defense in most industrialized nations. Movies provided relief from the anxieties and pressures of the Great Depression while reflecting it in its themes. Charlie Chaplin’s “Little Tramp” character of silent movies epitomized the down and out.

Radio and television also ushered in the consumer culture that characterized much of the developed world after World War II. The “free” programming reaching into the homes of millions of people carried with it commercials



for the products of sponsors. Industry turned from wartime production to the manufacture of consumer products, and people around the world were eager to buy. In the 1990s, the internet connected people around the globe.



A shift toward online-only sources took place as media outlets set up large online presences.
Source: Pew Research Center for the People.

In the early 21st century, the United States remained the world’s most influential culture. Through **Americanization**, people the world over learned more about the United States than Americans learned about the rest of the world. This dominance of the United States created resentment among those who felt that American popular culture diluted their unique cultural identity. In the early 21st century, many people around the world considered American consumer culture to be **throwaway culture**. They objected to the waste and pollution that was part of the focus on newer, cheaper, more disposable products.

English Spreads and Changes Through the influence of the British Empire and through American movies, corporations, and scientific research, English became a second language in much of the world. In the early 21st century, about 300 million people in China were learning English—which was about the same as the population of the United States.

Many English-speaking corporations moved their call centers to India and the Philippines, where there were large numbers of fluent English speakers who would work for relatively low wages. As more people from other countries learned English, they spoke it in new ways. For example, Indian English included the word *prepone*, which meant the opposite of *postpone*.

Global Brands and Commerce As multinational corporations advertised and distributed their products, **global brands** such as Apple, Nike, and Rolex emerged. A company called Interbrand names the top global companies each year based on financial performance, ability to influence consumer choice, and ability to command a premium price. The 2018 winners included Toyota, which sells more cars than any other brand; tech giants Apple, Google, Amazon, Microsoft, and Facebook; and the company that famously announced its desire to “buy the world a Coke” in its 1971 multicultural commercial, Coca-Cola.

Online commerce makes shopping a global affair as well. Sites such as Amazon (in more than 17 countries) and Alibaba (mostly in Asia) make a massive selection of items available. The online auction site eBay operates in 30 different countries. Although their platform is international, these online retailers must pay a variety of sales taxes according to the laws of each country or state in which they sell products. (Connect: Write a paragraph comparing Americanization in the 21st century with assimilation in the 19th century. See Topic 6.3.)

Global Influences on Popular Culture Although the United States is still the dominant culture internationally, influences from other cultures have been welcomed in the United States and elsewhere. For example, Indian musicals made in **Bollywood**, the popular name given to the film industry in Bombay (Mumbai), enjoy popularity worldwide. Bollywood itself is a blend of film styles. India makes more films than any other country.

A style of Japanese hand-drawn animation known as **anime** became hugely influential. In 2016, 60 percent of the world’s animated TV shows were based on anime. Anime was introduced to American culture in the 1980s through the movie *Akira*. Television shows in the late 1990s, such as *Pokeman* and *Dragon Ball*, brought anime into the American mainstream.

Reggae music from Jamaica is global in both its origins and its popularity. It emerged in the 1960s, blending New Orleans jazz and rhythm and blues styles with mento, itself a fusion of African rhythms and European elements. It is associated with the Rastafari religion which promotes Pan-Africanism, the connectedness of all Africans whether they live in Africa or in the diaspora. It often blended with musical traditions of other countries as its popularity became global in the 1970s through the music of Bob Marley.

Another style of music that fused a variety of traditions and became a global hit was the Korean music nicknamed **K-pop**. Its artists, who sang in a mixture of Korean and English, became global stars in the early 21st century. Their popularity has also boosted the popularity of other South Korean exports. In fact they are considered so valuable that the government has invested in K-Pop concerts and tours. Internet-based **streaming video** sites such as YouTube and Vimeo helped popularize K-Pop and other musical styles with a global audience.

Social Media and Censorship Facebook, Twitter, Snapchat, and other forms of **social media** changed communication. They can inspire but also manipulate, as attested to by **Malala Yousafzai**, the Pakistani activist and the youngest Nobel Prize laureate. People debated their power for good or ill.



Source: Thinkstock

Since Olympic athletes represent their home nations, the games demonstrate the strength of nationalism. However, since the Olympics draws people together from nearly every country in the world, it is also an example of internationalism.

In some countries, such as China, the government banned social media from outside the country. However, China allowed its own forms of social media, including WeChat, Weibo, and YuKu. The government censored any criticism of the Communist Party that appeared on these platforms.

Global Culture in Sports The globalization of popular culture included sports as well. The establishment of the modern **Olympic Games** in 1896 reflected an early sense of internationalism. In 2016, the Olympics in Rio de Janeiro, Brazil, attracted about 3.6 billion viewers worldwide.

Soccer emerged as the most popular sport in the world, in part because it required so little equipment that it could be played almost anywhere. The **World Cup** soccer competition rivaled the Olympics as a global event. Basketball also became a global game, and players such as Michael Jordan and LeBron James became internationally known. In 2014, the National Basketball Association (NBA) included players from 30 countries or territories. In 2017, reporters from 35 countries covered the NBA Finals. In 2018, 27 percent of major league baseball players were foreign-born, from 21 different countries.

As sports became more popular globally, they also became more available to women. Some Muslim female athletes—including fencers, weightlifters, beach volleyball players, hockey players, and figure skaters—competed while wearing hijab, known in English as a headscarf. They adapted athletic wear so they could compete while following traditional Muslim practices regarding female modesty in clothing. Hajar Abulfazi, a soccer player from Afghanistan, explained that she wore the hijab to “show the next generation and their parents how Afghan women and girls can maintain respect for religion and culture while pursuing sports achievements.”



Global Culture and Religion

Globalization promoted new religious developments. In the 1970s, former Beatles band member George Harrison released a song containing the words of a Hindu mantra, or sacred utterance. This launched the popularity of the **Hari Krishna** movement, which was based on traditional Hindu scriptures. It quickly gained popularity in the United States and Europe. In what some called **New Age** religions, forms of Buddhism, shamanism, Sufism, and other religious traditions were revived and adapted for a largely Western audience.

In China in the 1990s, **Falun Gong**, a movement based on Buddhist and Daoist traditions, gained popularity. Although the communist government allowed the movement at first, Chinese authorities began to restrict it in 1999. The suppression prompted international protests against the Chinese regime for human rights abuses.

In the early 21st century, most people around the world identified with some form of religion. However, an increasing number of younger people in many countries identified as **nonbelievers**. They were not necessarily atheists (people who do not believe in any god) or agnostics (people who believe that it may not be possible to know if God exists). Most were simply not affiliated with any religious institution.

KEY TERMS BY THEME		
<p>SOCIETY: Belief Systems</p> <ul style="list-style-type: none"> Hari Krishna New Age Falun Gong nonbelievers <p>CULTURE: Sports</p> <ul style="list-style-type: none"> Olympic Games World Cup National Basketball Association (NBA) 	<p>CULTURE: Arts</p> <ul style="list-style-type: none"> consumer culture modernism popular culture Bollywood anime reggae K-pop <p>SOCIETY: Influences</p> <ul style="list-style-type: none"> Americanization Malala Yousafzai throwaway culture 	<p>TECHNOLOGY: Commerce and Entertainment</p> <ul style="list-style-type: none"> global brand streaming video online commerce social media