

Chapter 2

What is 'Global' about Globalization? .

From the book: Globalization: A Critical Introduction – Jan Aart Scholte

Main points of this chapter
Rise of a buzzword
Redundant concepts of globalization
A distinctive concept of globalization
A survey of global activities
Farewell to methodological territorialism?
Globality and territoriality

Main points of this chapter

- a clear and specific definition of globalization is needed to develop sustainable explanations, precise evaluations, and effective policies
- the notion of 'supraterritoriality' (alternatively, 'transworld' or 'transborder relations') gives 'global-ness' a distinctive meaning
- with such a definition, globalization describes a significant change in the organization of social space, that is, a move to a new geography
- the rise of supraterritoriality has not meant - either logically or in practice - the end of territoriality as a key aspect of social geography

Chapter 1 has painted a picture of considerable confusion about globalization. Debates on this subject are littered with all manner of definitions, chronologies, explanations and evaluations. Can anything in this mass of claims and counterclaims fit into a coherent story? That is the task of the remainder of this book.

A vital first step in that process is to define the core concept. What, indeed, is 'global' about globalization (Maclean, 1999)? What distinctive meaning, if any, can be associated with the notion of 'global-ness'? Uncertainty, imprecision and inconsistency in respect of definitions have produced a lot of confusion and stalemate in knowledge about, and responses to, globalization. Today hundreds of millions of lips have spoken the word globalization; yet few of us have consistently employed a clear, specific and distinctive definition of the

term.

For many people this ambiguity is untroubling. They accept that globalization is a vague concept and see little point in trying to define it exactly. On this relaxed approach, 'globalization' is a malleable, catchall term that can be invoked in whatever way the user finds convenient.

Such an attitude may suit the politician and the marketing agent, but it is unsatisfactory when it comes to serious social analysis and the policy recommendations that flow from it. Definitions fundamentally shape descriptions, explanations, evaluations, prescriptions and actions. In other words, they affect our entire understanding of a problem. If a core definition is slippery, then the knowledge built upon it is likely to be similarly loose and, in turn, the policies constructed on the basis of that knowledge can very well be misguided. Hence definition is more than an academic and lexicographical issue. Our concept of 'the global' has major political as well as intellectual implications.

Of course no definitions of globality (the condition of being global) and globalization (the process of becoming more global) can be completely unambiguous, objective, fixed and final. Every conception — including the one developed here - reflects a specific historical context, a given theoretical perspective, certain normative commitments and particular political interests. However, the impossibility, of a definitive definition does not reduce the need for rigorous conceptualization. An explicit and consistently applied definition gives focus and internal coherence to an argument and the policies that flow from it. So we do need carefully to define 'globalization', albeit with a recognition that any definition is subject to criticism, reconsideration and revision.

The rest of this chapter develops one such working definition of globalization. First some context is provided below with a brief history of 'global' terminology. Thereafter five common conceptions of globalization (previously introduced in Chapter 1) are surveyed. Four of them are found to be redundant: namely, globalization as internationalization; globalization as liberalization; globalization as universalization; and globalization as westernization. These four definitions are viable in their own terms, but they do not offer new understanding or highlight new historical conditions. The rest of the chapter then elaborates a fifth notion that offers additional, distinctive and important insight into contemporary world politics: namely, globalization as the rise of supraterritoriality. This conception requires us fundamentally to rethink some of our assumptions about social relations, particularly in relation to space.

That said, as is stressed again at the end of the chapter, globalization as it is understood in this book refers to *relative* deterritorialization.

Territory still matters in the contemporary globalizing world. Indeed, as later chapters make clear, globalization (as an increasing transcendence of territorial space) can also be linked to processes of *reterritorialization* such as localization and regionalization. In short, while the spread of supraterritoriality means that some aspects of social space are no longer reducible to territorial geography, it by no means follows that territoriality has become irrelevant.

Rise' of a buzzword

'Global-speak' has become popular only quite recently. The word 'globe' began to refer to 'the planet' several centuries ago, once it was determined that the earth was round. However, in popular English parlance the adjective 'global' did not until the 1890s begin to designate 'the whole world' in addition to its earlier meaning of 'spherical' (OED, 1989: VI, 582). The terms 'globalize' and 'globalism' were coined in a treatise published 50 years later (Reiser and Davies, 1944: 212, 219). The noun 'globalization' first appeared in a dictionary (of American English) in 1961 (Webster, 1961: 965).

Before the last decades of the twentieth century, discussions of world affairs nearly always invoked the vocabulary of 'international' rather than 'global' relations. As recently as the mid-1980s, concepts of 'global governance', 'global markets', 'global ecology' and 'global gender issues' were virtually unknown. With isolated exceptions, words such as 'global', 'globality', 'globalization' and 'globalism' are absent from titles published before 1975.

Although an Americanism in the first instance, notions of globalization have quickly spread across dozens of other languages since the 1980s. For their part, *globalizzazione* in Italian, *globalizacion* in Spanish, *globalizafao* in Portuguese, *2AobAUA3aifun* in Russian and *Globalisierung* in German closely mirror the English formulation. The French *mondialisation*, the Romanian *mondializare*, and the Dutch *mondialisering* have conveyed broadly the same idea in the form of 'worldization'. However, of late the terms *globalisation*, *globalizare*, and *globalisering* have tended to become more popular in these three languages. Outside the Indo-European languages we find the Chinese *Quanqiuhua*, the Finnish *globalisaatio*, the Indonesian *globalisasi*, the Korean *Gukje Hwa*, the Nepali *bishwavya-pikaran*, the Sinhalese *jatyanthareekaranaya*, the Tagalog *globalisasyon*, the Thai *lokanuvatt*, the Timorese *luan bo'ot* and the Vietnamese *toan kou boa*. All are new terms, or ascribe a new meaning to a pre-existent word.

When new vocabulary gains currency, it is often because it captures an important change that is taking place in the world. New terminology

is needed to describe new conditions. For example, when Jeremy Bentham coined the word 'international' in the 1780s, it caught hold because it resonated of a growing trend of his day, namely, the rise of nation-states and cross-border transactions between them. People had not spoken of 'international relations' before this time, since social affairs had not previously been organized so deeply around national communities governed by territorial states.

The current spread of 'global talk' is also unlikely to be accidental. The popularity of this new terminology arguably reflects a widespread intuition that social relations have in contemporary times acquired an important new character. The challenge - indeed, the urgent need - is to move beyond the buzzword. When thinkers of the eighteenth century failed to clarify the emergent notion 'international', that concept became one of the weakest analytical lynchpins for many generations of modern social inquiry. As Peter Taylor has so rightly warned, 'we must ensure [that the term] globalization does not go down the same conceptually chaotic route as its 200-year old ancestor' (1995: 14).

Redundant concepts of globalization

So what distinctive idea can 'global-ness' convey? Approached in certain senses, 'globality' and 'globalization' open no substantial new insights that have not been available through pre-existent terminology. Skeptics have with good reason rejected such usages as soundbites. The following paragraphs find four of the five general notions of 'global' relations identified in Chapter 1 to be redundant in this way. The rest of the present chapter then develops the fifth conception — globality as supraterritoriality — which offers a qualitatively different understanding of social relations. This definition cannot be so readily dismissed as old hat and on the contrary tells us something new and important,

Probably the most common usage in everyday language has conceived of globalization as internationalization. As such, globalization refers to increases of interaction and interdependence between people in different countries. Considerable rises in cross-border exchanges have indeed occurred in recent decades, so it is understandable that the term globalization has come for many to mean internationalization.

However, interconnections between countries have also intensified at various earlier times during the 500-year history of the modern states-system. In particular, as already noted in Chapter 1, the late nineteenth century witnessed levels of cross-border migration, direct investment, finance and trade that, proportionately, are broadly comparable with those of the present. No vocabulary of 'globalization' was needed on previous occasions of internationalization, and the terminology of 'international relations' arguably remains quite sufficient

to examine contemporary cross-border transactions and interlinkages. We should reserve the new word to designate something different.

A second definition - used especially by neoliberals as well as some of their more vociferous critics - has identified globalization as liberalization. In these cases a global world is one without regulatory barriers to transfers of resources between countries. In recent history we have indeed witnessed many reductions of statutory constraints on cross-border movements of goods, services, money and financial instruments. Hence, as with the first definition, it is understandable that people might associate globalization with liberalization.

Yet this second notion is also redundant. The long-established liberal discourse of 'free' trade is quite adequate to convey these ideas. 'Global-speak' was not needed in earlier times of widespread liberalization like the third quarter of the nineteenth century. There seems little need now to invent a new vocabulary for this old phenomenon. Again, let us look for a distinctive meaning of globalization.

A third common conception - globalization as universalization - also fails the test of providing new insight. True, more people and cultural phenomena than ever have in recent history spread to all habitable corners of the planet. However, moves toward universalization are hardly new to the contemporary world. For example, Clive Gamble writes of 'our global prehistory', arguing that the transcontinental spread of the human species - begun a million years ago — constitutes the initial instance of globalization (1994: ix, 8-9). Closer to our present, several world religions have for a thousand years and more extended across large expanses of the earth. Transoceanic trade has for centuries distributed various goods in 'global' (read world-scale) markets. Yet the pre-existent vocabulary of 'universality' and 'universalization' is quite adequate to describe these age-old conditions. In this regard, too, a new terminology of 'globalization' is unnecessary.

What of a fourth definition, that of globalization as westernization? This usage has arisen particularly in various arguments about post-colonial imperialism. Often in these cases globalization is associated with a process of homogenization, as all the world becomes western, modern and, more particularly, American. Such a conception is not surprising at a time when Madison Avenue and Hollywood have acquired such a planetary reach.

However, intercontinental westernization, too, has unfolded since long before the recent emergence of globe-talk. Concepts of 'modernization' or (for those who prefer an explicitly radical term) 'imperialism' are more than sufficient to convey ideas of westernization, Europeanization and Americanization. We do not need a new vocabulary of globalization to remake an old analysis. (Moreover, as is indicated in Chapter 7, the assumption that

globalization undermines cultural diversity requires substantial qualification.)

The preceding remarks endorse the skeptics' position that talk of 'globalization' can be a social scientist's jargon, a journalist's catchphrase, a publisher's sales pitch, a politician's slogan, and a businessperson's fetish. Indeed, the four definitions outlined above between them cover most academic, official, corporate and popular discussion of things 'global'. Critics are right to assail the historical illiteracy that marks most claims of novelty associated with globality.

A distinctive concept of globalization

Yet can *all* talk of globality be dismissed as fad and hype? Are ideas of globalization *always* reducible to internationalization, liberalization, universalization or westernization? If new terminology spreads so far and attracts so much attention, might it not be more than a synonym for pre-existent vocabulary? Can we distinguish and specify such a distinctive concept of globalization?

Important new insight into relatively new conditions is in fact available from a fifth type of definition. This conceptualization identifies globalization as deterritorialization - or, as I would prefer, the growth of 'supraterritorial' relations between people. In this usage, 'globalization' refers to a far-reaching change in the nature of social space. The proliferation and spread of supraterritorial - or what we can alternatively term 'transworld' or 'transborder' - connections brings an end to what could be called 'territorialism', that is, a situation where social geography is entirely territorial. Although, as already stressed, territory still matters very much in our globalizing world, it no longer constitutes the whole of our geography.

A reconfiguration of social space has far-reaching significance. After all, space is one of the primary dimensions of social relations. Geography ranks on a par with culture, ecology, economy, politics and psychology as a core determinant of social life. The spatial contours of a society strongly influence the nature of production, governance, identity and community in that society - and vice versa. For example, differences between the lives of desert nomads, mountain villagers and island seafarers are largely attributable to contrasts in the places that they inhabit. The spatial and other primary aspects of social relations are deeply interconnected and mutually constitutive. If the character of society's map changes, then its culture, ecology, economics, politics and social psychology are likely to shift as well.

To be sure, we are referring here to questions of *macro* social space, that is, relating to the geographical setting of larger collective life:

districts, countries, etc. Social space also has *micro* aspects that lie within a person's realm of direct sensory experience, such as the built environment. However, micro spaces are not of immediate concern to a discussion of globalization. (For more on different kinds of space and the relationship between space and society, see Lefebvre, 1974; Gregory and Urry, 1985; Ma'ssey, 1994.)

Each of the four other conceptions of globality discussed above is reconcilable with territorialist constructions of social space. In other words, these definitions presume that the map of society is solely and completely territorial. In territorial geography, relations between people are mapped on the earth's surface and measured on a three-dimensional grid of longitude, latitude and altitude. In a territorial framework, 'place' refers to a fixed location on such a map; 'distance' refers to the length of a track that connects points on this map; and 'border' refers to a line on this map which divides tracts on the earth's surface from each other. Territorialism implies that macro social space is wholly organized in terms of units such as districts, towns, provinces, countries and regions. In times of *statist* territorialism more particularly, countries have held pride of place above the other kinds of territorial realms.

Until recently, social geography across the world had a territorialist character. Indeed, even today many people use the terms 'geography' and 'territory' interchangeably, as if to exclude the possibility that space could be nonterritorial. Under conditions of territorialism, people identify their 'place' in the world primarily in relation to territorial locations. (In most cases this territorial reference point is fixed, though for nomadic groups the spot may shift.) In times of nationalism, the foremost territorial 'home' has usually been a country. Moreover, in a territorialist world the length of territorial distances between places and the presence or absence of territorial (especially state) borders between places tends heavily to influence the general frequency and significance of contacts that people at different sites might have with each other. Thus people normally have most of their interactions and affiliations with others who share the same territorial space: for example, the same village, the same county, the same country, or the same Continent.

Yet current history has witnessed a proliferation of social connections that are at least partly - and often quite substantially - detached from a territorial logic of the kind just described. Take, for instance, telephone calls, electronic finance and the depletion of stratospheric ozone. Such phenomena cannot be situated at a fixed territorial location. They operate largely without regard of territorial distance. They substantially bypass territorial borders. Thus, technologically speaking, a telephone conversation can occur across an

ocean as readily as across a street. Today money deposited with a major bank is mostly stored in 'placeless' cyberspace rather than in a vault. Ozone depletion exists everywhere on earth at the same time, and its relative distribution across different parts of the world shifts without regard to territorial distances or borders. The geography of these *global* conditions cannot be understood in terms of territoriality alone; they also reside in the world as a single place - that is, in a *transworld* space. Understood in this sense, globality marks a distinct kind of space-time compression, and one that is mostly new to contemporary history. To be sure, the world has long been 'shrinking', as territorial distances have been covered in progressively shorter time intervals. Thus, whereas Marco Polo took years to complete his journey across Eurasia in the thirteenth century, by 1850 a sea voyage from South East Asia to North West Europe could be completed in 59 days. In the twentieth century, motorized ships and land vehicles took progressively less time again to link territorial locations. Nevertheless, such transport still requires measurable time spans to cross territorial distances, and these movements still face substantial controls at territorial frontiers. Although speed has markedly increased, proximity in these cases is still closely related to territorial distance and borders.

In the case of global transactions, in contrast, 'place' is not territorially fixed, territorial distance is covered in effectively no time, and territorial boundaries present no particular impediment. Satellite television, the US dollar, the women's movement, the anthropogenic greenhouse effect and many other contemporary conditions have a pronounced *supraterritorial* quality. Globality (as *supraterritoriality*) describes circumstances where territorial space is substantially transcended. Phenomena like Coca-Cola and faxes 'touch down' at territorial locations, but they are also global in the sense that they can extend anywhere in the world at the same time and can unite locations anywhere in effectively no time. The geography of, for instance, Visa credit cards and world service broadcasts has little to do with territorial distances, and these *transborder* flows - that is, relations that transcend territorial frontiers - largely escape controls at state boundaries. Likewise, where, using specific and fixed territorial coordinates, could we situate Special Drawing Rights (SDRs), the Rushdie affair, the magazine *Elle*, the debt of the Brazilian government, karaoke, the production of a Ford automobile, and the law firm Clifford Chance?

All such circumstances reside at least partly across the planet as one more or less seamless sphere. Global conditions like Internet connections can and do surface simultaneously at any point on earth that is equipped to host them. Global phenomena like a news flash can and do move almost instantaneously across any distance on the planet.

Place, distance and borders only retrieve vital significance in respect of global activities when the earth is contrasted to extraterrestrial domains. Thus, for example, the 'border' of the New York Stock Exchange lies at the

communications satellites that orbit the earth and instantaneously transmit messages from investors the world over to Wall Street. Time again becomes a significant factor in respect of radio signals when they have to cover interplanetary and longer distances. However, within the domain of our planet, location, distance and borders place no insurmountable constraints on supraterritorial relations. In this sense they are suitably called 'global' phenomena.

Various researchers across a range of academic disciplines have discerned a rise of supraterritoriality in contemporary history without using that precise word. Already at mid-century, for example, the philosopher Martin Heidegger proclaimed the advent of 'distancelessness' and an 'abolition of every possibility of remoteness' (1950: 165-6). Forty years later the geographer David Harvey described 'processes that so revolutionize the objective qualities of space and time that we are forced to alter, sometimes in quite radical ways, how we represent the world to ourselves' (1989: 240). The sociologist Manuel Castells has distinguished a 'network society', in which a new 'space of flows' exists alongside the old 'space of places' (1989: 348; 1996-7). In the field of International Relations, John Ruggie has written of a 'nonterritorial region' in contemporary world affairs (1993: 172).

Hence globality in the sense of transworld simultaneity and instantaneity - in the sense of a single world space - refers to something distinctive that other vocabulary does not cover. Some readers may cringe at the apparent jargon of 'globality', 'supraterritoriality', 'transworld' connections and 'transborder' relations. Yet pre-existent words like 'international', 'supranational' and 'transnational' do not adequately capture the key *geographical* point at issue. New terminology is unavoidable.

As already intimated, the present analysis employs the four adjectives 'global', 'supraterritorial', 'transworld' and 'transborder' as synonyms. Partly this practice is a stylistic device that permits some variation of vocabulary. More importantly, however, different readers may find that one or the other of these words - or their use in combination - is more effective in denoting the distinctive type of social geography that is under discussion here.

The difference between globality and internationality needs in particular to be stressed. Whereas international relations are interterritorial relations, global relations are supraterritorial relations. International relations are cross-border exchanges *over* distance, while global relations are trans-border exchanges *without* distance. Thus global economics is different from international economics, global politics is different from international politics, and so on. Internationality is embedded in territorial space; globality transcends that geography.

In addition, global (as *transborder*) relations are not the same as *open-border* transactions. True, contemporary liberalization has sometimes occurred in tandem with globalization. The recent large-scale removal of statutory restrictions on transactions between countries has both

responded to and facilitated the rise of supraterritoriality. However, the two trends remain distinct. Liberalization is a question of regulation, whereas globalization (as relative deterritorialization) is a question of geography.

Global events are also distinct from universal circumstances. Universality means being spread worldwide, while globality implies qualities of transworld concurrence and coordination. True, universalization has sometimes transpired in tandem with globalization, both encouraging and being encouraged by the growth of supraterritoriality. However, the two trends remain distinct. Universality says something about territorial extent, whereas globality says something about space-time relations.

Likewise, global conditions are not by definition the same as western, European, American or modern conditions. To be sure (as is further seen in Chapter 4), modern social forces like rationalist knowledge, capitalist production and machine technology have done much to propel the rise of supraterritoriality. In addition, governments, firms and other actors based in Western Europe and the USA have ranked among the most enthusiastic promoters of globalization. However, globality and modernity are not equivalent. At most it might be argued that globalization marks an advanced phase of modernization, although, as noted earlier, some analyses associate globalization with a move to postmodernity.

To stress this key point once more: globalization as it is understood here is *not* the same thing as internationalization, liberalization, universalization or modernization. It is crucial to note that commentators who reject the novelty and transformative potential of 'globalization' have almost invariably conflated the term with one of the four redundant usages. To appreciate the arguments put forward in this book, the logic and the evidence must be assessed in the light of a fifth, different definition of globalization as the rise of supraterritoriality and, therefore, a relative deterritorialization of social life. I would ask skeptical readers please to suspend (at least temporarily) their preconceived definitions and to give the suggested alternative notion of globalization a hearing in the chapters that follow.

A survey of global activities

To clarify further the concept of globalization as the rise of supraterritoriality, it may be useful briefly to survey a range of transborder activities in contemporary social life. Such a review also reinforces the claim that globality has become a significant feature across contemporary society, though — to stress the key qualification again — it has not affected all the world's people in the same ways and to the same extent.

In terms of *communications*, for example, a wide range of supraterritorial connections have been forged through air corridors, electromagnetic waves and

light pulses. Global communications enable persons anywhere on earth to have nearly immediate contact with each other, largely irrespective of the territorial distances and territorial borders that lie between them. For instance, jet aeroplanes accomplish overnight transworld deliveries of people, post, and other cargoes. Unpiloted missiles likewise can in little time carry shipments across any territorial distance and past any territorial border. (Indeed, one such weapon has been appropriately called 'Minuteman'.) In the area of telecommunications, - the telegraph, telephone, facsimile, telex, videoconference and computer networks allow signs, text, images and sound to move instantaneously between people, regardless of their territorial position or the territorial distances and borders between them. Fibre-optic cables have vastly increased the volumes of material that can be sent via telecommunications. Electronic mass media such as radio and television broadcast messages everywhere on earth in effectively no time. In addition, certain newspapers, magazines, books, music recordings, films and videos are released simultaneously across the world.

A second group of global activities has appeared in respect of *markets*. A global market exists when a product is distributed and sold in a transworld space through a coordinated supraterritorial business strategy. In this way consumers dispersed across the world concurrently purchase the same good or service, often under a single brand name like Pepsi-Cola or Toyota. Already in the 1980s Howard Perlmutter of the Wharton Business School identified 136 industries where a global marketing strategy had supposedly become vital to commercial success (Main, 1989: 55). The enormous range of global commodities has come to include many raw materials, packaged foods, bottled beverages, cigarettes, designer clothes, household articles and appliances, pharmaceuticals, music recordings, audio-visual productions, printed publications, online information services, financial instruments, office equipment, armaments, transport vehicles, travel services and more. Citicorp has proclaimed itself to be 'your global bank' and Peter Stuyvesant has marketed itself as 'the global cigarette'. Transborder products have come to figure in the everyday lives of most of humanity, whether through actual purchases or through unfulfilled desires evoked by global advertising.

Some, though by far not all, global commodities are connected with a third type of supraterritorial activity, namely, transworld *production*. In so-called 'global factories', different stages of a production process are sited at several (perhaps widely scattered) locations. Thus, in principle, the research centre, design unit, procurement office, fabrication plant, finishing point, assembly line, quality control operations, data processing office, advertising bureau and after-sales service could each be situated in different provinces, countries and regions. Supraterritorial production involves intra-firm trade within a global company as well as, if not more than, international trade between countries. Through so-called 'global sourcing', a producer draws the necessary inputs from anywhere in the world. Differences in local costs of labour, regulation and

taxation figure more importantly in these business calculations than the costs of transport across distance and borders between the various sites in the global production chain. Supraterritorial production has developed especially in the manufacture of textiles, clothing, motor vehicles, leather goods, sports articles, toys, optical products, consumer electronics, semiconductors, aeroplanes and construction equipment.

Global communications, global markets and global production have all promoted, and been facilitated by, a fourth area of global activity, namely, in relation to *money*. For one thing, the 'American' dollar, the 'Japanese' yen, the 'German' mark and other major 'national' currencies have undergone a significant degree of deterritorialization. They circulate globally, being used anywhere on earth at the same time and moving (electronically and via air transport) anywhere on earth in effectively no time. In addition, the SDR and the euro have emerged through the IMF and the EU, respectively, as suprastate monies with transworld use. Many bankcards can extract cash in local currency from the thousands of automated teller machines (ATMs) across the world that are connected to supraterritorial networks like Cirrus. Meanwhile digital money can be stored on certain smart cards (so-called 'electronic purses') in multiple currencies at once. Several credit cards like Visa, MasterCard and American Express can be used for payments at countless establishments in almost every country across the planet. In these various ways money has become considerably (though of course not completely) detached from territorial space.

Globalization has also transpired in many areas of *finance*. For instance, most foreign exchange transactions today take place through a round-the-world, round-the-clock market that connects the dealing rooms of London, New York, Tokyo, Zurich, Frankfurt, Hong Kong, Singapore, Paris and Sydney. In global banking, depositors place their savings in a global currency and/or at a global bank and/or at a global branch location such as a so-called 'offshore' financial centre. These practices contrast with territorial banking, in which clients deposit their savings in their national currency at a local or national bank within their country of residence. Meanwhile global bank loans occur when a lender (or a syndicate of lenders, perhaps across several countries) provides credit in a global currency. Thus, for example, a group of banks based in Austria, the Netherlands and the UK might issue a loan in US dollars to a borrower in the Dominican Republic. The level of interest on such a credit is generally not the prevailing national percentage, but a function of a supraterritorial benchmark like the London Inter-Bank Offered Rate (LIBOR). Similarly, global bonds (often called 'Eurobonds' in the trade) involve a supraterritorial currency as well as borrowers, investors, a syndicate of managers, and a securities exchange that are spread across multiple countries. Global transactions also occur on similar lines in respect of medium-term notes and short-term credit instruments like treasury bills and commercial paper. In equity markets, meanwhile, global shares are company stocks that are listed

simultaneously on several securities exchanges across the world. For their part derivatives can have a global character when, for example, the same futures contract is traded simultaneously on the Chicago, Singapore and London markets, as well as through electronic links between them. Many contemporary insurance policies, too, have global coverage in a global currency and/or are handled by global companies in global financial centers. In addition, many private and institutional investors maintain global portfolios. That is, they spread their funds across banks, stocks, bonds, money-market tools and derivatives contracts from around the world. Indeed, with global dealing, a broker can buy and sell financial instruments anywhere in the world instantaneously with a telephone call or the click of a mouse. It is clear, even without delving into the often obscure technical details of financial markets, that much of today's foreign exchange, banking, securities, derivatives and insurance business occurs with considerable delinkage from territorial space. ' As one might expect, global communications, global markets, global production, global monies and global finance have given rise to many global *organizations*. Some of these supraterritorial institutions have regulatory functions and can suitably be called global governance agencies. For example, the activities of UN organs, the IMF, the World Bank, the WTO, the Bank for International Settlements (BIS) and other such bodies extend across the planet. These institutions formulate, implement and to some extent enforce a host of transworld norms, rules and procedures in wide-ranging areas including technical standards and (purportedly) 'universal human rights. Other global organizations pursue mainly commercial activities. They include tens of thousands of global companies, often imprecisely named 'multinational corporations'. In addition, businesses have developed various types of transborder coalitions (through joint ventures, subcontracting, franchises and so on) that are collectively called 'strategic alliances', finally, many civic associations today have a global organization. On the one hand, so-called 'global civil society' includes thousands of transborder agencies. These business lobbies, trade union confederations, religious bodies, NGOs and other nonofficial, noncommercial organizations have a transworld membership and maintain operations across many countries simultaneously. In addition, many localized civic groups organize globally with each other through transborder networks and coalitions.

Ecologically, a planetary life-support system has of course operated from the moment that life first appeared on earth, namely, in respect of the atmosphere and the hydrosphere. However, in contemporary history *social ecology* has also gained certain supraterritorial qualities. In other words, not only natural environmental developments, but also anthropogenic (i.e. human-induced) ecological changes have acquired a global dimension. For example, the anthropogenic greenhouse effect is allegedly

producing planetary climate change, popularly known as 'global warming'. Neither the causes nor the effects of this trend can be territorially specified and restricted. Similarly, as noted earlier, stratospheric ozone depletion is effectively a placeless, distanceless, borderless anthropogenic condition. With respect to the biosphere, the contemporary world-as-a-single-place is experiencing major reductions both in the numbers of species of life and in the variety of genes that circulate within individual species. Like climate change and so-called 'ozone holes', the loss of biological diversity has a number of supraterritorial sources and consequences. Other ecological conditions with an at least partly global character include radioactive fallout, transborder migrations of sulphur dioxide and nitrogen oxide (so-called 'acid rain'), the depletion of tropical moist forests, desertification, changes in sea level, marine pollution, and possible future shortages of fresh water and arable soil. Although the severity of these various environmental problems can be debated, it is clear that none of them can be territorially contained.

Finally, globality is evident in social activity through global *consciousness*. That is, social space has a supraterritorial dimension in part because we often think globally. Thus, in addition to holding microcosmic conceptions of 'society' as a district or a country, many people now also hold macrocosmic notions, where the planet is regarded as a 'global village'. With globalization we conceive of the world not only as a patchwork of territorial realms, but also as a single place where territorial distance and borders are (at least in certain respects) irrelevant. We identify the planet as a 'principal source of our food supplies, our entertainments and our friends. Global consciousness also takes form as certain languages (e.g. English and Spanish), certain narratives (e.g. the *Dallas* television series), certain icons (e.g. the Teletubbies) and other symbols obtain transworld currency. Awareness of the world as a single place is furthermore evident in events like global sports competitions, global trade fairs, global tours by music superstars, and global conferences. In addition, global consciousness arises when people conceive of their social affiliations in nonterritorial terms, for example, with transborder solidarities based on class, gender, generation, race, religion and sexuality. In respect of thought patterns, Malcolm Waters has emphasized the point that 'the phenomenology of globalization is reflexive' as 'the inhabitants of the planet self-consciously orient themselves to the world as a whole' (1995: 63).

All of the many instances of globality just described (and summarized in the Box above) are discussed in greater detail later in this book, where these activities are also related to questions of deeper social structure. The present concise survey merely serves to demonstrate the widespread

incidence of supraterritorial circumstances across much of contemporary social relations. Cumulatively, all of these global communications, markets, production processes, monies, finances, organizations, ecological developments and thoughts indicate that social space cannot today be understood in terms of territorial geography alone.

Global activities in summary

Communications

- air transport
- telecommunications
- electronic mass media
- global publications

Markets

- global products
- global sales strategies

Money

- global currencies
- bank-cards connected to global ATM networks
- digital cash on electronic purses
- global credit cards

Finance

- global foreign-exchange markets
- global banking (both deposits and loans)
- global bonds, ('eurobonds') and bond trading
- global shares and share dealing
- global derivatives markets
- global insurance business

Organizations

- global governance agencies
- global companies
- global corporate strategic alliances
- global civic associations

Social ecology

- global atmosphere (climate change, ozone depletion, radioactive fallout, acid rain)
- global biosphere (loss of biological diversity, deforestation)
- global hydrosphere (rising sea level, marine pollution, reduced fresh water)
- global geosphere (desertification, loss of arable soil)

Consciousness

- conceptions of the world as a single place
- global symbols
- global events
- global solidarities

Farewell to methodological territorialism?

If contemporary social geography is not territorialist, then we need to adjust traditional approaches of social research. In other words, we must change the prevailing methodology, the established ways of conducting social inquiry. Methodological territorialism has had a pervasive and deep hold on the conventions of social research; thus globalization (when understood as the spread of supraterritoriality) implies a major reorientation of approach. Methodological territorialism refers here to the practice of understanding the social world and conducting studies about it through the lens of territorial geography. Territorialist method means formulating concepts and questions, constructing hypotheses, gathering and interpreting empirical evidence, and drawing conclusions all in a territorial spatial framework. These habits are so engrained in prevailing methodology that most social researchers reproduce them unconsciously.

Methodological territorialism lies at the heart of mainstream conceptions of geography, economy, governance, community and society. Thus geographers have traditionally conceived of the world in terms of bordered territorial (especially country) units. Likewise, macroeconomists have normally studied production and distribution in relation to national (read territorial) and international (read interterritorial) activity. Students of politics have automatically treated governance as a territorial question (i.e. of local and national governments, with the latter sometimes meeting in so-called 'international' organizations). Similarly, anthropologists have usually conceived of culture and community with reference to territorial units (i.e. local and national peoples). Finally, territorialist habits have had most sociologists presume that 'society' by definition takes a territorial form: 'Chilean society', 'Iranian society', 'Hungarian society', etc.

Like any analytical device, methodological territorialism involves simplification. It offered a broadly viable intellectual shortcut in an earlier day of social inquiry. After all, the Westphalian states-system that arose in the seventeenth century and spread worldwide by the middle of the twentieth century was quintessentially territorial. Likewise, the mercantile and industrial activity that dominated capitalism during this period operated almost exclusively in territorial space. Similarly, the main forms of collective identities during these times (namely, ethnic groups and state-nations) had pronounced territorial referents. Nor did anthropogenic global ecological changes occur on any significant scale prior to the mid-twentieth century. Hence methodological territorialism reflected the social conditions of a particular epoch when bordered territorial units, separated by distance, formed far and away the overriding geographical framework for macro-level social organization.

However, territorialist analysis is not a timeless method. On the contrary, no scholarly research undertaken a thousand years ago made reference to bounded territorial spaces. After all, countries, states, nations and societies did not in that earlier epoch exist as clearly delineated

territorial forms. Indeed, the world was not mapped as a sphere until the fourth century BC (by Dicaerchus in Sicily), and a grid to locate points on a map was not introduced until the second century AD (by Zhang Heng in China) (Douglas, 1996: 22). Maps showing the continents in anything like the territorial shape that we would recognize today were not drawn before the late fifteenth century. It took a further two hundred years before the first maps depicting bordered country units appeared (Campbell, 1987; Whitfield, 1994). Not until the high tide of colonialism in the late nineteenth and early twentieth centuries did a territorialist logic extend across all regions of human habitation on earth.

If methodological territorialism is a historical phenomenon, then it has an end as well as a beginning. There is no reason why, once installed, territorialist assumptions should last in perpetuity. The emergence of the states-system, the growth of mercantile and industrial capitalism, and the rise of national identities all understandably prompted the development of methodological territorialism several centuries ago. However, today widespread and accelerated globalization may stimulate another reconceptualization. If contemporary human circumstances have gained a substantial global dimension, then we need to develop an alternative, nonterritorialist cartography of social life. To put the point starkly, how can territorialist thinking possibly be applied to today's world, given that it contains:

- Nearly 1.5 billion (i.e. thousand million) commercial airline passengers
- per annum
- 17,000 strategic nuclear warheads for rapid delivery across any terrestrial distance
- Nearly 900 million telephone lines
- 2 billion radio sets
- A billion television receivers
- 180 million Internet users
- Thousands of global products
- Several hundred million global credit cards
- Yearly foreign-exchange turnover of \$450 trillion (i.e. thousand billion)
- Several trillion US dollars worth of offshore bank deposits
- \$60 trillion in annual transborder movements of securitized funds
- 44,500 transborder companies with collective annual sales of \$7 trillion
- Over 250 multilateral regulatory institutions
- 16,500 transborder civil society associations
- Accelerated global warming
- Enormous reductions in biological diversity

This list could be substantially lengthened, and most of the numbers currently show notable upward tendencies. None of the above circumstances existed to a remotely comparable extent in 1960 or at any earlier juncture in history. Of course, as statistics, each of the various indicators can be queried in one way or another. However, such a large accumulation of data surely suggests a significant trend away from territorialist social organization.

Indeed, it is arguably dangerous to give methodological territorialism further lease on life in the contemporary globalizing world. For one thing, territorialist assumptions about space are obviously unsuitable in respect of global ecological problems. Likewise, if significant parts of capitalism now operate with relative autonomy from territorial space, then old intellectual frameworks cannot adequately address the issues of distributive justice which have always accompanied processes of surplus accumulation. Similarly, a political theory that offers today's world only territorial constructions of community and democracy is obsolete. Evidence now abounds that contemporary globalization poses far-reaching challenges to ecological integrity, social equity, social cohesion and democracy. Hence the stakes in the call for the construction of a post-territorialist methodology are much more than academic.

Globality and territoriality

That said, we should not replace territorialism with a globalist methodology that neglects territorial spaces. The end of territorialism owing to globalization has not meant the end of territorially. To say that social geography can no longer be understood in terms of territoriality *alone* is not to say that territoriality has become irrelevant. We inhabit a globalizing rather than a fully *globalized* world. Indeed, the rise of supraterritoriality shows no sign of producing an end to territoriality.

The present book concentrates on the global aspects of contemporary history; however, many situations in social life at the start of the twenty-first century of course remain highly territorial. For example, many communication networks like road links, railways and shipping lanes are distinctly territorial. In addition, territorial borders continue to exert considerable influence on flows of merchandise trade, investment and migration (Helliwell, 1998). Lots of commodities (including countless foods, clothes, household items and entertainments) remain bound to particular territorial markets. Many production processes are still linked to specific places and limited to single countries. Territorially based commodities derived from agriculture and mining have persisted at the same time that supraterritorial commodities like information and communications have risen to prominence. Many currencies, credit cards and other money forms have restricted

circulation within a given territorial space. Likewise, most people on earth today continue to hold their bank accounts locally or do no banking at all. Many local authorities, firms and civic groups maintain few if any direct links with global organizations. Much ecological degradation remains localized in terms of, for example, overgrazing, salination, or dumping of toxic wastes. In relation to social consciousness, Kidron and Segal have cautioned that 'some people see the world as their village' but 'most see their village as the world' (1995: 13). David Harvey has suggested that place-bound identities might actually have become *more* rather than less important in a world of diminishing territorial barriers (1993: 4).

The wording in this chapter has been deliberately formulated to indicate the continuing importance of territoriality next to spreading globality. For example, it has been explicitly said that globalization brings a *relative* rather than a complete deterritorialization of social life. Global relations have *substantially* rather than totally transcended territorial space. They are *partly* rather than wholly detached from territorial logics. Although territoriality places no *insurmountable* constraints on global circumstances, supraterritorial phenomena still have to engage at some level with territorial places, territorial governments and territorial identities. Much more globalization - more than is in prospect for a long time to come - would need to take place before territorial space became irrelevant.

Thus change (the proliferation of global connections) interrelates with continuity (the persistence of territorial spaces). The challenge for social research is to examine the intricate interplay of globality and territoriality. Thus, for example, contemporary military strategy combines supraterritorial technologies like supersonic aircraft, missile rockets, radar and spy satellites with territorial weaponry like tanks and artillery. Most telecommunications operators work under the approval of territorial states and set their charges in relation to territorial units (that is, it costs such-and-such to call Peru). Reception research has shown that local cultures can produce highly divergent interpretations of a global mass media production. Listeners and viewers bring a wide range of place-related customs, needs, expectations and preferences to the global performance. A number of global products have their source at fixed territorial locations, such as the vineyards of Champagne or the diamond mines of South Africa. On the sales end, global marketers often have to adjust article design and advertising for a transworld product in ways that appeal to local sensibilities. For example, McDonald's in India has a mutton-based 'Maharaja Mac' on its menu in place of the otherwise ubiquitous beef burger. As already mentioned, local circumstances also deeply affect a company's decision to situate part of its production process in one province or country rather than another. In respect of global

money, the values and flows of supraterritorial currencies are influenced by decisions taken by territorial states regarding money supply targets and interest rates. Meanwhile even the most global of financial transactions are conducted primarily at territorial places, especially the so-called 'global cities' like London, New York, and Tokyo. As for global organizations, their various branch offices have to pay at least some heed of locally prevailing laws and customs. Moreover, many global firms have continued to reflect, at least partly, a national style of business connected with their country of origin. In the area of ecology, global problems have different impacts at different territorial locales. To take but one obvious example, the prospective rise in sea level on account of global warming has more serious implications for coastal zones and small island states than elsewhere. Globality and territoriality can also intertwine in consciousness. For instance, diasporas of Armenians, Chinese, Ghanaians, Irish and Sikhs feel transworld unity and at the same time forge their solidarity around a shared connection to a territorial homeland.

Finally, globalization is not antithetical to territoriality insofar as the trend can be linked to many processes of *reterritorialization*. Such developments occur when certain territorial units decline in significance and other territorial configurations obtain increased importance. For example, as is elaborated in Chapter 6, globalization has in various ways encouraged the concurrent contemporary trend of regionalization. In addition, the spread of supraterritorial circumstances has in many countries helped local authorities to gain greater autonomy *vis-à-vis* the national state. Furthermore, as is elaborated in Chapter 7, globalization has contributed to ethnic revivals which have encouraged the disintegration of pre-existent territorial states (like the former Czechoslovakia, Soviet Union and Yugoslavia) and their replacement with new ones.

The preceding paragraphs have highlighted the continuing relevance of territoriality in the contemporary globalizing world. At the same time, it is clear that territory acquires different kinds of significance when it intersects with global spaces. The move from three-dimensional geography (longitude, latitude and altitude) to four-dimensional space (these three plus globality) fundamentally changes the map of social relations. As later chapters indicate, this reconfiguration of geography has important implications for structures of production, governance, community and knowledge. We no longer inhabit a territorialist world, and this change requires substantial shifts in the ways that we theorize and practice politics.