

Globalization: Theoretical Perspectives
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Lecture No. 09
The Cultural Construction of Neoliberal Globalization

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**The Cultural Construction of
Neoliberal Globalization**

Robert J. Antonio



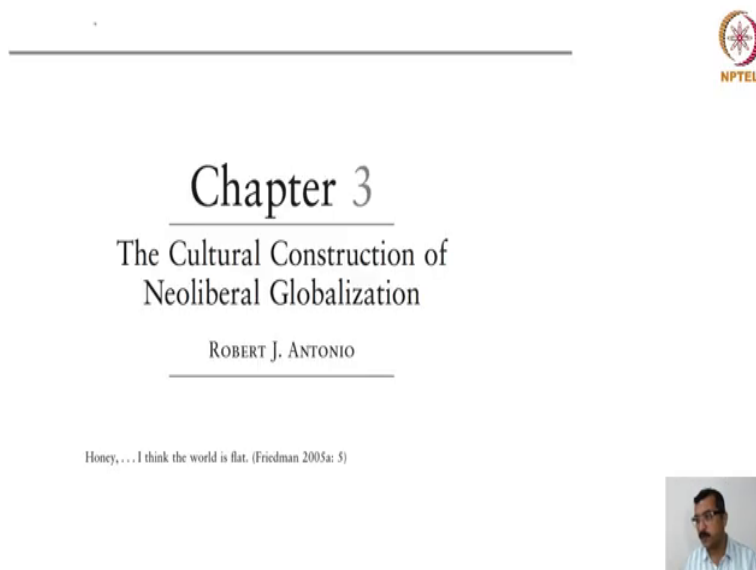
Welcome back to the class. We are continuing our discussion on cultural globalization. In the previous lesson, we had Huntington's thesis on the clash of civilisations. And we had a brief look at how this particular work on clash of civilization became very influential at the same time highly controversial, during the late 90s and early 2000, because Huntington projected a very gloomy picture about the world by firmly focusing on the whole cultural question, as the central pillar around which the global conflicts and then battles and wars, will change in the coming future.

In this class, I am shifting my attention to an essay written by Robert Antonio titled, The Cultural Construction of Neoliberal Globalization. And this essay is taken from this globalization reader by George Ritzer, one of the textbooks prescribed for this particular course. So, unlike the previous classes, I am not using the PowerPoint instead, I am going to them sifting through the essay, I have highlighted some of the essential parts of the essay, and we can discuss them, so I am not using them, except for this initial slide, I am not using PowerPoint, I feel it is an important exercise that we learn to read lengthy essays, and then try

to identify important points and then, develop the ability to read and comprehend original essays.

So, in the future classes, we will have more such kinds of discussions where the original essays by the scholars would be analysed, along with maybe a few more points as a kind of tools to help us in our discussion. So, in this class, we are looking at the cultural construction of neoliberal globalization and an essay by Robert Antonio.

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So, this is the essay. It is chapter 3 in Ritzer's globalization reader. I decided to include this particular essay because it talks about a very influential American journalist, Thomas Friedman, and his role or his version, in which he celebrated globalization. This is important because he is celebrating and representing a significant trend during the late 1990s, or early 2000, where at least a section of influential thinkers and scholars believed that globalization would bring in a completely different world. The world is moving in a completely different direction, and it will be beneficial for everybody.

So, Thomas Friedman represents such kind of a figure of a famous writer, a critical commentator. He had very close personal relationships with many essential higher-ups, important officials, and maybe somebody who considers himself an elite, a significant influencer in the international circles. So, Robert Antonio analyses Thomas Friedman's arguments about globalization because Friedman is an unapologetic advocate of globalization. His book, *The World Is Flat*, is supposed to be one of the most famous works celebrating globalization.

He also celebrates global and globalization because he is a powerful advocate of neoliberal economic policy. So, Robert Antonio wants to understand this combination of neoliberal economic logic. This unfolding of globalization is fascinating because it is not only that globalization takes place but also in the larger framework of neoliberal economic logic. This neoliberal economic logic, or economic structure, is essential. Moreover, this is a critical

essay. Of course, Robert Antonio is highly critical of Friedman. However, that is reserved towards the end of the essay.

So, almost three-fourths of the essay reproduces what Thomas Friedman wants to say and how he looks at society, how he looks at inequality, how he looks at globalization bringing in a level playing field for everybody. Moreover, he receives a series of criticism, scathing criticism against Thomas Friedman, only towards the end of the essay. So I would urge all of you to read this essay. It is a critical essay.

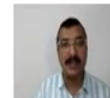
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Honey, ... I think the world is flat. (Friedman 2005a: 5)

Globalization is a multi-sided process, but the most intense debates over it have stressed its connections to a new global political economic regime with a distinct 'American template' - neoliberalism (e.g. Barber 1996; Gray 1998). Neoliberals champion free-market policy, deregulation and tax cuts. They seek to minimize health, education, welfare and other social spending, and they contend that limited government, free trade and global capitalism offer the only road to reduced poverty and increased prosperity. They hold that neoliberalism is the main engine of globalization *per se* and that the process's progress can be furthered only by fuller global implementation of their programme. Social Darwinism has been an important part of US political culture for more than a century; it has been reconstructed during major technological and financial bubbles. Neoliberals have revived it again (Foner 1998; Phillips 2002). They do not identify as social Darwinists, and their views usually lack the nineteenth-century version's racially tinted Malthusianism. They combine their highly optimistic claims about exceptional wealth creation, global opportunity and hybrid culture with emphases on the free market, unrestricted



So, this is a very, very prominent sentence, Honey, I think the world is flat. That is how Thomas Friedman uses his in his book. So, he is talking about globalization as a multi-sided process. However, the most intense debates have stressed its connection to a new global political-economic regime with distinct American template neoliberalism. So, the term neoliberalism is a significant one. I hope you have some background understanding about it. Furthermore, this became extremely popular in the western circle, especially in the American circle, after Ronald Reagan became a vital advocate of neoliberal economic policy. He was also heavily influenced by Margaret Thatcher in the UK.

So, these two leaders are closely associated with the rise of neoliberalism in the modern era, those who wanted a more minor and lesser role for the state who want a decade of complete freedom for private enterprises, private capitalists, or private corporates. So, they believed in that kind of economic logic. So, new liberals, new liberals champion free-market policy, deregulation and tax cuts. They seek to minimize health, education, welfare, or another social spending. They contend that limited government and free trade at Global Capitalism offer the only road to reducing poverty and increasing prosperity.

So, this neoliberalism has been very, very strongly humanly criticized by many other scholars. Especially scholars who have some ideological affinity towards the left position or the kind of a Marxian position, because, in the logic of neoliberalism, the state withdraws from some of its traditional duties and then allows the market to play with a free hand, These scholars would argue that the market will never be a kind of a market will never usher in a kind of a neutral space, it will always favour the mighty, it will always favour the more

powerful, the rich, and there will be a systematic shift in the economic scenario where the poor people will become poorer and poorer, and the inequality will only increase

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major technological and financial bubbles. Neoliberals have revived it again (Toner 1998; Phillips 2002). They do not identify as social Darwinists, and their views usually lack the nineteenth-century version's racially tinted Malthusianism. They combine their highly optimistic claims about exceptional wealth creation, global opportunity and hybrid culture with emphases on the free market, unrestricted property rights, and self-reliance and opposition to welfare and redistribution. This chapter will explore the work of the highly influential globalization advocate, Thomas L. Friedman, with the aim of elaborating his tacit social theory, which maps and justifies neoliberal globalization.

NEW AGE GLOBALIZATION AND THE US-LED NEW WORLD ORDER

... America was, and for now, still is, the world's greatest dream machine. (Friedman 2005a: 469)

By the late 1980s, the Thatcher-Reagan liberalization, new information-communication technologies, freer movement of goods, capital, images and people



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across national borders and geopolitical realignment stirred globalization discourse. Reported widely in the US media, Francis Fukuyama's 'end of history' thesis announced triumphantly a hegemonic, made-in-America, global political-economic regime and new unipolar world arising in the wake of the collapsing Soviet bloc. He argued that the US model of liberal democracy, stripped of its post-World War II era social democratic or welfarist facets, was dominant globally. Fukuyama held that modern peoples can no longer imagine a practical alternative that would 'represent a fundamental improvement over our current order' (1992: 51; 1989). Critics from the left and the hard right decried his celebratory view of ascendent neoliberalism, but their broadsides about the 'end of left and right' and 'end of alternatives' and critiques of the new breed of market-oriented, 'third way' politicians (e.g. Clinton, Blair, Schroeder) affirmed his claims about zero options. The first Iraq War, won quickly and decisively by a US-led international coalition, including former Cold War, American arch-enemy, Russia, was scripted by the first President Bush as the opening act of the 'new world order'. Globalization's lead nation also had become the lone superpower in post-Cold War geopolitical dynamics.

President Clinton was an outspoken champion of neoliberal globalization. Former



So, this whole discussion is about, as I mentioned, it is about Thomas Friedman. And then, we are trying to understand their cultural conception of neoliberalism through the works of Thomas Friedman. Moreover, another significant line of Thomas Friedman, America was, and for now, still is the world's most excellent dream machine. So, he is proposing the American model as the model for the rest of the world, how it has to be very fiercely protected, and how America can become the model for the rest of the world.

So, reported widely in the US media, Francis Fukuyama, End of History thesis, announced triumphantly a hegemonic, made in America, global political-economic regime and new unipolar world arising in the wake of the collapse of Soviet bloc. So, Fukuyama held that modern peoples could no longer imagine a practical alternative representing a fundamental improvement over our current order.

So, Fukuyama argues that The End of History has arrived because there is nothing more to happen in the world because the ultimate destination of the world would be that of a free democratic, liberal society as represented by that of the US, and this became highly influential, and also controversial, especially after the demise of the USSR or the communist bloc.

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politicians (e.g. Clinton, Blair, Schroeder) affirmed his claims about zero options. The first Iraq War, won quickly and decisively by a US-led international coalition, including former Cold War, American arch-enemy, Russia, was scripted by the first President Bush as the opening act of the 'new world order'. Globalization's lead nation also had become the lone superpower in post-Cold War geopolitical dynamics.

President Clinton was an outspoken champion of neoliberal globalization. Former Clinton Administration economic adviser and Nobel Prize winning economist, Joseph E. Stiglitz, states that Clinton was elected on a 'putting the people first' agenda; he aimed to chart a 'third way' between New Deal policy and Reaganomics, but neoliberalism ruled in his Administration. Stiglitz argues that they saw financial markets as a disciplining force that increases efficiency and prosperity. The Clinton Administration's domestic programme of neoliberal deregulation, privatization and securitization, he holds, constituted the core of their globalization policy, put forward in the US-dominated IMF and G8. Stiglitz asserts that their reigning idea was that 'what is good for Goldman Sachs, or Wall Street, is good for America and the world' (2003: xiv-xv, 24-6, 275-6, 281). And their neoliberal strategy seemed to work; the US economy grew rapidly, with low unemployment, low inflation and substantial income growth (especially for the wealthy). Between 1994 and early 2000, the New York Stock Exchange Composite soared over 125 per cent and the NASDAQ rocketed up over 500 per cent, stimulating much wider public discourse about globalization and enthusiasm about its prospects (Phillips 2002: 100; Henwood 2003: 4, 146). The boom in financial markets sparked claims that the Dow was on a 'permanent high plateau' and would climb to 30,000. Globalization advocates held



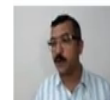
So, Friedman was heavily influenced by this particular argument. In reality, this was also followed by Clinton, the then American president, and the chief economic adviser, Joseph Stiglitz. Moreover, it is fascinating to see that Stiglitz was a vital supporter of globalization when he was the economic adviser to Clinton, Bill Clinton. However, later, Stiglitz turned out to be one of the bitter critics of globalization. So, those interested can always look up his works, and his arguments about why he had to shift or change are in a position regarding globalization.

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Framed in the roaring nineties boom, Clinton-supporter Thomas L. Friedman's best-selling *The Lexus and the Olive Tree* (2000) has been an extremely influential piece of globalization advocacy. Even after the NASDAQ bubble burst and after 9/11, Friedman has maintained his glowing optimism about the process. His recent best seller *The World Is Flat* (2005a) builds on the earlier book. Other writers have done parallel works on neoliberal globalization (e.g. Micklethwait and Wooldridge 2000) and more scholarly defences of it (e.g. Wolf 2004). However, Friedman is heralded as the top globalization advocate. His regular column for America's paper



It is a very, very highly problematic argument. And these are the two books that Friedman became very famous for. One is *The Lexus and the Olive Tree* published in 2007, a more important or more famous book is this, *The World is Flat* published in 2005.

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ing with top corporate and political globalization advocates make it hard to tell who influences whom. For example, he thanks informants, Clinton Administration, Treasury Secretaries Robert Rubin and Larry Summers, Federal Reserve Chair Alan Greenspan, World Bank president James Wolfensohn, Cisco Systems head John Chambers and hedge fund manager Leon Cooperman. He also credits Microsoft's Bill Gates, Rolls-Royce's Sir John Rose, Dell's Michael Dell and Netscape's Mark Andreessen for commenting on draft sections of his latest book. Friedman also thanks intellectuals, such as economist Paul Romer and political theorists Michael Sandel and Robert Kagen (Friedman 2000: 478; 2005a: 472). Many more corporate heads and top globalizers, from diverse regions of the world, appear in his texts as informants. Friedman's reportage offers insight into the way that they construct and justify the neoliberal regime. Some academic analyses of globalizers, working in transnational organizations and US government, converge, at key points, with Friedman's accounts (e.g. Hunter and Yates 2002; Stiglitz 2003: 281–319). His critics lampoon his trite terms and lightweight tone, but he articulates what may be the most comprehensive, widely read, influential defence of neoliberal globalization. Perry Anderson (2000: 11) identified *The Lexus and the Olive Tree* as 'the most ambitious and intransigent theorization of ultra-capitalism as a global order'.

Friedman is a public intellectual aiming to generate support for the neoliberal policy regime. Although his works have been bestsellers, reaching diverse segments of the public, he directs his writing especially at the secure segment of the professional middle class. This highly educated, affluent stratum cuts across political parties and occupations, including corporate managers, entrepreneurs, financiers, *advertisers, stockholders, technical experts, government officials and many others*



The rest of these discussions are all about how important and influential a figure, Thomas Friedman is. A Perry Anderson identified the Lexus and the olive tree as the most ambitious and intransigent theorization of ultra-capitalism in a global order.

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Friedman is a public intellectual aiming to generate support for the neoliberal policy regime. Although his works have been bestsellers, reaching diverse segments of the public, he directs his writing especially at the secure segment of the professional middle class. This highly educated, affluent stratum cuts across political parties and occupations, including corporate managers, entrepreneurs, financiers, advertisers, stock-brokers, technical experts, government officials and many other occupants of influential roles, who belong to the so-called 'investor class'. Even some higher education leaders find Friedman's work attractive because he provides a rationale for supporting education. He arguably seeks to mobilize his readers into a public to rally support for neoliberal globalization in the face of mounting domestic criticism about its negative impacts and increasing resistance to it abroad. I will analyze his tacit social theory of neoliberal globalization, mapping its core features and contradictory facets and addressing critically its ideological thrust. Friedman's theory is not in the foreground of his texts. It must be teased out of his respondents' points as well as his interpretations and summary arguments.

MR FRIEDMAN'S PLANET: GLOBALIZATION'S EMERGENT CONSUMER-STOCKHOLDER REPUBLIC

We Americans are the apostles of the Fast World, the enemies of tradition, the prophets



So, all these scholars have identified the ability of Thomas Friedman to put even the most complicated ideas in a very very simple, and very very appealing language so that everybody even ordinary people can understand that. So, that is a reason why Thomas Friedman became an extremely popular writer because he was able to capture the imagination of ordinary people. So, while he does not live in a very dry academic language, but he writes in very attractive language.

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MR FRIEDMAN'S PLANET: GLOBALIZATION'S EMERGENT CONSUMER-STOCKHOLDER REPUBLIC

We Americans are the apostles of the Fast World, the enemies of tradition, the prophets of the free market and the high priests of high tech. We want 'enlargement' of both



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our values and our Pizza Huts. We want the world to follow our lead and become democratic, capitalistic, with a Web site in every pot, a Pepsi on every lip, Microsoft Windows on every computer and most of all - most of all - with everyone pumping their own gas. (Friedman 2000: 384)

Friedman defines globalization as the unparalleled 'inexorable, integration of markets, nation-states, and technologies', which enables 'individuals, corporations and nation-states to reach around the world farther, faster, deeper, and cheaper than ever before, and in a way that is enabling the world to reach into individuals,



So next section, Mr. Friedman's planet, globalization's emergent consumer, a stockholder Republic. We Americans are the opposites of the fast world, the enemies of tradition, the

prophets of the free market, and high priests of high tech. We want enlargement of both our values and our Pizza Huts. We want the world to follow all we need and become a democratic capitalist with a website in every pot, Pepsi on every lip, Microsoft Windows, or every computer. And most of all, with everyone pumping their own gas.

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Post-communist globalism

Friedman holds that a shift from the 'Cold War system' to the 'globalization system' occurred by the year 2000. He claims that capitalism's new phase, 'Globalization



Friedman defines globalization as the unparalleled inexorable integration of market nation-states and technologies, which enable individuals, corporations, and nation-states to reach around the world farther, faster, deeper, and cheaper than ever before. And in a way that is enabling the world to reach into individuals, corporations, and nation-state further, faster, deeper, and cheaper than ever before. So, go through this definition, he is talking about the very intense, integration of the globe, so that it becomes more flexible, it becomes faster and deeper, it kind of interconnects everybody with each other.

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tion system' with normative intent; he defends global neoliberalism on the basis of claims about its impacts – its putative, beneficial socio-cultural and economic consequences for 'what is' and 'what is coming to be'.



Post-communist globalism

Friedman holds that a shift from the 'Cold War system' to the 'globalization system' occurred by the year 2000. He claims that capitalism's new phase, 'Globalization 3.0', will be, at least, as momentous as the two earlier globalization waves (i.e. 300 years of European mercantilist expansion and 200 years of modern capitalist development). Friedman contends that the November 1989 fall of the Berlin Wall was the first of a series of 'flatteners' that brought the globalization system into being. He treats the event as a fundamental step that opened the way for the others and as an iconic representation of the overall shift. Employing the metaphor 'falling walls' to refer to the chief causes and effects of Globalization 3.0, he argues that the Soviet bloc and East-West split stunted capitalism's global extension and consolidation; the Soviet state's monopoly of power, puppet states, secrecy and massive interference in private life, civic associations and, especially, economics generated paralysing fixity and unfreedom. Besides controlling a major portion of the world, Friedman implies, the USSR helped cultivate anticapitalist sensibilities and movements and a global climate favouring statist alternatives. Although not monopolizing power, he holds, Cold War era liberal democracies still concentrated it too greatly and deployed it too widely. Identifying power almost entirely with states, *narative and politically motivated individuals, he sees relative to be the main wall re*



So, he begins his analysis especially in the immediate context of this post-communism, communist globalism, Friedman calls that a shift from the cold war system to the globalization system occurred by the year 2000. He claims that the capitalist new face of globalization 3.0 will be at least as momentous as the two earlier globalization waves, that is 300 years of European mercantilist expansion and 200 years of modern capitalist development.

So, for Friedman, he described this as globalization 3.0. So, globalization 1.0 or the first wave of globalization, according to him, was bender in the beginning of the mercantile colonialism, maybe around 1500 AD and then later on the second wave of globalization, according to him, would have started 200 years back when, with the rise of modern capitalist development. Friedman argues that globalization 3.0 began in 2000, with a new understanding.

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interference in private life, civic associations and, especially, economics generated paralysing fixity and unfreedom. Besides controlling a major portion of the world, Friedman implies, the USSR helped cultivate anticapitalist sensibilities and movements and a global climate favouring statist alternatives. Although not monopolizing power, he holds, Cold War era liberal democracies still concentrated it too greatly and deployed it too widely. Identifying power almost entirely with states, parties and politically motivated individuals, he sees politics to be the main wall or barrier to the flatness that he contends is the globalization system's prime characteristic and virtue. He believes that the tearing down of the Berlin Wall inspired forward-looking people everywhere to shrink political power's grip over social life. In liberal democracies, Friedman argues, this meant cutting state regulation, social programmes and redistribution. Stopping far short of declaring the state's end, he holds that individual states and the nation-state system constitute a necessary infrastructure for capitalism that helps coordinate, provision and defend the globalization system. He and his respondents see state intervention that serves capitalist development, without undue regulatory interference or major business costs, to be virtuous and not politics at all (Friedman 2000: 7-16, 44-6; 2005a: 8-11, 48-55).



So, he undertakes a historical analysis and he believes that the tearing down of the Berlin War inspired forward-looking people everywhere to shrink political powers' grip over social life. In liberal democracies, Friedman argues this meant cutting state regulations, social programs, and redistribution, stopping far short of declaring states and he holds that individual states or the nation-state system constitute a necessary infrastructure for capitalism that helps coordinate provision and defend globalization system.



So, he argues, Friedman argues that the fall of the Berlin Wall also indicated the collapse of an all-powerful state which wanted to extend its control into the social and personal, and private life of the people. Because that the Soviet Union or the communist regimes, they were much stronger, much more, far-reaching than that of a kind of a democratic system or capitalist system. So, Friedman wants a more limited role to the state, and the state, according to Friedman must be a facilitator and enabler for the capitalist system to function.

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Extreme capitalism

Perhaps misleadingly, Friedman claims to be a 'technological determinist' and 'not a historical determinist'. After communism, he holds, nine flatteners (i.e. Netscape's IPO, work flow software, open-sourcing, outsourcing, offshoring, supply-chaining, in-sourcing, in-forming and wireless innovations) forged a new 'flat world platform' that greatly accelerates, intensifies and extends global capitalism. Friedman's flatteners combine business and technological innovations. He considers neoliberal policymaking to be the decisive force that gave rise to third-wave globalization, albeit not its singular, sufficient cause. He portrays the new information-communication technology as a core, necessary facet of the process. Friedman sees this electronic connective tissue to be the enabling mechanism for realizing the potential of the unparalleled 'opening, deregulating, and privatizing' of the economy that drove the move to Globalization 3.0 (2000: 9-16; 2005a: 374-5). Other globalization analysts argue that deregulation and new technologies produced world-shrinking, spatial-temporal compression, generating much speedier, much more extensive and much freer global movement of capital, goods, messages, images and people (e.g. Harvey 1989). However, Friedman holds that Globalization 3.0 provides unparalleled democratic access to the means of communication and collaboration; the new 'playing field' allows enterprising individuals from all over the globe to plug in and to employ their creativity, skills and disciplined work habits



He is an unapologetic, defender, or advocate of extreme capitalism, He has no qualms about it, he has no confusion about it, but has misleadingly fight man claims to be a technological determinist and not a historical determinist the term historical determinism is coined by Karl Marx. So, he is definitely not a Marxist intellectual, after communism, he holds 9 flatness, 9 mechanisms that ensure the world remains flat that is Netscape's IPO, workflow software, open-sourcing, outsourcing, offshoring, supply chaining, in sourcing, informing, and violence innovations, forged a new flat world platform that greatly accelerates intensifies and extends global capitalism.

Friedman sees this electronic connective tissue to be enabling mechanism for realizing the potential of the unparalleled opening, deregulating, and privatizing of the economy that drove the move to globalization 3.0. So, Friedman understands this era around 2000 as a historical era in which a host of political as well as technological factors combined together, paves the way for a completely different historical epoch to which facilitates the griddled expansion of capitalism. So, he says that the era in which we are living, it is an era of capitalism, and there is no structural or ideological obstructions for capitalism.

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Friedman quotes Netscape's Marc Andreessen's assertion that 'a 14-year-old in Romania or Bangalore or the Soviet Union [sic] or Vietnam has all the information, all the tools, all the software easily available to apply knowledge however they want' (Friedman 2005b). Friedman contends that nations obeying the globalization system's free-market rules and employing its new technologies don a 'golden strait-jacket' that makes their economies grow and politics shrink; 'political choices get reduced to Pepsi or Coke' (2000: 101-6). He holds that the flat world accelerates greatly the later twentieth century's already sweeping deregulation; Darwinian-like selection compels serious players to remove more and more sources of 'friction', or regulatory, redistributive and other social blockages that limit capitalist property rights and exchange. Friedman and his respondents imply that the consequent flat playing field is the heart of a knowledge-based economy with nearly frictionless, transnational capitalist intercourse and drastically reduced transaction costs. Tepidly qualifying the argument, however, he defends a minimal social safety-net and modest protections for certain highly valued public goods, which have inherent worth and secure the public trust that sustains markets. Still Friedman sees New Deal programmes and European-style social democracy to be moribund; social policy must rely almost entirely on market-centred strategies and public-private cooperation (policies largely already in operation) (2000: 276-305, 437-40). He considers Globalization 3.0's unparalleled prosperity and consumer freedom to be far too beneficial for informed publics to allow statist backsliding. In his view, neoliberal globalization has so much momentum that its further worldwide expansion and consolidation is inevitable (Friedman 2005a: 204-5, 469).



Now, Darwinian-like selection compels serious players to remove more and more serious frictions. So, he is talking about how this particular neoliberal economy will surge ahead, by eliminating everything that tries to stop it, and the most efficient the most energetic the group, the categories, and the players with the highest amount of wealth, they will really succeed.

So Darwinian- like selection compels serious players to remove more and more serious frictions, or regulatory redistributive, and other social blockages that limit capitalist property rights and exchange. Friedman and his respondents imply that the consequent flat playing field is the heart of a knowledge-based economy with a nearly frictionless transactional capitalist in the course and drastically reduced transaction cost.

So, Friedman thinks that a completely frictionless free world will emerge, which will work as a kind of a level playing field for the capitalist players and in a level playing capitalist field without any barriers for its development, capitalism will endorse better and better competition, it will become more and more efficient and ultimately it will do a lot of goods for everyone.

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Fluid networks

Breaking radically from the Cold War system's 'frozen' structures, Friedman argues, today's globalization is 'a dynamic ongoing process' (2000: 8-9). Many other thinkers argue that complex organizations have been restructured to fit the imperatives of globalization's new technological, economic and regulatory environments. They argue that the postwar era's vertically integrated firms have been made more flexible, more dispersed and leaner. However, they stress that slightly modified bureaucracies operate successfully in most major business sectors and that more sweepingly transformed organizations often retain key elements of postwar firms and rationalize more rigorously and in new ways vertical ownership structures, managerial hierarchies, work relations and technical controls [e.g. 'neo-Fordism' replaces 'Fordism' - Prechel 2000]. By contrast, Friedman portrays a dawning post-bureaucratic era in which new technologies forge lateral collaboration rather than hierarchical control. He claims that the new flat world platform supplants rigid, coercive, vertical organizations with flexible, voluntary, horizontal networks; lateral communication and collaboration replace the mechanical obedience demanded by hierarchical line-authority and constrictive roles, jurisdictions and offices; and multitudinous individual decisions and initiatives establish dynamic 'non-linear' patterns of association. Although Cold War-type organizations remain, Friedman and his informants imply



He also talks about fluid networks, this is a very, very interesting argument, because we will come back to this point of networks later. So, breaking radically from cold war systems for causal structures, Friedman argues today's globalization say dynamic ongoing process. So, in this section, Friedman is focusing on the very structure of enterprises, very structure of capitalist enterprises, and he is saying that the age-old, very rigid, and bureaucratic structure is being completely replaced by a significantly different mechanism.

So, he does not agree with this idea of neo-Fordism or other kinds of terminologies, but he will do something new about it. According to him, Friedman portrays a dawning post-bureaucratic era in which new technologies for lateral collaboration rather than hierarchical control, because we know bureaucracies are always understood as hierarchical. So, Friedman argues that in the new era, this globalization 3.0, it will be installed this vertical structure will be more lateral or horizontal collaboration.

He claims that the new flat world performs as supplants rigid hierarchy, a vertical organization with flexible voluntary organization networks, lateral communications and collaborations replace the mechanical obedience demanded by hierarchical line authority, and constrictive roles, jurisdictions, and offices, and multitudinous individual decisions and initiatives established systems nonlinear patterns of association.

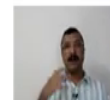
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better deals, while unskilled, undisciplined players, who do not adapt readily to constant changes, are left to drift on their own without handouts. Friedman holds that Globalization 3.0's 'unique character' derives from 'the newfound power of individuals to collaborate and compete globally' and that globalization is 'increasingly driven by the individual' (2005a: 10, 183).



Nomadic subjects

A Goldman Sachs vice-chair tells Friedman that it is useful to think about globalization from the standpoint of an 'intellectual nomad', because the process lacks fixed grounds (2000: 27). However, Friedman implies that nomadic qualities are necessary for everyone navigating Globalization 3.0. Stretching from Nietzsche to postmodernist thinkers, cultural theorists have long predicted the arrival of the postmodern subject; this post-traditional individual usually is described as a many-sided, hybrid nomad, uprooted from fixed space, multi-perspectival in purview, at home with otherness, and, thus, free to create his or her own values, identities and cultural forms. Friedman contends that third-wave globalization has added more than one and a half billion new global players; millions of these exceptionally diverse



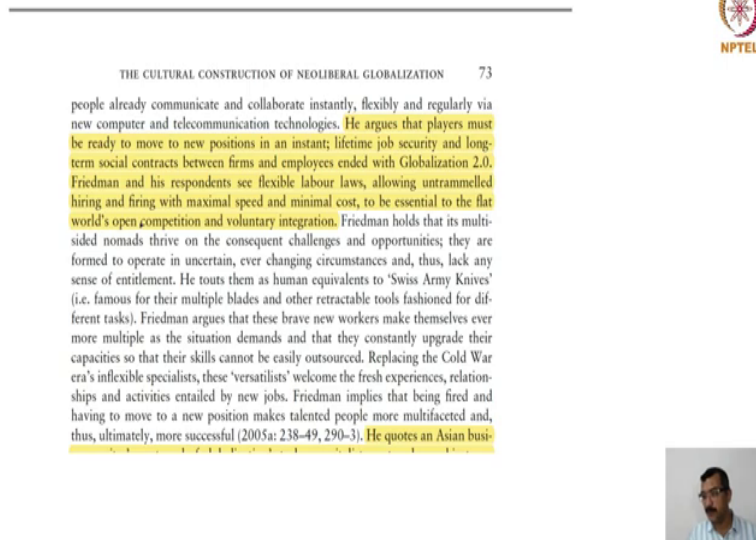
So, he is talking about a very or radically different organizational structure, which will facilitate more fluid organizational arrangement, better decision making, more collaborative decision making, less hierarchical, and less bureaucratic. Friedman's holds the globalization 3.0's unique character derives from the newfound power of individuals to collaborate and compete globally. And that globalization is increasingly driven by individuals.

So, he identifies the individual, maybe the global elites, the global nomads, that we are going to discuss now. Friedman preposes a lot of faith to these people. So, Friedman implies that the nomadic qualities are necessary for everyone navigating globalization 3.0. So, he is saying that globalization requires a set of qualities for the new individuals in a globalized era. So, they have to be nomads, they have to have a lot of cosmopolitan values, and they cannot be the kind of old traditional blue-collar workers, whom you are familiar.

Stretching from Nietzsche to postmodern thinkers, cultural theorists have long predicted the arrival of the postmodern subject. Not the modern subject who has said goodbye to tradition and became more progressive and more somebody who uses rationality quite a lot. It is not that a postmodern subject this, this post-traditional individual, usually is described as many-sided hybrid nomads, uprooted from fixed space, multi-perspectival in purview at home with otherness, and this free to create his or her own values, identities, and cultural forms.

So, one of the fundamental qualities of this postmodern subject is that they are kind of uprooted from their any sort of cultural fixity. They are much more at ease in adapting to other ideas or adapting to other values they have a maybe they enjoy a bouquet of values, they are quite comfortable with otherness, they are more adaptable, and they are multi-perspectival in a per view at home with otherness.

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So, a completely different set of individuals. So, he argues that the players must be ready to move to new positions in an instant. Lifetime job security and long-term social contacts between firms and employees ended with globalization 2.0 this is another very startling argument that Friedman argues puts forward, he would say that the whole idea of you having a permanent job or you having a long-term contract with a firm, that era is over. Now, you might work for a short period for a company, and after that is over, you are ought to move on the company will hire somebody else, you need to look for other things.

So, this is the kind of idea that he has about the notions of permanency, instability, and other things. Friedman and his respondents see flexible labour laws allowing untrammelled hiring and firing with maximal speed and minimal cost to be essential to the flat words, open competition, voluntary integration. So, he emphasises heavily on the whole cost of labour laws. And that labor laws have been one of the most contentious issues. The whole trade unions, especially left trade unions or every trade union for that matter they have been

historically campaigning, they have been fighting for more stringent labor laws that will protect the interests of the workers.

That means you cannot simply dismiss or fire workers it is a more elaborate process, workers' securities is something important. And Friedman and a host of other advocates of neoliberalism is completely against that, they argue that these strong labour laws will only, it will only stifle the capitalist system, it will work against the interests of the capitalist. So, they want a free hand to the companies to hire and fire as they wish, which is happening even in India, if you look into some of the recent developments our labour laws are becoming more and more less effective, giving more, more right and authority to the companies into this whole cost of hiring and firing.

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ships and activities entailed by new jobs. Friedman implies that being fired and having to move to a new position makes talented people more multifaceted and, thus, ultimately, more successful (2005a: 238–49, 290–3). He quotes an Asian business writer's portrayal of globalization's techno-capitalist, postmodern subjects, or 'Zippies' – 'Belongs to generation Z. Can be male or female, studying or working. Oozes attitude, ambition, and aspiration. Cool, confident, and creative. Seeks challenges, loves risks and shuns fear.' Friedman adds that they are guilt free about 'making money or spending it' (2005a: 181–4). In his view, Globalization 3.0 not only produces the type of subjects that ensure system reproduction, but it also nurtures multicultural sensibilities, tolerance and even cyberspace spirituality. Stopping just short of the fully deterritorialized subject, Friedman asserts, islands of tradition survive (e.g. religion), constituting another side to the globalization system's multiplicity and providing alternative sources for sustenance of the self (2000: 468–75). He seldom mentions consumption directly and does not even list the term in his indexes, but brand names suffuse his storytelling. For example, he says: 'globalization often wears Mickey Mouse ears, eats Big Macs, drinks Coke or Pepsi, and does its computing on an IBM PC, using Windows 98, with an Intel Pentium II processor and a network link from Cisco Systems' (Friedman 2000: 382). Unlimited consumer freedom and pleasure is the unspoken presupposition and chief virtue of the golden straitjacket and its irreversible, post-political globalized world. His postmodern nomads constitute their dynamic, largely deterritorialized, plural subjectivity by consuming global commodities as well as by multitasking and telecommuting. On Friedman's planet, accumulating 'More' and consuming it is the main inspiration



He quotes at Asian business writers' portrayal of globalization's techno capitalist, postmodern subjects or Zippies belong to the generations, it can be male or female, studying or working. Oozes attitude, ambition, and aspiration. Cool, confident and creative. Seeks challenges Laos, risks sanctions fear, Friedman adds that they are guilt-free about making money or spending it.

So, these new nomadic subjects, they have absolutely no geek about making as much money and spending as much money, a completely different set of values. So unlimited consumer freedom and pleasure is the unspoken presupposition and chief virtue of the golden straitjacket and it is an irreversible, post-political, globalized world. His postmodern nomads

constitute their dynamic, largely deterritorialized, plural subjective, it is by consuming global commodities as well as by multitasking and telecommuting.

So, this is his idea about this new global nomad, who are quite adaptive, who consume a lot, who spend a lot, who are absolutely have no guilt about making more money and then maybe spending it.

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Legitimate inequality

Friedman's flat world has skill and reward hierarchies, based on divergences in character (e.g. work habits, flexibility, ambition), intelligence and, in part, good or bad fortune. However, his idea of flatness implies a nascent just meritocracy based on ample opportunity in a worldwide free market. Friedman holds that the globalization system generates so much wealth that nearly everyone benefits; even if inequalities grow sharper, the ever larger basket of commodities available to consumers means that the process is not a zero-sum game. He implies that wealth gushes towards the globalization system's most talented people and delivers substantial rewards to almost all disciplined, motivated and, at least, moderately skilled people. Friedman points to NBA superstar, basketball player Michael Jordan's \$80 million yearly income. However, he argues that marginally skilled, substitute Joe Klein's hefty \$270,000 NBA minimum salary was buoyed by Jordan's worldwide popularity and consequent growth of the league's global market. Friedman holds that players, such as Klein, know that they benefit enormously from Jordan's success and, thus, do not begrudge his wealth (2000: 306-24). Friedman implies that this type of mutually beneficial inequality, although usually involving more modest rewards, pervades Globalization 3.0. He acknowledges that extreme inequalities and misery exist outside the flat world (i.e. poor nations and even unskilled, non-wired sectors



Another very important argument of Friedman is that he supports that inequality is bound to happen. And he argues that some kind of inequality is even better. So, he has an argument about the legitimate form of inequality. So, he does not believe that you need to work, you need to strive towards our egalitarian society, he would simply brush aside all these things are utopian ideas. And on the other hand, he would argue that every society will be unequal, and there is some kind of inequalities, rather, welcome.

His idea of flatness implies and nascent just meritocracy based on ample opportunities in a worldwide free market, Friedman holds that the globalization system generates so much wealth and nearly everyone benefits. Even if inequality grows sharper, the ever-larger basket of commodities available to consumers means that process is not a zero-sum game.

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and consequent growth of the league's global market. Friedman holds that players, such as Klein, know that they benefit enormously from Jordan's success and, thus, do not begrudge his wealth (2000: 306-24). Friedman implies that this type of mutually beneficial inequality, although usually involving more modest rewards, pervades Globalization 3.0. He acknowledges that extreme inequalities and misery exist outside the flat world (i.e. poor nations and even unskilled, non-wired sectors of wealthy nations), and admits that flat world growth will not soften all inequalities or eliminate all poverty. However, Friedman holds that hope for a better life rides on joining the globalization system and benefiting from its technology transfers, free trade and market-based growth. He says that 'there is no alternative' except 'to go backward' to a Cuban-style command economy that impoverishes and oppresses everyone. Friedman contends that oil-based command states, such as Saudi Arabia and Venezuela, spread wealth a bit more widely than other statist regimes, but at the cost of very substantial waste, unfreedom and backwardness (2000: 318, 355-7; 2005a: 309-36, 460-3). Advocating 'compassionate flatism', Friedman argues that Globalization 3.0 nations should provide some welfare for their poorest, sickest, weakest people. For others, he advises 'portable' pensions and healthcare plans that do not discourage work and that go with workers to new jobs (2005a: 284-93). However, Friedman neither suggests that sharp economic inequality is problematic *per se* nor advocates redistribution or other programmes to reduce it. He implies that empowering individuals results in inevitable inequalities; not everyone can master Globalization 3.0. But Friedman portrays its intense international competition as a 'race to the top' for the vast majority of participants; its successful players' enterprise and productivity have significant spillover benefits for



So, his argument is that in this globalization 3.0, the overall wealth will increase. So, that you will have some people who amassed the mass majority of this world, but since the overall wealth increases, that everybody will be able to take their own share from it. And this is far better than more conservative kind of thing where the overall amount of wealth is much lower.

He acknowledges that extreme inequalities and misery exist outside the flat world, that is poor nations, and even unskilled non-wired sectors of wealthy nations and admits that flat world growth will not often soften all inequality, so eliminate all poverty. However, Friedman holds the hope for better life rights on joining the globalization system and benefits from its technological transfer, free trade, and market-based growth.

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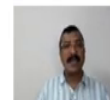
Ownership society and stockholder direct democracy

Besides the new possibilities for collaborative work and consumption, Friedman and his respondents hold that Globalization 3.0 offers unparalleled opportunities for owning financial assets and participating in an electronic stockholders' democracy. Friedman describes a four-faceted democratization: 'democratization of technology' dispersed the means of communication, information and wealth creation (e.g.



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miniaturization, digitalization, telecommunications, computerization and compression technologies) to a much greater number of diverse people over wider spaces than ever before; 'democratization of finance' ended insurance companies', investment banks' and commercial banks' monopoly control over financial instruments and provided inexpensive easy access to credit and means of investment (e.g. cut-rate brokers, online trading, 401K pension plans); 'democratization of information' made the tools for creating, gathering, storing and transmitting information (e.g. cable TV, satellite dishes, DVD players, mobile phones, e-mail and, especially, Inter-



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miniaturization, digitalization, telecommunications, computerization and compression technologies) to a much greater number of diverse people over wider spaces than ever before; 'democratization of finance' ended insurance companies', investment banks' and commercial banks' monopoly control over financial instruments and provided inexpensive easy access to credit and means of investment (e.g. cut-rate brokers, online trading, 401K pension plans); 'democratization of information' made the tools for creating, gathering, storing and transmitting information (e.g. cable TV, satellite dishes, DVD players, mobile phones, e-mail and, especially, Internet and its hyperlinks) nearly universally available and much cheaper, faster and more efficient than ever before; 'democratization... of decision-making and the deconcentration of power and information' opened the way for the other flattens and year 2000 flat world platform (2000: 44-72, 86; 2005a: 48-172). These conditions, Friedman contends, allow a highly dispersed, inclusive 'Electronic Herd' of investors to drive financial markets and ultimately direct politics and socio-cultural



So, he believes that this particular kind of arrangement will ultimately benefit everyone. Another section is the ownership of society under a stakeholder, direct democracy, Friedman prescribes fourth faceted democratization. So, he says that in this with this arrival of globalization 3.0, democratization is happening, at least in the four important domains. One is the democratization of technology.

As we know that important technologies have been democratized to a large extent, whether it is internet connection or computers or software. These things have become affordable to everybody. So, according to Friedman, nobody is coming out of that. There is larger democratization or distribution of technology. Then democratization of Finance ended

Insurance companies or investment banks or commercial banks monopoly control over the financial transaction and provided inexpensive, easy access to credit and mainstream mismatch and he believes so, that there is a democratisation of finance. Then he is talking about the democratisation of information, it is again very important,


Now, if you have quite a lot of information on your fingertips, you can Google it. So, there is a major available significant availability of knowledge of all kinds. Then, the fourth one, he says is the democratization of decision making and the deconcentration of power and information, the democratisation in terms of governance and then political power.

So, this these conditions, Friedman, argues have broken a kind of a completely different set of institutional frameworks, different set of social structures, that would open up a kind of free world, in his world in his argument academic flat world, where competition is the most important mechanism and people have all facility, they are equally poised to compete with each other.

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Self-regulation


Friedman acknowledges that Enron, Tyco and WorldCom used the new information and communications technologies to fleece their stockholders, workers and customers. The leadership of these firms took advantage of a control and regulatory environment that lagged behind the extremely rapid development of new financial instruments, information technologies and means of communication. Prior to the scandals, Friedman mistook Enron as a model fast company. He now portrays it as a prime example of a firm led by enterprising, super-empowered crooks, who exploit the resources of Globalization 3.0. However, he sees predations by occasional



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corporate violators to pale by the side of statist regimes' top-to-bottom corruption. Moreover, he holds that the self-regulating system adjusted to the new conditions rapidly and worked; US financial markets' exceptional transparency and regulatory





Backlash

Stressing an inherent tension between capitalism and tradition, Friedman refers to Karl Marx's famous passages, in the Communist Manifesto, about how globalization knocks down 'Chinese walls' and pulverizes the traditional world (i.e. 'All that is solid melts into air, all that is holy is profaned...'). Friedman also mentions twentieth-century economist Joseph Schumpeter's argument, inspired, in part, by Marx, that 'creative destruction', or constant economic change, is capitalism's essence (Friedman 2005a: 201–4; 2000: 11, 213). He holds that Marx's and Schumpeter's points about capitalism's exceptionally powerful, restlessly creative, productive forces and ever more extensive markets constantly making obsolescent its own products, creating new ones and transforming the wider culture pertain more to today's third-wave globalization than to Globalization 2.0. Friedman's repeated references to 'falling walls' and 'flatness' imply that barriers to capitalism are being smashed more rapidly and completely than ever before. He suggests that the tension between capitalism and tradition is manageable within the flat world and that it even produces laudable hybridity. However, he contends that sudden inclusion of vast unflat areas of the globe into fast capitalism generates resentment, anger and resistance within traditional cultures. Friedman also holds that the new flatteners extend unparalleled opportunities to, or super-empower, talented individuals who want to cheat, oppose or destroy the globalization system; Globalization 2.0's new technological and economic forces are so important to national economies as they are to the



Then he also argues for self-regulation, because, in a global society in a capitalist society, the role of the state must be limited, the state government or the state as a political system must withdraw from quite a lot of important domains and allow private players to compete with each other, and he argues that such a system will improve self-regulation, the corporate financial corporations, and these capitalist players, they will devise very important mechanisms for their own self-regulation, no kind of regulation from the state is required.

Then, he also acknowledges, this Friedman also acknowledges the kind of backlash that can create from such a kind of situation. So, Friedman, also mentioned twentieth-century economist, Joseph Schumpeter's argument inspired, in part, by Marx that creative destruction that the capitalism always has its own mechanism of detecting its ways of doing things, so that it moves to the next level. So, the creation, the destruction is not to destroy the whole system, but to increase its efficiency and productivity to a higher level.

So, he holds that Marx and Schumpeter's about capitalists exceptionally powerful, restless, creative, productive forces, and even more extensive markets are slowly making obsolescence, its own products, creating new worlds and transforming the wider cultural patterns, more to today's third word, globalization, than globalization 2.0. Friedman's repeated reference to the falling walls and flatness implicate that barriers to capitalism are being smashed more rapidly, and completely than ever before. He suggests that the tension between capitalism and tradition is manageable within the flat world and that it even produces loadable hybridity.

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...and a new technological era is important to success. Problems as they are to the system's legitimate, honest players. Thus, he is not surprised that corporate scandals, antiglobalization protests and 9/11 occurred at the moment that the flat world platform came into being. Friedman implies that Globalization 3.0's political and cultural enemies pose much more dangerous threats than violators, motivated by personal economic gain. Holding that the anti-globalization movement exploits capitalism's tensions with tradition, he argues that it is a reactionary backlash by people lacking the discipline, courage, energy, imagination and skill to adjust to post-Cold War realities. He says that anti-globalization critics offer no programmes that can reduce poverty or protect the environment. Contending that their political



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successes deprive the poorest people of Globalization 3.0's bonanza, Friedman asserts that they need a 'policy lobotomy' or simply to 'grow up' – accept the golden straitjacket as the only path to a prosperous, peaceful world. He contends that Third World opposition to globalization and related anti-Americanism manifest wounded pride, humiliation and unreason. He claims that especially strong backlash comes



He is somebody who would argue that even though this capitalism will raise certain kinds of challenges, it might create some kind of problems, you always will be able to overcome them. Friedman implies that globalization 3.0's political and cultural enemies pose much more dangerous threats than violators, motivated by personal economic gain. Holding that anti-globalisation movement exploits capitalism tension with tradition, he argues that it is a reactionary backlash by people lacking the discipline, courage, energy, imagination, and skill to adjust to post-Cold War realities.

So, he would label anybody who opposes this neoliberal policy of globalization as people who do not have sufficient capacity to compete with others. So, anybody who criticizes this particular worldview are seen as people having insufficient or, are ineffective in terms of competing in this new world.

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terror cells and coordinate terrorist acts. Believing that Globalization 3.0 reduces poverty, fosters openness to difference and leaves spaces for tradition, Friedman argues that its extension and consequent empowerment will defuse humiliation and resentment in now unflat parts of the world and that their peoples will overcome the shock of de-traditionalization and embrace globalization (Friedman 2000: 327–47, 395, 405; 2005a: 197–200, 429–38).



Globalization's lead society and its 'quiet crisis'


Friedman has moderated recently his earlier triumphant declaration that 'Globalization is Americanization', and he no longer refers to 'Americanization-Globalization' (2000: xix, 293–4, 379–84; 2005a: *passim*). The sobering impacts of the NASDAQ crash, 9/11 and, especially, China's and India's ascendance in the global economy have tempered his tone. But he still touts the United States as the globalization system's lead society and Globalization 3.0 as an American invention. He does not retreat from his earlier claims that 'there is no better model . . . on earth today than America' and that even a 'visionary geoarchitect' could not have imagined a better regime to 'compete and win' in global economic competition (Friedman 2000: 368, 475). In his view, the United States is the globe's flattest spot; it has the best regulated, most efficient capital markets, most transparent firms, strongest protections for private property rights, best designed tax and regulatory laws, most creative entrepreneurial culture, most flexible labour laws, largest consumer market, best political system and most open society. He sees neoliberal 'downsizing, privatizing, networking, deregulation, re-engineering, streamlining and restructuring' to have



And he argues that globalization leads society and it is quite a crisis. Friedman has moderated recently his earlier triumphant declaration that globalization is Americanization and he no longer refers to Americanization globalization. Because earlier he was very vehement in his argument that globalization is nothing, but it is another form of Americanization. And as we have seen in the case of Samuel Huntington, Friedman also is of the argument that America must give the leadership role or America must be the world leader in terms of providing or presenting itself as a model for the rest of the world.

In this view, the United States is the Globe's fattest spot, it has the best regulated, most efficient capital market, most transparent firms, the strongest protection for private property rights, best-designed tax and regulatory laws, most creative entrepreneur culture, most flexible labour laws, largest consumer markets, best political system, and most open society.

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to its players' insouciant attitude about its competitors' progress and lack of ambition and discipline. He employs this example to illustrate a broader 'quiet crisis' – Americans feeling entitled to their affluence, being complacent and expressing insufficient effort, discipline and preparation. He warns that there may be taints of truth in the crude generalization that younger Americans 'get fat, dumb, and slowly squander it all' (i.e. US wealth) (Friedman 2005a: 250–2). Friedman asserts that: 'I am now telling my own daughters, "girls finish your home work – people in China and India are starving for your jobs"' (2005b). Still he hopes that competitive pressure will push younger Americans to study harder (e.g. stress maths, science, engineering), work more intensely and abandon any sense of entitlement. Friedman implies that they must become the brave new nomadic, worker bees described above (2000: 368–75; 2005a: 243–75, 469).

Unipolar geopolitics

Friedman holds that the United States leads geopolitically as well as economically and that the lone superpower after communism is not an imperialist power. Before 9/11, Friedman declared the United States to be the 'Michael Jordan of geopolitics',



Now, maybe it is time that we now kind of reflect on the kind of current scenarios, the kind of current debates and crisis that America is facing today. While we look at Friedman's arguments now, the kinds of situations like that gave rise to a president like Donald Trump, the internal difficulties, a large scale of employment, that is threatening American society. So, all these things emerge as very grim reminders to Friedman's over optimistic account of the globalization.

Friedman asserts that I am now telling my own daughters, girls finish your homework, people in China and India are starving for your jobs, written in 2005. We know that this fear has kind of come to China has emerged as a major competitor to the US and India also had made significant, progress in terms of in certain areas like software and other things.

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MODERNIZATION THEORY REDUX: ELECTRONIC SOCIAL DARWINISM



So, he also argues about unipolar geopolitics, he argues that the multipolar world system is over, you no longer will have more than one superpower. And there will be only one superpower that is America, Russia is gone. China is just an emerging thing. So, America he believed that or he strongly argued that America will remain as the most powerful so that this whole system will be a kind of a unipolar world.

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NPTEL

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MODERNIZATION THEORY REDUX: ELECTRONIC SOCIAL DARWINISM

Liberalism stands for the freedom of the individual *versus* the control of the state.
(Spencer 1912: 585)

Quoting Crane Brinton, Talcott Parsons (1968 [1937]: 3) began his *magnum opus* with the parenthetical question: 'Who now reads Spencer?' Parsons held that Herbert Spencer had been cast into history's dustbin. Opening the prologue to the 'creative destruction' argument, Schumpeter (1962 [1942]: 61) asked: 'Can capitalism survive?' He declared: 'No, I do not think it can.' He was no fan of socialism, but he thought that increased public management of economic affairs was becoming the rule in liberal democracies and communist regimes. In the wartime command economy, renascent classical liberalism was hard to imagine. Although conservative



Now, this section, Modernization Theory Redux Electronic Social Darwinism, is the section in which the author is providing is Catherine critic of Friedman's position. So, so far, he was only trying kind of trying to summarize Friedman's argument. Now, he is providing a very

important critic of Friedman's position. So, why is this particular title investing, Modernization Theory Redux Electronic Social Darwinism?

So, I hope you have some idea about modernization theory. Maybe the week after this next week, we will have some time discussing what is modernization and what is modernity, but modernization theory is a very powerful theory which was heavily influenced by sociology that the modern European countries they had all these cultural and social and economic qualities to progress further, but at much faster pace compared to a host of countries who did not have these qualities.

So, modernization theory also believes that a singular model of growth or unilinear evolutionary model is what is meant for all societies. In other words, modernization theory argues that every society will have to follow the developmental part of the Western European societies, characterized by increasing consumption, increasing industrialization, increasing per capita income. And so, a one modal fit for all was the kind of modernization argument and electronic social Darwinism.

So, social Darwinism is a very controversial position adopted by some of the founding fathers of sociology. Especially, Herbert Spencer, Herbert Spencer, was heavily influenced by Charles Darwin, and his idea about, social evolution, but even before Darwin's thesis was very, very popular, as Spencer point this whole idea about struggle for existence and survival of the fittest. So, he put forward this argument that just like in the animal kingdom, the fittest survive in society also among society is also the only the fittest societies will survive, other societies will simply disappear.

So, this became a very, very controversial topic, because if you extend that logic, then you can say that colonialism was perfectly justified, because colonial powers, they had all physical power, intellectual superiority, and everything. That is why they were able to colonize other societies, and the colonized people, they were, they were supposed to fade away, they were supposed to disappear, because they did not have the ability to withstand.

And now we know that kind of a social Darwinism or this whole idea that the struggle for existence and the survival of the fittest is a highly problematic argument, it is least bothered about the powerless, it is least bothered about countries or individuals or people who are less

powerful, and it really celebrates the more powerful section. So, this whole section is about how Thomas Friedman's argument is nothing but a new form of social Darwinism.

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its *laissez-faire* roots. In this climate, the Reagan Administration instituted the neo-liberal policy regime. When the Soviet bloc was collapsing, Fukuyama vindicated modernization theory and its core claims that history is progressive and that liberal democracy is its endpoint. Reversing New Deal policy, neoliberals held that the state's regulatory, redistributive and welfare arms must be eliminated or reduced. They also argued that all nations, aspiring to be modern, must adopt this US model. The New Democratic Coalition and Clinton Administration offered a moderate sounding version of the market fundamentalism advocated by the Republican right. This bipartisan, stripped-down, neoliberal modernization theory revived Social Darwinism with free-market ideology.

Friedman's flat world is a global, electronic version of the classical liberal equation of the *laissez-faire*, 'regime of contracts' with direct democracy. Arguing that Globalization 3.0 empowers individuals as never before, Friedman updates Spencer's market-based individualism. The quote from Spencer, at the head of this section, illustrates his view of states as the realm of compulsion and power and markets as the sphere of liberty and choice. Classical liberals argued that capitalist firms' vertical facets do not compromise voluntary cooperation, because they are embedded in competitive markets and are based on contractual relations (i.e. employers can hire and fire at will and employees are free to seek other jobs). Classical liberals sometimes spoke sympathetically about the workers' plight, but they opposed redistribution and welfare, holding that such policies impose statist oppression, violate property rights, the foundation of individual liberty, and encourage worker sloth. At least implicitly, classical liberals saw full citizenship to be anchored in property



A new form of social Darwinism that he is giving some kind of justification for the Brut competition. He is giving justification for the control of some important or powerful corporates over the others. So, Friedman, flat world is global, is a global electronic version of the classical liberal equations of the *laissez-faire* regimes of contracts with direct democracy, arguing that globalization 3.0 empowers individuals as never before Friedman updates Spencer's market-based individualism.

So, Spencer also has very elaborative discussions about how the state should not have any role in the market. And the markets must be able to function on their own, a kind of a market-based individualism, you as a as an individual, you bargain with others, and then your bargaining ability, your economic position will give a kind of equilibrium to the kind of market.

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saw markets to be horizontal systems of voluntary association, which suffuse market-like, contractual relations throughout associational life. They believed that these webs of voluntary cooperation forge integrative interdependence across class lines, liberating individuals, eliminating violent conflicts and cultivating people's better angels. Friedman concurs heartily.

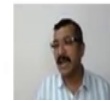
Affirming mass consumption, Friedman has a sunnier view than nineteenth-century social Darwinists, who held that 'poverty is the best policy' (i.e. to



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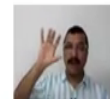
discipline profligate workers) (Sumner, 1883: 13-27). However, even leading twentieth-century classical liberal, Hayek (1944: 120) advocated 'a given minimum subsistence for all', implying more generous provisioning of the least talented, infirm and aged than the minimal safety-net proposed by Friedman. Portraying Americans' beliefs in capitalism, he stresses that, 'most of all' [emphasis added], they want 'everyone pumping their own gas', or making it on their own, without dependence on public support (2000: 384). Friedman shares the classical liberal view that capital-



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discipline profligate workers) (Sumner, 1883: 13-27). However, even leading twentieth-century classical liberal, Hayek (1944: 120) advocated 'a given minimum subsistence for all', implying more generous provisioning of the least talented, infirm and aged than the minimal safety-net proposed by Friedman. Portraying Americans' beliefs in capitalism, he stresses that, 'most of all' [emphasis added], they want 'everyone pumping their own gas', or making it on their own, without dependence on public support (2000: 384). Friedman shares the classical liberal view that capitalism's class hierarchy is the product of a meritocratic struggle that rewards individual achievement and punishes free-riders, and, thus, is a legitimate, even pivotal facet of democracy. Friedman says that being middle class is a 'state of mind' in the United States, shared by low-wage (even '\$2 a day') workers, which spurs their drive for success (2005a: 375-6). His assessment of the American class situation and 'quiet crisis' (i.e. with its driven, low-wage, Indian tech workers and slacker, nouveau riche, Afro-American NBA players) manifests taints of classical liberal beliefs in the virtue of poverty and danger of affluence. Like his predecessors, Friedman does not fret about great wealth compromising his fabulously rich corporate respondents' motivation. He sees the astronomical compensation enjoyed by top CEOs and the Electronic Herd's biggest investors to be a fast capitalist version of what William Graham Sumner (1883: 52) called 'wages of superintendence'; copious rewards for directing investment capital to the most important areas. Friedman implies that this hard-



So, he is criticizing Thomas Friedman for simply following this particular argument. Affirming mass consumption, Friedman has a sunnier view than nineteenth-century social Darwinist who held that poverty is the best policy to discipline profligate workers. So, Friedman's shares the classical liberal view that capitalism's class hierarchy is a product of a meritocratic struggle that rewards individual achievements and punish free-riders. And this is a legitimate, even pivotal facet of democracy.

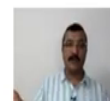
So, this class hierarchy where you have, some people are highly, very rich and some people are very poor. This, Friedman would argue that is perfectly legitimate. It is a product of a meritocratic struggle, because the people who are on the top of this hierarchy, are the most

meritocratic, the people who are suffering at the bottom, they simply do not have any merit. And, that this is a very dangerous argument which we can see even employed in the contemporary Indian society, why that certain, certain castes are underrepresented in some of the important occupations or professions.

Many people would say that they are lazy or they are not putting in hard work, or some upper castes are over-represented in some of the important positions. And it would say that they are all meritocratic. They are all, they have intelligence, but all these arguments really failed to understand the kind of structural inequality, structural inequality that makes it so much difficult for the people from the lower status to compete with others in from the upper state. And this structural inequality also makes it much easier for the people for the upper sections to compete with others much more easily.

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THE RISE AND FALL OF THE AMERICAN DREAM. TECHNOLOGICAL INNOVATIONS LAUDED BY FRIEDMAN, HAVE BEEN CAPTURED LARGELY BY PEOPLE IN THE UPPER BRACKETS, LIKE HIMSELF, WHO ALSO BENEFITED ENORMOUSLY FROM HUGE TAX CUTS (E.G. PHILLIPS 2002). FRIEDMAN INSISTS THAT NEOLIBERALISM'S SHARPLY DIVERGENT ECONOMIC OUTCOMES HAVE LEGITIMACY AND DO NOT DIMINISH GLOBALIZATION'S SUPPOSED SEAMLESS INTEGRATION. HOWEVER, HE STRESSES MOSTLY TECHNICAL CONNECTIONS, ESPECIALLY TELECOMMUNICATIONS LINKS, AND PROCEDURAL EQUALITY, WHICH HAVE ENORMOUSLY DIVERGENT OUTCOMES FOR DIFFERENT STRATA AND HARDLY CONSTITUTE *per se* THE VOLUNTARY COLLABORATION AND SUBSTANTIVE FREEDOM THAT HE IMPLIES. ÉMILE DURKHEIM'S AND JOHN DEWEY'S CLASSIC CRITIQUES OF 'FORCED' OR 'MECHANISTIC' INTERDEPENDENCE REMAIN TIMELY – UNDEMOCRATICALLY REGULATED 'FREE MARKETS' AND HIGH LEVELS OF INTERGENERATIONAL INEQUALITY ERODE THE *socio-cultural* INTEGRATION NEEDED TO CULTIVATE THE SMOOTH, UNCOERCED COOPERATION THAT FRIEDMAN CLAIMS RULE. HIS RHETORICAL CELEBRATION OF THE FLAT WORLD DOES NOT ADDRESS THE GROSSLY UNEQUAL OPPORTUNITIES FACED BY POOR AMERICANS, ESPECIALLY MINORITY CHILDREN IN UNDERCLASS SCHOOLS, AND OTHERS ON THE MARGIN. SUBSTANTIVE INJUSTICE IS A CHIEF BREEDING GROUND FOR 'SUPER-EMPOWERED ANGRY MEN [AND WOMEN]'. HOWEVER, IT ALSO SPURS HUMANE CRITICISM, ALTERNATIVE VISIONS OF THE FUTURE, AND DEMOCRATIC RESISTANCE AND RECONSTRUCTION. FRIEDMAN DISMISSES AS MERE RESENTMENT ALL BUT THE MOST TEPID, MARKET-FRIENDLY OPPOSITION TO ECONOMIC INJUSTICE. ALTHOUGH EXPRESSING KEEN INSIGHT INTO SOME FACETS OF NEOLIBERAL GLOBALIZATION, HIS CELEBRATION OF 'FLATNESS' AND 'DEMOCRACY' TRANSFIGURE AND SANCTIFY THE PLUTOCRATIC



So, Friedman simply falls prey to that kind of an argument and does not, understand or does not have the patience to look into the kind of structural aspects of this inequality. His rhetorical celebration of the flat world does not address the grossly unequal opportunities faced by the poor, poor Americans, especially minority children in underclass schools and others on the margin. So, inequality is not an area in which Friedman is interested in. But for him, it is a boring subject, it is everything will be alright if you open up the market, but we know that it simply does not work that way.

We know that poverty has its own mechanism of reproduction because people were coming from the lowest section, especially a section which where you have doubled its disadvantage of being economically poor and also if you are a minority religious minority or ethnic minority, then you have, your difficulties compound, you have you are at a highly structurally disadvantageous position to compete with each other and then come up. So, the whole idea of Friedman's idea of a perfectly flat world, it is only a kind of a utopia, it simply does not exist anyway.

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he also should have addressed Marx's related prediction that advanced capitalist globalization, driven increasingly by sophisticated technology and scientific knowledge, would expand greatly the global proletariat, accelerate automation and create a permanent, massive 'surplus army' of underemployed, unemployed and unemployable workers. If this scenario is emergent, neoliberal policymaking hastens the probability of a fundamental social, political and environmental crisis.

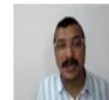
Friedman declares that he is 'a journalist, not a salesman for globalization' and that he is 'keenly aware of globalization's downsides' (2000: xxii). However, he does not engage globalization's non-corporate participants and, essentially, dismisses its critics. He contends that neoliberal restructuring is the greatest source of socio-economic good and that it does little or no harm. Seeing Globalization 3.0's major problems to be exogenous, he holds that universalizing neoliberalism is the only way to mitigate or eliminate them. Friedman's kinder-gentler sounding market fundamentalism ironically plays into the hands of virulently anti-liberal forces that Friedman opposes (i.e. the European New Right, US paleoconservatives, many fundamentalists and some radical leftists); they see his sanguine scenario to be proof



So, Friedman declares that he is a journalist, not a salesman of globalization and that he is keenly aware of globalization's downside. However, he does not engage globalization; non-corporate participants are essentially dismissing its critics.

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of the tendencies that they detest. Equating neoliberalism and globalization, they hold that US-led global capitalism is a runaway locomotive that homogenizes everything in its path; genuine culture, community and politics are flattened by untrammelled, deracinated individualism, economism and consumerism. Arguing that neoliberalism inheres in liberalism *per se*, they aim to scuttle liberal democracy with globalization. Liberal approaches that deny alternatives to neoliberalism, celebrate uncritically shareholder power and conflate democracy with free markets and consumerism should be addressed critically. We need social theories that decouple neoliberalism from globalization *per se* and that formulate paths to socio-economic reconstruction and visions of global capitalism 'with a human face'. The burning theoretical and cultural question for those who value liberal-democratic institutions, substantive freedom and the planet's survival is how to cultivate a more just, democratically embedded, socially regulated, environmentally sustainable capitalism. This means coming to terms with social Darwinism, addressing environmental limits, re-engaging critically postwar versions of democratic socialism, social democracy and other liberal democratic models, and formulating post-neoliberal visions of democracy and modernization. After 9/11 and after the War on Terror, Americans must rethink prudently and more modestly the US role in the world. *Dismantling American political violence and ecological incursion risks*



Equating neoliberalism and globalization, they hold that the U.S. led Global Capitalism is a runaway locomotive that homogenizes everything in its path. Genuine cultures, communities, and politics are flattened by untrammelled, deracinated, individualism, economism, and consumers. So, Friedman has no, he is not critical of the side effects of neoliberalism. He is not sensitive to the kind of cultural violence on other communities, he is not concerned about the side effects of this consumerism, increase income consumerism, the kind of ecological consequence, ecological degradation, he is not bothered about each of these things.

He thinks that America is the model, and America will continue to remain the model for the rest of the world because that is the flattest place in the world. Now, maybe sitting into about 2020, it is time that you critically analyse Thomas Friedman's essay. Now we know that America is reeling under so much of trouble with rising unemployment with rising Sinophobia with increasing violence against black communities. So, America is no longer a model, America's unchallenged supremacist is seriously under threat. So, there is a significant anti-globalization movement happening in America. We know that the side effects of globalization has not influenced every section of Americans uniformly.

There are maybe sections in California, in Silicon Valley, who were enormously benefited from globalization. But the vast majority of the lower middle class or middle class Americans have no choice they have to encounter. They have to face a lot of no job loss and unemployment, and falling incomes and uncertainty, a host of issues. That is why many people have argued that a person like Donald Trump, who wanted to protect the American

economy from globalization, he wanted to build a wall between Mexico and America. He wanted to restrict migrant workers from coming to America, all these arguments became more popular and accepted. And finally, he became the president of the United States of America.

So, but Friedman's argument were extremely persuasive. They were very powerful, more than being persuasive, they were very popular and they heavily influenced the imaginations of ordinary people, because he was able to combine the neoliberal economic logic with that of globalization and then presented a very glorified rosy picture or to the rest of the population and now we see that it was only a projection it was only glorification, which is completely, very, very different or distinct from the actual reality.

So, let us stop here. So, I would, again, urge you to read this whole essay. So, just like it today's class will have more of such kind of sessions where I introduce you to this whole essay. And I will have this the highlighted sections will be readout. So, that you get a kind of idea about this whole essay. So, thank you. We will meet at the next class.