

DIANE E. JOHNSON
Lebanon Valley College

GLOBALIZATION AND ITS ENEMIES

A review of Daniel Cohen, *Globalization and Its Enemies*. Translated by Jessica B. Baker. Cambridge, Mass.: The MIT Press, 2006. 192 p. \$27.95 cloth. ISBN: 026203350X.

GLOBALIZATION AND ITS ENEMIES begins with a perennial and critical question: why are poor countries so poor and rich countries so rich? Daniel Cohen, professor of economics at the Ecole Normale Supérieure and the Université de Paris-I, rejects the simplistic explanation that the poor are poor because they have been exploited by the rich. He forcefully contends that the forces of globalization cannot be reduced to “good” or “evil,” as much of today’s popular discourse would have us believe. The basic problem, Cohen asserts, is that many poor countries desire what rich countries have but are unprepared for what globalization brings. They are not “protected against the perverse effects of industrial society and of urbanization, or against the lifestyle they entail” (4). Advanced societies, on the other hand, are able to immunize their populations against these negative effects.

Cohen covers a broad range of subjects that fit under the general umbrella of the term “globalization.” This is useful, given the often narrow and frequently polemical nature of such debates. Indeed, one of the most important contributions of the book is to show that globalization and its effects are indeed more complex than many popular (and some academic) works suggest. It would have been very helpful, however, to have a clear definition of what Cohen means by “globalization,” especially given the lack of consensus on the term. For example, at the beginning of the book, Cohen establishes that there have been three globalizations: the first in the 16th century during the age of the Spanish conquistadors, the second in the 19th century during the age of the international English merchants, and the third in the late 20th century. He then contends that the current period is distinguishable from its predecessors on “one essential point” (6), which is the awareness of the poorer countries of what is happening in the richer countries, mainly through the media. (This is an extremely important point, which alas, is dropped after this initial statement.) In the next chapter, he adds that the last two periods of globalization differed in terms of immigration; that is, the actual physical movement of people was much greater in the late 19th and early 20th centuries than today. By the third chapter, however, he is suggesting that contemporary globalization may be largely “imaginary,”

and that the “only real parallel...between yesterday’s and today’s globalization” is that each ushered the transition to a new type of society (i.e., from agricultural to industrial, and from industrial to post-industrial). This introduces some conceptual confusion. If these eras are so dissimilar, why call them all periods of “globalization”? Another example emerges toward the end of the book, when Cohen discusses the lessons that the European Union provides about globalization. But what he is talking about here is arguably regionalization, rather than globalization. Thus a definition of what is (and is not) meant by the term would bring greater clarity to the central argument.

Although he does so implicitly, Cohen alludes to some of the most serious problems of both modernization theory and its antithesis dependency theory, both of which originally emerged in the 1950s and early 1960s to try to explain underdevelopment. In a nutshell, modernization theorists assumed that by following the example established by the developed nations, the global South would be able to catch up economically, socially and politically with the North. They privileged the role of domestic factors, paying little or no attention to the place of developing countries in the international system. Conversely, early dependency theorists argued that underdevelopment results from the exploitation of poor countries by the rich core, and that the poorer countries will remain permanently behind those in the advanced industrial states because the status quo benefits the dominant economic and ideological elites. In a mirror image of modernization theory, early *dependistas* virtually ignored the role of domestic actors in perpetuating underdevelopment; and although later theorists sought to address this issue, the basic argument that underdevelopment resulted from the exploitation of “have nots” by the “haves” remained constant. Both modernization and dependency theory rightly faced criticisms for overly simplistic assumptions about the nature of development, and it is clear that Cohen does not subscribe to either, preferring a more subtle and nuanced explanation. He also makes a useful distinction between ideas about the origins of economic inequality, adopting Jared Diamond’s theory of “ecological materialism,” and explanations for inequality’s persistence.

Cohen’s contention that globalization is not characterized by exploitation will resonate with some and provoke others. Those who are disinclined to accept this argument are likely to note that he leaves largely unexplained the role that the wealthier countries did (and do) play in influencing the terms of trade or many other aspects of North–South relations. For the most part, the actions by those in the global North (or earlier, by the European conquerors of the Americas) are presented as more or less benign. He suggests, for example, that poor countries have been “abandoned to their fate,” rather than exploited (1). This implies a lack of action on the part of wealthy governments and multinational corporations that many will dispute. In a more historical example, Cohen finds it “extraordinary” that “the Native Americans succumbed not to the civilization that brought the horse but to the illnesses people of that civilization transmitted” (21). While it is undeniable that disease caused most of the deaths among native populations

following the arrival of the Europeans, one could argue that it is disingenuous to ignore the effects of war, forced labor, and the collapse of the food production system that the Europeans also willfully initiated.

As his main example that globalization is not exploitative, Cohen uses the case of India under British rule. He does not attribute this to any worthwhile sentiment on the part of the British—in fact, quite the opposite. He agrees with Albert Memmi (and Jean-Paul Sartre, who wrote the preface to Memmi's 1957 *The Colonizer and Colonized*) that “to give meaning to his existence, the colonist must diminish the colonized by reminding him of his inferiority in every detail of life” (43). Cohen contends that despite British efforts, the Indian workers were not “passively exploited”; in reality, they “refused to be exploited” by resisting greater productivity until their wages were increased (42). Based on this case he then claims that the meaning of “unequal exchange” is thus not exploitation, but rather the “refusal of ... [poor workers] to be treated differently than... [rich workers], the affirmation that they are part of the same humanity” (44). To be convincing, however, Cohen would need to provide more evidence. Perhaps India was an exceptional case. It seems dubious that all, or even most, poor workers will take a stand for their humanity in the face of real deprivation. Consequently, Cohen's conclusion in this section that globalization “nourishes the feeling of exploitation while in fact exploiting only a bit or not at all” (166) rests on a somewhat shaky foundation.

Perhaps most importantly, Cohen never explains exactly what he means by “exploitation,” which given its centrality to his argument, is a rather serious omission. For example, he argues that throughout human history, some societies have been “subject to what can be called ‘the tyranny of others’” (21). It would be helpful to know how he distinguishes between being tyrannized and being exploited. Elsewhere, he contends that the “idea that wealthy countries got rich thanks to the exploitation of raw materials imported from poor countries is false for one simple reason: rich countries themselves have long produced said raw materials” (36). This is not particularly convincing. For one thing, there is no theoretical or practical reason why countries which produced their own raw materials would not still “exploit” others for more (or other) materials. Moreover, this is a rather more limited view of exploitation than the *dependistas* or other critics of imperialism have argued. Exploitation would include, for instance, capturing markets by flooding them with cheap goods to discourage domestic production. It would also include multinational corporations that pay their workers less than subsistence-level wages or cause damage to the ecosystem, knowing that the governments of poor countries are unlikely to risk their departure by complaining.

The term exploitation obviously has a pejorative connotation and tends to evoke a highly emotional response on either side of the debate; and perhaps there are good reasons to avoid it. But whatever we call it, countries in the global North

have extracted resources from the global South, often at unfair prices, and have collectively benefited enormously from the markets it has provided—Cohen’s argument that non-colonial powers in the North grew even faster than colonial powers notwithstanding. Furthermore, many would argue that while formal empires are a thing of the past, the global North continues to profit from the pattern of economic relations established during the colonial period. In order to make a compelling case that this does not constitute “exploitation,” Cohen would need to address the counterarguments more explicitly and more systematically than he does. Moreover, at times the author himself uses the term in a somewhat confusing manner. At one point he contends that it is the working classes in wealthy countries that actually “exploit” the working classes in poor countries (33). This is presumably an effort to discredit the kind of class analysis offered by Marxists and others (i.e., that the rich exploit the poor), but it muddies his basic claim that globalization does not lead to exploitation.

In the chapter entitled “The Clash of Civilizations?,” Cohen effectively takes on some of the cultural explanations for inequality recently posed by scholars such as Samuel Huntington and Bernard Lewis. The basic clash-of-civilizations thesis is that post-Cold War battle lines will be drawn along cultural rather than economic or ideological differences. One important corollary is that culture is a predictor of economic wealth, which goes back at least to Max Weber’s argument about the connection between Protestantism and capitalism. Cohen convincingly dispels this claim. As he notes, “to observe that the Muslim population is poorer than the global average...is not sufficient to conclude that we have found a causal relationship between the first and second term” (87). He also rightly suggests that supposedly “anti-capitalistic” cultures such as Catholicism and Confucianism (or perhaps ideas about them) have evolved over time; while Weber believed that Confucianist values thwart capitalistic development, for instance, some of today’s scholars argue precisely the opposite.

After rejecting cultural explanations for underdevelopment, Cohen explains why openness (especially trade openness) is a necessary, if not sufficient, condition for economic development. He suggests that the failure of Islamic and Chinese societies to develop along the lines of the West is attributable to their decisions to close their societies, and goes so far as to say that today, “continental China simply wants to be like Taiwan” (96). However, Cohen seems to conflate the ideas of an “open society” and an “open economy.” This is important because as he notes, an open society “offers less incentives for nepotism or corruption than does a closed society” (110). But what about the Chinese case? While it has since 1978 moved toward an open economy, few (if any) would argue that China is an “open society” in the conventional understanding of the term.

While Cohen subscribes to liberalization as the best hope for developing nations and believes that a return to economic protectionism would be the wrong path, he is careful to point out the paradoxes that neoliberalism has created. He seeks

to explain why globalization has not led to “pure and perfect competition,” and why a decrease in the cost of distance thanks to technological advancement has actually sharpened the disparity in wealth between the global core and periphery, rather than reducing it as liberal theory predicts. The intellectual-property system that developed in the richer countries, for example, has resulted in enormous profits for pharmaceutical companies while people in poor countries die in droves from HIV/AIDS despite the availability of live-saving drugs. As he notes, “global capitalism is not simply capitalism” (164). In making this point, Cohen offers an important explanation for why globalization has failed to live up to the liberal model. Moreover, this has created disillusionment among poorer countries: the promises of neoliberalism of a “world without borders” simply have not materialized. This is critical for North-South relations, which are sure to remain tense as long as the glaring regional income disparity remains. Thus, Cohen rejects the kind of “one size fits all” solution to inequality for which the international lending agencies have often been criticized. He argues that greater international trade, low labor rates, and financial openness themselves are not enough to make a society globally productive; these must be combined with good governance, civic participation, and innovation. As he asserts, the developing countries have not yet found their place in the “new world economy” created by the developed world, and this is very unsettling.

A final observation: Cohen begins the book with the intriguing argument that globalization’s enemies, whether from the right or the left, have misunderstood the term—and promises to explain why. But while *Globalization and Its Enemies* critiques some of the important explanations for regional economic disparity, it makes virtually no explicit references to the actual “enemies” of globalization. Who are these people, and how, exactly, have they misconstrued the term? It is not until the last few pages of the book that Cohen returns directly to this theme, offering a brief but interesting summary of how the debate over globalization has evolved since the publication of Michael Hardt and Antonio Negri’s *Empire* in 2000.

Despite some shortcomings, *Globalization and Its Enemies* is an accessible, engaging and worthwhile read. It makes an important contribution to the existing literature on globalization in its broad-ranging discussion of the explanations for the origins and persistence of global economic inequality. Cohen persuasively refutes some of the simplistic arguments either for or against globalization, and is convincing when he argues that poor countries desire the benefits of globalization but are often unprepared for its downsides. The widespread adoption of neoliberal policies during the last two decades has created winners and losers; and in some regions (namely in Latin America), the losers have lately mounted an electoral backlash against pro-globalization candidates. Whether this is a blip on the screen or a long-term trend remains to be seen. While we may continue to argue about the accuracy of the anti-globalization movement’s understanding of the term, however, it is important that we acknowledge and address the core reasons for its members’ discontent if

we are truly committed to promoting global economic development.

DIANE E. JOHNSON is Assistant Professor of Political Science at Lebanon Valley College (PA). She is co-editor of *Globalization and Uncertainty in Latin America* (Palgrave–Macmillan, forthcoming), and has published book chapters on the interest group–political party relationship in Argentina and the democratic impact of the Internet in the U.S. She is currently doing research on the reemergence of the left in recent South American elections, and the relationship between Latin American neopopulist leaders and the mass media.

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