

A World Connected

Globalization in the 21st Century



Edited by Nayan Chanda and Susan Froetschel

A YaleGlobal Online EBook

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Preface by Richard C. Levin

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Preface

As President of Yale University, I often participate in ceremonies dedicating new or renovated facilities. Ten years ago, on November 19, 2002, I drove to the newly refurbished Betts House for such an occasion, where, instead of cutting a ribbon I clicked on a mouse to launch YaleGlobal Online. The founding of the Yale Center for the Study of Globalization in the previous year and the launch of YaleGlobal created an important new bridge connecting Yale to an increasingly globalized world, and put us in a stronger position to contribute to the discussion about its evolution.

It is now widely understood that the world has become smaller and more interconnected. The revolution in communications technology has brought the world closer together and changed the way we think. The movement of capital across borders is now instantaneous, and the movement of people, products, and pollution is freer and faster than ever before. These facts make comprehensive governance of the economy impossible at the level of the nation-state. International institutions are needed to regulate trade, capital flows, and environmental degradation. Isolation is not an option. For the past ten years, YaleGlobal, edited by Nayan Chanda, former editor of the *Far Eastern Economic Review* and *The Asian Wall Street Journal Weekly*, has provided a steady stream of original reports on and insightful analysis of our interconnected and interdependent world.

Cross-cultural influences have always been a part of Yale's history and tradition. Yale was founded with a gift from Elihu Yale, former governor of the East India Company in Madras (now Chennai) India. Yung Wing, the first Chinese student to come to a U.S. university, graduated from Yale in 1854. But only recently has intensified globalization created tremendous opportunities for Yale and other universities around the world. YaleGlobal is one response to these opportunities, and I am delighted to see how it has blossomed in the past decade. Its rich content,

produced by Yale faculty as well as scholars and experts worldwide, is accessed daily by thousands of people in some 160 countries. Reproduced in newspapers and other websites, YaleGlobal articles are read by millions of readers all over the globe. I hope that this collection, *A World Connected: Globalization in the 21st Century*, will prove to be a handy guide to understanding the complex and evolving phenomenon of globalization. It is a compendium of carefully selected articles from the more than one thousand essays that YaleGlobal has published.

Yale University continues to adjust its curriculum and programs in order to analyze and understand the full array of global challenges confronting our planet. Global security is threatened by instability in the Middle East and by persistent terrorism that strikes almost randomly at civilized peoples around the world. Global prosperity is threatened. The global free trade regime that brought hundreds of millions out of poverty in the past quarter century is in jeopardy because of the parochialism of nations unable to see the common good. And unless we resolve to cooperate and do something about our environment, the biodiversity of the planet will continue to diminish at an alarming rate, and global warming will transform the conditions of life and livelihood around the world. With intelligent and timely analysis, YaleGlobal and its first e-book, *A World Connected: Globalization in the 21st Century*, perform the valuable task of raising awareness about our interconnected world and highlighting the need for international cooperation and better governance.

Richard C. Levin

President, Yale University

Introduction

Ten years ago, on a chilly November day, an improbable venture was launched in a corner of the Yale University campus – an online multimedia magazine to explore the phenomenon of globalization and promote debate and analysis on that highly contentious subject. As the flagship publication of the Yale Center for the Study of Globalization, [YaleGlobal Online](#) was not meant to be a general magazine on international affairs, nor a publication devoted to business and the economy, so often considered to be synonymous with globalization. YaleGlobal’s mission was to follow globalization as it unfolds in all spheres of life. Our mission is informed by our understanding of globalization as a historical process, a process that has increasingly connected the world and grown ever since early humans left their homes in search of better and more fulfilling lives. Commerce, proselytization, travel and conquest are but a few of the channels of connection that have tied the world together ever more tightly. YaleGlobal’s foundational essay, “[Coming Together](#),” and a PowerPoint presentation “[What Is Globalization?](#)” lay out the perspective through which the magazine set out to observe and analyze the process.

With the belief that it touches all aspects of life, allowing communities, countries and continents to become interwoven, we set out to examine world events with a wide-angle lens. A broad view of the world in constant mutation is an impossible task, producing a diffused image. Instead, we chose to view world events through the stereoscopic lens of interconnectedness and interdependence. Whether the news concerned trade, security, diplomacy, culture, labor, health or the environment, our authors try to view the developments from the specific perspective of connections and their resulting interdependence.

Every week for the past ten years YaleGlobal has published analyses of world developments viewed from a global perspective. As we dig into our archives of

more than 1,300 articles, we see globalization through time-lapse photography. Our specific focus on interconnectedness lets us experience globalization as a living organic process encompassing all of humanity. With hindsight, it can be seen as a process that slowly turns, twists, splits and unites as it transforms our lives. It has been a daunting but exhilarating task to select some 100 essays from this rich collection spanning a decade. We have been struck by how prescient many of our authors were in analyzing events as they happened. They spotted trends early in the globalization process that proved to be the new reality in the years that followed, with consequences affecting life in many parts of the world.

Week after week our authors focused on events that illuminated the interwoven strands of globalization. Eminent scholars and personalities were interviewed on global issues, and authors' biographies remain as they appeared with articles at the time of publication. Taken together, the essays and transcripts offer in a nutshell a history of globalization in the first decade of the 21st century. The warps and woofs of global interconnections and their varied consequences are impossible to capture in one narrative. We have thus grouped the essays under the broad headings of Economy and Trade, Diplomacy, Security, Society, Culture, Health and Environment, Demography and Migration, Anti-Globalization, Innovation and Global Governance.

In an ironic coincidence, Strobe Talbott, director of the newly minted Yale Center for the Study of Globalization in 2001, had just begun the first staff meeting of the Center when a passenger airline, American Airlines Flight 11, flew into the World Trade Center. Those in the meeting of September 11, including one of the editors of this volume, could not miss the significance of where the process of globalization had brought the new century.

At stake then and now are almost all aspects of life shaped by years of global interactions with consequences that leap boundaries and defy neat categorization. The world economy has experienced more profound changes from global integration than any other domain, influencing the political-diplomatic structure of the world. Although the US was the world's sole superpower, the rising economic and military might of other countries and empowered globally connected individuals

pose unprecedented challenges. Economic inequality and exploitation of developing countries create instability and resistance that threatens society and world security. Those countries that had failed to benefit from globalization or were marginalized have emerged as a chief threat to disrupt an integrated world. Migration, legal and illegal, has grown so much that 250 million people now live in countries where they were not born. Global commerce, travel and internet communications have transformed societies generating blowback from traditional religious groups and minorities that feel threatened. With every new technology, people are exposed to new ideas from diverse parts of the world, fostering creativity as well as resistance. Increasing connectedness of communities and countries has exposed us all to communicable diseases and, in 2003, contributed to the SARS pandemic; rising international trade, greater exploitation of resources and the resultant pollution that also crosses borders affect us all, as do accelerated greenhouse gas emissions that increase the specter of climate change. Social, economic and environmental fallout from growing global connections has spawned yawning inequalities and anti-globalization movements. Financial globalization led to the rise of the international Occupy movement.

As always in history, new challenges deliver innovative responses. How fast these responses evolve, how effectively they resolve the problems, will determine the nature of globalization in the years ahead. The most serious challenge is for the citizens of the world and sovereign governments to recognize the irreversibly interconnected character of life today where existential problems are of a global nature, which can only be tackled through global cooperation. Understanding a problem is the beginning of finding a solution. We hope that our modest volume, a selection of rich, complex perspectives found in the archives of YaleGlobal Online, will serve as a contribution towards that goal.

I would like to thank Yale University President Richard C. Levin, who took the initiative to launch the Center for the Study of Globalization and has shown a personal interest in YaleGlobal; Vice President Linda Koch Lorimer, an indefatigable supporter of the project; and Strobe Talbott and Ernesto Zedillo, the two successive directors of the Center, for their unstinted encouragement and support.

Associate Director Haynie Wheeler has been an ever-enthusiastic champion of YaleGlobal, ready to tackle any problem that presented itself. Susan Froetschel's tireless efforts both in editing and offering thoughtful contributions have been an essential part of not only the magazine's success but also of this particular volume. Web Developer Debbie Campoli's work keeps us on track and her beautiful design, maps and infographics add to the aesthetics of the magazine. She is responsible for designing the cover of this volume. I am also grateful to former assistant editors Anthony J. Spires, Jenifer Kwan and Nils Bertil-Wallin and a succession of Yale undergraduate editorial assistants for their hard work and many innovative contributions.

Nayan Chanda

Editor, YaleGlobal Online
