

Globalisation and Economic Determinism

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Abstract

There has been a reaction against economic determinist explanations of globalisation. This paper takes anti-economistic arguments in globalisation studies and argues that they unwittingly show the importance of the economy, or fail to undermine the importance of economic determinants in globalisation. The paper looks at meanings that economic determinism in globalisation studies is given and argues that economic determination is more complex than it is made out to be. It is politically important not to dismiss economic causality as out of date, reductionist or too determinist because structures of power and inequality in globalisation come from the economy. If the determinant role of the economy is pushed out then globalisation is made to look more benign, equal and democratic than it is and its darker sides are concealed.

This paper argues that criticisms of economic determinism in globalisation studies are wrong to reduce the role of economics, and that economics plays a big role in globalisation. I am focusing on criticisms within the sociology of globalisation. The arguments here may be more applicable to British and European sociology than to sociology in other countries. In the USA, for example, a political economy approach within the sociology of globalisation is more common (see, for instance, Sassen, 2007, 2008). In the UK and other European countries it is more likely to be seen as out of date and crude. Nevertheless, my discussion does not apply only to sociology or the UK or Europe. There has been discussion of a cultural turn in the social sciences generally (e.g. see Ray and Sayer, 1999).

Arguments against economic determinism

Marxism has been criticised for reducing the shaping of history and society to economic determinants too much, and anti-economic determinism in globalisation studies is sometimes part of an anti-Marxism.

It is also a reaction against the first wave of globalisation studies that is said to have seen globalisation as a singular neoliberal phenomenon with the same effect everywhere. In early analyses, globalisation is said to have been seen as economically driven and homogeneous, sweeping around the world with similar strong effects in all places (Held et al, 1999). Anti-economism is partly a critique of the alleged economic determinism and homogenising perspective of this wave in globalisation studies. It is argued that non-economic factors are more important than was recognised by the first wave, and that globalisation is diverse and multidimensional rather than the same everywhere.

The tendency to anti-economism in the sociology of globalisation has been identified by Larry Ray. Ray argues that 'much sociology of globalisation has been highly culturally inflected and has given

too little attention to the transnational economic processes that shape a global world' (2007, p.16). For him 'previous sociological approaches, such as development theories, were rather more in tune with global developments than is often the case with globalisation texts in sociology' (2007, p.14). These earlier approaches paid more attention to economics and less developed countries than some of the contemporary cultural sociology of globalisation that is more focused on rich countries and elite experiences within those countries. This is ironic since some contemporary globalisation texts argue that older sociological approaches are too unreconstructed to understand globalisation (Beck 2000, 2006).

The critique of economic determinism in globalisation studies is not only about a reaction against Marxism, but is also related to advocacy of a more pluralist view of the world. If globalisation cannot be reduced to one single causal factor, such as the economy, then it is more diverse than economic determinism suggests. Beck, for example, combines anti-economism with support for methodological pluralism in his critique of Wallerstein. He argues: 'this line of argument ... has two striking features: it is both monocausal and economic. Globalisation is exclusively defined in terms of institutionalization of the world market' (Beck, 2000, p.33).

More pluralist perspectives on globalisation argue a number of things: that globalisation i) has different effects in different places depending on local cultures; ii) operates at different levels, cultural and political as well as economic; iii) is not determined by the economy at cultural and political levels; iv) has multiple causes behind it other than economic ones, ie cultural and political causes too; v) and some pluralist views emphasise globalisation as a hybrid and mixed phenomena with inputs from many different parts of the world and not just westernised or homogenising. In short, pluralist views see globalisation as mixed, multidimensional, localised in its effects, and multi-causal. All of this goes against reducing globalisation to the economy or economic causality.

One example of this approach is Holton's (2008, pp.7-8). I pick this out as it summarises the approach well, not because his analysis is especially more problematic than others. In fact, as we shall see below, Holton, to his credit, also recognises the role of the economy. Holton says that globalisation cannot be reduced to economic globalisation and is not necessarily dominated by it. It is complex, meaning that it consists of many processes not just economic ones, and that some of the non-economic ones are not determined by the economy. For instance, religions (such as Christianity and Islam), culture (such as music and visual arts) and politics (such as NGOs) have forged globalisation and done so without themselves being simply determined by economics, but through their own autonomy and force. Forms of religion and politics, for example, have their own non-economic values and beliefs.

The journal *Globalizations*' mission statement says:

"Globalizations is dedicated to opening the widest possible space for discussion of alternatives to a narrow economic understanding of globalisation. The move from the singular to the plural is deliberate and implies skepticism of the idea that there can ever be a single theory or interpretation of globalisation. Rather, the journal will seek to encourage the exploration and discussion of multiple interpretations and multiple processes that may constitute many possible globalisations, many possible alternatives".

This definition combines the two features mentioned above, anti-economism and methodological pluralism. Roland Robertson is a leading sociologist of globalisation who has also emphasised cultural over economic causes behind globalisation, in combination with an emphasis on the localization of globalisation and how this varies from place to place (Robertson, 1992). Robertson

(2009) has argued for cultural over economic explanations, and Perkins (2009), commenting on this, notes a shift away from economically deterministic explanations of globalisation in favour of a greater focus on cultural globalisation.

Holton's, *Globalizations*, and Robertson's arguments are important. Explanations of globalisation should not be reduced to the economy. They should recognise the variety of causes, not just economic ones, levels of globalisation beyond the economy, the autonomous impact that culture and politics can have on the economy and society, and that they themselves are not just determined by the economy. How globalisation is received in different places, whether economic or cultural, depends on the culture of that place. This means that it takes different forms in different places. Globalisation is not just all about neoliberalism but also culture, and not just westernisation or homogenisation. Anti-economism and views of globalisation as plural go together.

Seeing globalisation in these plural ways is valuable and an antidote to monocausal, over-westernised, homogenising views, some of which focus on the economy at the expense of culture, or have a simplified view of its effects. Pluralistic views of globalisation are an improvement on earlier sweeping general theories, less popular nowadays, which see globalisation rolling out in a similar manner across the world. To say globalisation is multidimensional is helpful and brings out its mix.

But it is important not to separate off the plural factors of globalisation, focusing on each as if independent from the others and distracting from links and causal relations between them. And we must be careful not to push out the role of the economy too much. Giving a pluralistic mix of reasons as an alternative to monocausality is not by itself adequate. There are dangers in seeing globalisation as a hybrid mix, as if all parts are equal in influence, without seeing the primacy, dominance or determination of some over others. Often some causes are more dominant and some have more of an effect on other parts. It is necessary to look not just at the plurality of levels and causes, but also relations of determination between them, and whether some are more dominant or driving. Many parts of society and causes of globalisation are interlinked and my argument is that economic factors can often, but not always, be seen to be the driving ones.

Anti-economic determinists supporting economic determinism

One feature of anti-economistic arguments is that in making them proponents sometimes make the case for economic causation in globalisation as much as undermining it. An example of this is D.K. Fieldhouse's criticism of economically deterministic explanations of British imperialism. The latter was a form of globalisation – the spreading of economic, political and cultural forms across global extents, followed by ongoing and reverse global links in the postcolonial period.

One explanation for the British empire is that it was economically-driven. It was backed up by military power, the state and ideology, but based in motivations centred on commerce and trade. There are debates about whether the economics of empire were more about investment or trade or the expansion of commercial or industrial capital. But the historian of British imperialism, Bernard Porter, argues: 'No one any more seriously doubts that capitalist pressures were the primary reason for Britain's imperial expansion in the nineteenth century' (Porter, 1996, p. xv). Colonies provided raw materials and produce which could be exported, cheap labour, markets for manufactures, and overseas opportunities for financiers. Imperialism was a means for mobilising global resources for Britain and for British economic expansionism.

The expansion of the empire was not primarily culturally driven. This does not mean that there were not attempts to spread British or European culture through, for instance, promoting Christianity, the establishment of imperial education networks, or attempts to socialize local elites. But the idea that the British were trying to civilize the world can be exaggerated. The most extensive spread of economic, political and cultural networks was created by trying to maintain global trading and economic interests and was less involved with the cultural transformation of colonies, except where that was necessary to protect economic interests. Even then cultural socialisation affected elites more than ordinary people. The capacity to ideologically incorporate colonial populations was limited by local resistance, the problem of establishing ideological penetration on such a broad scale, and the realisation that toleration of local diversities was necessary for taxation, trade and order to be maintained.

Hobson (1902) is one who argued that imperialism was not about civilising locals, but that civilising claims were used as a justification for exploiting them as tools and their land for raw materials. They were a method for legitimating imperialism. In countries like India and China, he argues, cultures were as sophisticated as those coming from the imperialist West. Empire was more about economy than exporting culture. For Hobson, financiers promulgated economic motivations for empire more than other sorts of capitalists. Economics was not the only motive or factor. And the economic motives of capitalists were not always accompanied by net economic benefits for the nation, because of the costs of maintaining empire. But none of these qualifications take away the importance of economics as a key motivating force.

Fieldhouse (1973) attempted to provide a counter-argument to economically reductionist explanations for British imperialism, from Marxism especially. Fieldhouse argued for non-economic and less Eurocentric explanations. The non-economic causes of imperialism, he suggested, were political. Imperialism was pursued to maintain political authority abroad, power, prestige and security, or jingoistic attitudes at home. The non-Eurocentric angle to this is that, for Fieldhouse, attempts at imperialism were often responses to problems in peripheries that required greater intervention, as much as based in imperatives originating from the imperial country.

But despite his criticism of economic arguments, Fieldhouse adds to or balances them, or shows how they are more complex, rather than undermining them. He says that many of the political issues in the peripheries that led to extensions of imperialism arose from originally economic expansions based on trade. It was where imperial powers already had such economic interests that other reasons for intervention that were not directly economic arose. Fieldhouse sums this up like this:

‘Economic factors were present and in varying degrees influential in almost every situation outside Europe which led ultimately to formal empire; and the specific value of many of these territories to Europeans lay in trade, investment opportunities or other forms of economic activity ... the original economic issue had to some degree become ‘politicized’ and therefore required an imperial solution’ (1973, p.475-6).

In short, an attempt to provide a corrective to Eurocentric and economic explanations, by rightly emphasising peripheries and political factors, makes clear that European economic objectives underlay such non-European and non-economic actions. Political solutions were required to problems of what were economically motivated interventions.

I mentioned above Holton's (2008, p.7-8) argument for a non-economistic understanding of globalisation. However, in setting this out Holton says a number of things that give considerable power to the economy in globalisation. This shows a creditable openness in Holton's argument to economic factors. But I mention it here as an example of an argument against economism which also gives a lot of emphasis to economics. Holton argues that there is far more to globalisation than global economic processes, economic power, multinational companies and free trade, but also that these are 'very important' (p.7). He argues that NGOs like Médecins Sans Frontières and Greenpeace International take direct action to 'redress social and economic crises that corporations and nation-states have often either resisted or been slow to address'. So economic factors are seen as important in the action of these groups. Holton argues that while 'religious movements or political activism often challenge or resist economic globalisation, or utilize some of its technological infrastructure, [this] does not mean that they are simply responses to it' (p.7). This is a good point but also suggests that economic globalisation and the technology it has helped to produce are often behind religious or political movements or that the latter react to the former, even if there is also more to it than this.

Holton argues that some areas 'have a far more direct connection with economic globalisation' (p.8) and gives migration and the use of Information Technology and New Communication Technologies as examples. He says that much migration is economically motivated, for instance by the search for work or better conditions in richer countries, which have an economic need for migrant workers and the capital to pay for it. Similarly, he says that the internet and NCTs are driven by economic institutions on the part of businesses and consumers, for instance advertising or ecommerce.

None of this is to deny Holton's argument that globalisation is about more than economics. But he also suggests that economics is an important part of aspects of globalisation, from political movements, to migration and new technology and media. Arguments that set out to caution against giving too big a role to the economy give it quite a significant role in practice.

Economic arguments that are not as crude as anti-economic determinists say

So one way in which economic determinist explanations of globalisation hold up is that critics reinforce them when questioning them. There is not space to mention all instances of this, but I have given some examples. Another reason to stand by economic determinist explanations is that they are not as crude and problematic as criticisms suggest.

Seeing the economy as often dominant does not have to imply conclusions that critics attribute to this perspective or that may seem implicit in it. Economic explanations in the way I am arguing for them do not mean:

- 1) that the economy itself is necessarily determinant;
- 2) that economic forces are impersonal structures, as opposed to driven by agents with choice;
- 3) that political and cultural factors do not also have causal power within the context of economic causality;
- 4) that economic forces are always determinant;
- 5) that economic determinism leads to homogenisation.

These are important clarifications, within the context of economic motivations being primary causes behind globalisation. I will look at these in turn, and in the next section give some concrete examples.

1) My emphasis is on *economic motivations rather than the economy*. If globalisation is driven by economic incentives this does not necessarily mean it is caused by the economy as a structure or only by economic actors. For instance, key actors in economically motivated globalisation can be states or governments. These are political rather than economic agents but might be motivated by a desire to secure economic benefits for their territory. So while economic motivations are driving things, the economy itself or only economic actors may not be. It can, for example, be political actors who are doing so.

2) As such, economic determinism also does not necessarily imply that society is shaped by *impersonal economic structures* out of its control. Economic motivations are often the creation of actors such as governments or corporations. They deliberately and actively promote their economic aims. These or other actors putting different goals in their place could change this. To see globalisation as driven by economics is compatible not only with non-economic actors being behind this, but also with agents and choice rather than impersonal structures as determining forces.

3) Focusing on economic motivations does not mean that *politics and culture* do not have an impact on economic globalisation. If economic motives are behind globalisation there can be more than one way to pursue them. The shape economic globalisation takes varies, often in accordance with culture or politics. The political institutions and traditions of a country affect the reception or shaping of globalisation, and it can take different forms according to the local cultures where it is received. So economics is politically and culturally embedded and this is partly why economically driven globalisation does not have the same outcome everywhere (see [5] above). At the same time it may still be economic incentives that drive globalisation, even if taking different forms according to political and cultural embeddedness. The latter does not disprove the former.

4) To say that economic incentives are a primary force behind globalisation does not mean that they are always the primary force in all areas. *Forces other than economic ones*, cultural ones for example, can determine domestic politics and policies. In the USA socially conservative religious values have a strong influence on politics. Religious values are important in politics in Islamic states. Gender inequality and the globalisation of it are often perpetuated by economic motives – women workers from the developing world provide cheap labour in rich countries, for instance. But the gendered dimension of this cannot be explained by economics and needs to be accounted for, in part, in terms of patriarchal culture and ideology.

So, I have argued that economic determinist explanations of globalisation need not be as crude and simplistic as critics put it. At the same time, none of these complexities take away the significance of economic causality. They show that economic motivations being primary is not the same as reductionism to impersonal forces, and can include roles for agency, non-economic forces and diversity in outcomes. But they show the form that economic motivations take. They do not show that the economic is not determining, or imply a return to pluralism alone. They show the agency and role of politics and culture in economic determinism, but not that economic motivations are not often a primary determinant. These complexities to the theory do not mean that economic causality behind globalisation is unimportant because of the fact that it can turn out differently in different places, and be taken in varying directions by non-economic actors or contexts. Economic causality still shows why globalisation happens in many cases. It shows why some forms of globalisation may happen rather than others. It helps us to identify the key powers behind globalisation, their motivations and, therefore, what sort of directions globalisation could

be pushed in. Maintaining the sort of economic determinism I am arguing for here tells us about causes, directions and power in globalisation.

Here is a summary of some of the key arguments about economic determinations of globalisation made so far, or to be made shortly:

1. Being pluralist about the multi-causality behind globalisation is good but not good enough. We need to look at relations between plural causes and see which are more dominant or have a causal effect on others.
2. Empirical evidence, rather than theoretical presuppositions, shows economic causality behind globalisation in areas such as culture, migration, politics or war. I will come to empirical examples shortly.
3. Economic determinism does not mean that the economy itself is necessarily determinant. Economic causes may operate through other agencies and spheres, such as corporations or governments.
4. It is not the economy I am saying is determinant, but economic motivations.
5. It is not the economy as an impersonal structure that is determinant, but active agents making economically motivated decisions, although these may be affected by structural factors such as capitalism, investment and inequality.
6. That economic motivations are often primary does not mean they are the only causal factor. There may be other causes at the same time.
7. It also does not mean that they are always determinant. Sometimes other factors will be more important, for example, culture or beliefs.
8. Economic causality does not mean that globalisation will be homogeneous. Different decisions are possible on the basis of the same economic motives, and location and political and cultural factors may lead to differentiation in the way globalisation turns out.
9. That there are such complexities to economic explanations of globalisation does not mean that there is not still economic causality and that it is not important to identify it. Seeing the economic causes behind globalisation helps us to know its determinants, to explain it, understand the agents and interests involved, who are most powerful, make predictions, understand the relative weight and mutual effects of different causal factors, and have a more exact understanding than one which sees globalisation just as caused by multiple factors.

Evidence for economic determinants

It is important not to make just theoretical arguments for or against economics. What is determinant in globalisation is an empirical question. We should look at empirical evidence to see if the case for economic causality stands or falls. Looking at concrete evidence there are examples of economic causality.

In the globalisation of media and culture there is cultural heterogeneity and hybridity, rather than just a global homogenisation of culture that some economic approaches propose. Culture has its own autonomous force that has an impact alongside economics. For instance, religious ideas are a causal force in societies, as well as economic motives. Phenomena like blogging allow ideas to be spread without corporate or political backing. But these forms of culture do not displace homogenisation and inequalities of media and culture constituted by corporate power, but exist alongside and within such structures. Alongside blogging and cultural hybridity exist the domination of Hollywood film and the monopolisation of media industries by a relatively small number of big corporations. Culture often spreads through the attempt to buy and sell it to make money, i.e. in response to economic incentives. (See McPhail, 2006).

War is often a battle over the resources needed to stay alive or drive the economy. Wars like those that have been going on for years in Sudan can be described as ethnic or religious conflicts. They sometimes do have such dimensions. But in the case of Sudan, conflicts have also been over declining resources, reduced as a result of climate change, itself caused by economic growth in the northern hemisphere. So war has a basis in economic factors such as growth, material interests and economic resources.

Politics is driven by the attempt to maximise the wealth of society, amongst other things. The state of the economy is a major factor effecting voters in democracies, and the revenue the government has to spend. So it preoccupies governments, not solely, but as a key factor. Material interests undermine global cosmopolitan democracy. Agreements over world trade, climate change and nuclear proliferation break down over states wishing to maintain their own economic and material interests, for instance in protectionism, producing carbon emissions and maintaining nuclear weapons.

I will focus on two examples in particular – discourses of globalisation and migration. These provide strong examples of the case against economic explanations of globalisation.

Discourses of Globalisation

Some discourse theories of globalisation (e.g. Cameron and Palan, 2004) react against economism. They argue that globalisation is not primarily an economic phenomenon. Whether it is happening economically or not is not important. The key issue is whether we *think* it is happening. Discourses of globalisation create a picture of the world that legitimates some things or leads us to behave in certain ways in accordance with the idea of globalisation. For instance, we go along with neoliberal policies because we believe they are required in a globalised world, not necessarily because they are. It is discourse rather than economics that is determinant and globalisation is an ideational force as much as a real material one. Discourse theories are set up as a sophisticated step forward from outmoded economic determinism.

However, as discourse theorist Bruff (2005) has argued, discourses of globalisation are often based in economic interests. Economics may be what brings ideas to the fore. Economic expansionism creates global media and structures on which global imaginings are based and from which they develop. There is real globalisation behind the idea of globalisation, as much as the idea constituting the reality. Corporations promote discourses of globalisation to encourage policies that favour them, such as lower taxes and looser regulations to keep mobile capital in the country. Governments promote discourses of globalisation to justify neoliberalism that they have an economic or political commitment to. So ultimately the discourse of globalisation can be rooted in the attempt of corporations or government to pursue their interests and power (a point also argued by authors like Colin Hay – see, for instance, Hay and Rosamond 2002).

Bruff says that whether globalisation is happening or not is not the issue. It is whether we believe it is that is a key thing that influences our knowledge and behaviour, and this is contained in discourses of globalisation. In saying this Bruff is moving away from economic pictures of globalisation to emphasise ideas more. But he also says that discourses are linked to material interests and agents in society, rather than just being free-floating and unrelated to economic and political bases. There is an economic grounding for discourses of globalisation. The economic grounding occurs where discourses arise on the basis of material interests. The aim should be to look at which groups and interests are invoking the idea of globalisation – from sections of capital

that will benefit from free trade reforms, to governments who invoke external global pressures as a reason for cutting spending on welfare. For Bruff, the ideational perspective on globalisation needs to be combined with political economy. This is rather than making the latter redundant and overlooking how important it is for understanding discourses, where they come from and what interests they represent. Agency and contingency at the level of ideas are combined with causality in material and economic interests, capital accumulation and expansionism.

The other thing to say about discourses of globalisation is that they often conceal economic and political realities. Economic liberalism or global human rights as ideas, rightly or wrongly, justify western expansionism. Furthermore they disguise something beneath what they say. Beneath the guise of free trade and open competition, economic liberalism involves a discrepancy between more wealthy and powerful nations and those less so. Free trade gives the richer and more powerful the freedom to compete openly with those at a competitive disadvantage with them. The discourse of free trade and open competition disguises something less than free and open.

Global human rights involve Western and individualist values (which are important, although inconsistently adhered to in the West). Some other perspectives or parts of the world stress collectivist or economic ideas of rights, such as the right to food and water, more than individual or political rights. Or they see values such as collective obligations or economic equality as above individual rights. So what appears to be a universal idea that stresses freedom disguises a Western idea that contrasts with alternative values in other societies or political perspectives. Global human rights disguise their own lack of globality and rights.

Globalisation involves economic and or political projects to which meanings are attached to gain the consent or acquiescence of groups in society, legitimating or justifying them through categories such as 'globalisation'. They are rooted in underlying political and economic objectives and interests. As we have seen, some disguise inequalities and power as equality and freedom.

So, it is possible to see economics behind global media, politics, conflict and discourses of globalisation. The economy is not the only casual factor in any of these spheres, and there are instances where it is not the primary one. But if you look at globalisation in practice, economics is often behind it in different spheres of society, even if not the only factor, and with other factors, such as politics or culture, sometimes behind the economics or shaping the path it takes.

Economics and International Migration

Another example is economic explanations for migration. Do these hold up? Economic explanations for migration are easy to dismiss. The economy is an impersonal force - how can it cause things? Don't actual agents such as individuals or states make decisions about whether migration happens or not? If it's all about economics why do people often not migrate when wages in their country are lower than in other countries they could move to? Surely individuals are not just economically rationally calculating beings. They also have loyalties, emotions and make non-rational and less individualistic calculations. Non-economic factors seem to play a role.

But lots of migration is economic. Migration can be in pursuit of better economic circumstances, or in reaction to things like wars that have economic bases. Much migration is labour migration (King, 1995). Economic well-being as a motivating force has been a major factor in migration, from pre-modern plundering and trading, to European imperial migration to colonies in pursuit of economic expansionism, European migration to America in search of a better life, the slave trade, post-colonial migration to Europe in the postwar period, Asian migration more recently to

America, and Latin American migration to the Northern hemisphere. These examples have been dominated by economic expansionism, or the movement of people in search of better economic opportunities. They frequently involve the poor looking for better material prospects, or the rich trying to increase their productivity and profits. As such, economic causes of migration are also bound up with inequality, something that is a central feature of globalisation that I will return to at the end of this paper. On the same theme, the rich can migrate more easily than the poor, for economic reasons to do with wealth and income.

Furthermore, as mentioned, economic explanations for globalisation need not be as crude as such criticisms imply. Stressing economic motivations does not necessarily mean that the economy is the cause of globalisation. The facilitating of globalisation by governments or states can be economically motivated, to find labour or contribute to production and growth, for example. In situations like this economic factors come in without the economy itself being determinant. Globalisation can be economically driven but by agents rather than impersonal structural forces, and by actors outside the economy, such as political actors. It may be economic motivations or interests rather than the economy that are the key factor. Economic explanations can hold without there being a crude economic reductionism. (For a discussion of economic theories of migration see Massey et al, 1998). What are key features of economic explanations for migration and how is a good economic explanation different from crude constructions of it?

1. *Economic motivations* are the key factor I am stressing rather than the economy itself. An explanation based on the former need not imply the latter alone is necessarily determinant. At the same time, if structures are not determinant that does not mean that economic factors are not a driving force

2. A focus on motivations also means that actors make decisions rather than the explanation being one that involves external impersonal economic forces or structures. So economic explanations are compatible with agency and cannot be written off as structurally determinist. It may be that economic structures, for instance investments, inequalities or the capitalist basis for economic motivations, affect migration. But there is also a role for *agency* in motivations to move, whether on the part of migrants, governments, or other people who make decisions about the mobility of people.

3. While economic motivations are a factor it can be *non-economic actors* that have them. For instance, governments, households or individuals are actors in migration, as well as the economy or economic entities like corporations. Governments might encourage immigration for the economic reason that they need labour, or need taxpayers to support an ageing population. Individuals or households may decide whether to take up the economic opportunities of migration. Migrant social networks, or social capital in immigrant communities, also play a part in business opportunities, housing and employment being provided for inward migrants. Social or human capital can be converted into economic capital. Economic explanations cannot be dismissed for reducing everything to the economy because explanations in terms of economic motives are compatible with non-economic actors and networks being important.

4. Economic explanations do not need to assume *individual rational economic actors* as in rational choice or neoclassical explanations. Actors can include states and households. And an economically motivated decision may not happen only in response to the economic motivations. A decision by a family member to migrate to seek a higher wage can also be affected by emotional family bonds or politically enabling factors, for instance. Family bonds might put them off migrating or make it easier if these are weak. So an economically motivated decision need not be a

rational individual choice alone. At the same time, the fact that migration is not just a rational individual decision does not mean that it is not economically motivated.

5. That economic gain can be made from migration because of economic differences between countries is not a sufficient basis on which to predict migration. Economic causes cannot be measured in objective criteria alone. Sometimes people do not move when economic gains can be made. But economic explanations cannot be dismissed because there is a *failure of actors to migrate in economically advantageous situations*, as there are other intermediary factors involved. Often, say, wage differentials are there, and are a key driving force behind migration decisions, but they have to be perceived, and seen to be decisive against other factors such as the costs of upping roots or migration being politically possible. At the same time, that it is more complex than can be predicted from comparative economic indicators alone does not mean that economic factors are not still the motivating force in such situations. Once other factors are taken into account it can still be the possibility of a better wage that is the main motivating factor to move.

6. Economic motivations are *filtered through other factors* such as political obstacles to migration and networks that facilitate migration. So economic motivations do not translate automatically into migration. They have to be perceived and are also affected by factors such as family and community roots, government policies which encourage or inhibit emigration or immigration, networks for migration, demographic factors (such as an ageing population in receiving countries), costs and risks of migration, proximity and distance, colonial or post-colonial links, and channels of investment. Stressing underlying economic motivations as significant does not mean they are the only factor or sufficient by themselves. At the same time, the role of other factors does not mean that economic factors are not significant and prevalent. It shows that they are filtered through intermediary influences, but not that economic motives are not important.

7. Once you take into account economic motivations and other intermediary filtering factors, then at the level of individuals and households there are different circumstances in the face of similar economic motivations. Consequently, where there are common economic motivations, *whether migration occurs or not will vary*. On one level this means that an analysis based on economic motivations is complex. At the same time, while economic motivations may lead to varying migration decisions across individuals and households, and that you cannot therefore easily read off outcomes from economic data alone, this does not mean that economic factors are not key motivating forces. That there are a variety of outcomes because of such other factors does not mean that economic motivations are still not the driving force. It means that where they exist the outcome varies because of other factors.

8. Where economics is *not the most proximate or direct incentive* it can be a factor underlying what is. For instance, refugees from wars migrate to escape physical danger rather than because of economic motivations. But it is possible that the war could be caused by economic motivations or material interests, for instance the desire to secure access to precious resources such as oil, water or fertile land. In such cases economic motivations may not be the direct cause of migration but underlie the causes that led to it.

9. Economic motivations can be linked to a *variety of economic circumstances*. They may involve push factors in the country of origin or pull factors in the receiving country. They can be linked to wage differentials between countries, employment opportunities, the possibility of remittances, or general economic buoyancy or prospects in sending and receiving countries. So economic explanations cannot be dismissed if, for instance, wage differentials between countries do not

lead to migration from one to another. There are other sorts of economic factors that are motivating factors, not just obvious ones such as wage differentials or employment prospects.

10. Furthermore, the question of *degree and extent* is important. Whether different economic opportunities between countries become a factor in migration depends not just on them existing, but also on the degree of difference. Migration is a risky, complex and costly business. Small economic gains may not be sufficient to make migration likely. Migration for economic reasons depends also on degree and extent.

So economic motivations for migration are complex. Economic explanations cannot be dismissed by making them crude and simplistic. At the same time, that economic reasons for migration are complex does not mean they are not often behind migration.

Why it is important to keep economics in the picture

I have argued that it is wrong to dismiss economically determinist explanations for globalisation. Anti-economists can unwittingly make the case for economic determinism. Economic explanations for globalisation are more complex than simplifications make them appear. And there are examples of where economics explain globalisation.

There are reasons to defend economic explanations of globalisation beyond that the economy is significant in globalisation. Economic analyses bring out other dimensions of globalisation that are important, that a dismissal of economics conceals, such as inequality and power. Economic factors need to be given a significant place to ensure an accurate explanation of globalisation. But to do so is also politically important.

Economy, globalisation and life chances

I have focused so far on economic determinants of globalisation. The economics of globalisation are also important for understanding peoples' life circumstances globally. These cannot be understood by a focus on culture, although culture is important, or by a focus on culture that separates it from its economic determination.

Culture is important and interesting. Identity and cultural experience are big parts of our lives, and consciousness and culture are forged out of global inputs, from media to music, migration and food. But economics and politics are important too. Culture is affected by economic and political factors. For instance, mergers and diversification in the media industry, and government deregulation, impact on our cultural experiences as consumers. They have brought the world media into the hands of a smaller number of big corporations from the richest capitalist countries. The roles of the public interest and diversity have been diminished by these developments.

Economic restructuring and international political power that seem distant have big consequences for our individual lives. The global economy and distribution of wealth affect, for example, our opportunities for employment and our material circumstances. And which side you live on in the constellation of global political powers has significant consequences for your life chances.

The fact that I live in a rich, developed country, one of the core powers in the world, and relatively democratic, peaceful, and free, has a great effect on my life compared to what it would be like if I lived in a poor, developing country, or one with less democracy and freedom, or more conflict and violence. A large proportion of the world's population live in places with some or all of these

problems. That I can watch digital television and access the Internet, cultural experiences, does not just have economic and political bases. It also pales into insignificance next to economic and political factors that give me a privileged everyday experience.

Important inequalities between richer and poorer parts of the world, in terms of factors such as wealth and production, are downplayed by anti-economism. North America, Europe, and South and South East Asia produce about 85% of the world's Gross Domestic Product, and about 85% of global exports (Dicken, 2007, p.39). This leaves 15% of these in Central and South America, Africa and other parts of Asia. A triad dominates the world economy to the exclusion of others. If you focus on culture and downplay economics in the name of anti-economic determinism the significance of this inequality and power is left out.

The number of people below the \$1 a day purchasing power poverty line exceeds 1.2 billion¹. More than 1 in 5 people in the world are in poverty on this definition. 2.8 billion live on less than \$2 a day, about 40% of the world's population (UNDP, 2003). In 2005, 36 per cent of people in less developed countries were living on less than \$1 a day and 76 per cent on less than \$2. The proportion of people living in poverty is falling slowly but the numbers living below the \$1 and \$2 lines was larger in 2005 than in 2000 (UNCTAD, 2008a, p.2).

There have been big improvements in populous places like China and India. But in sub-Saharan Africa poverty below the \$1 line was 53.3% in 1985 and 54.4% in 1990. 74 million more people in the region were in poverty at the end of the 1990s than at the start (UNDP, 2003, p.41).

There are about 195 countries in the world. 54 countries were poorer in 2003 than 1990. In 21 numbers going hungry had increased and in 14 the number dying before the age of 5 had gone up. In the 1980s 4 countries experienced reversals in the UN human development index (which measures life expectancy, health, education and standard of living). In the 1990s this got worse in 21 countries. In the 1990s development assistance from the rich declined, debt in poor countries increased and the price of primary commodities, which many poor countries export, continued to drop.

In Africa, about one third of people live in hunger and about one-sixth of children die before the age of 5, something which is not improving. In 1990 you were 19 times more likely to die before the age of 5 in sub-Saharan Africa than in a rich OECD country. By 2003 this had increased to 26 times more likely. Because of population growth the numbers in these situations are also growing. In 2000 4.5 million children died before the age of 5 in Sub-Saharan Africa and 3.6 million in South Asia – making up 76% of global mortality by 5 that year. Life expectancy at birth is 49.6 in sub-Saharan African countries and 79.4 in high-income OECD countries, with a world average of 68.1. It is in the low 40s for countries like Sierra Leone, Zambia, Mozambique, the Central African Republic, Angola, Zimbabwe, Lesotho and Swaziland. In some of these countries 70% of people do not live until 40 and in many Sub-Saharan African countries life expectancy is on the decline because of HIV/AIDS, other diseases and factors such as injury (UNDP, 2003 and 2008a).

A critical approach to globalisation

These figures should be looked at in the context of commentaries which are dismissive of analyses of globalisation that focus on economics and inequality for being out of touch, reductionist or too

¹ This means they can afford in their own country what \$1 would buy in the USA. It does not indicate that they have the exchange rate value of \$1 a day to spend.

negative. The alternative picture of globalisation such commentaries put forward is of the spread of global human rights and cultural cosmopolitanism. They see globalisation as a positive, equalising, and democratic process bringing an intermingling of cultures in a new cosmopolitanism, and the generalisation of progressive values such as universal human rights. (See, for example, Delanty 2009 and Holton 2009 on types of cosmopolitanism, including this positive cultural type about which Delanty is more favourable and Holton more questioning).

It is possible to come to such optimistic conclusions by focusing on culture in separation from the economy. Such approaches often also focus on elites in rich countries, at the expense of other strata and poorer countries. But when you build economic inequalities into the picture, a world of cosmopolitanism, cultural hybridity and the spread of rights looks different. Themes of power, inequality and conflict come back to the fore.

Rejecting economic explanations of globalisation as too economicist undermines an understanding of the causal role of economic inequality and power in globalisation. This leads to an image of social relations that does not show how they are unequal and power-laden because of economic and political structures. If global society is looked at separately from economic and political relations then the economic and political power, inequality and conflict that affects it is overlooked. This makes globalisation seem more equal and benign than it really is. As we have seen, it can affect our understanding of economically determined phenomena, such as media, politics, war, discourses and migration.

Some sociologists take into account political economy but separate their studies of cultural globalisation from their observations on political-economic relations. Consequently their awareness of conflict, inequality and power in politics and economics becomes separated from the more optimistic, equal and cosmopolitan picture they have of culture. Beck, for instance, argues against economic determinism and for cosmopolitanism as inevitable, yet also outlines separately how the mobility of capital has undermined the power of the state and labour in Germany, a very economic and uncosmopolitan phenomenon (see Beck, 2000, 2006). Nederveen Pieterse has written on the global hybridisation of culture but also elsewhere about the role of American power in the world, something that has very unhybrid implications for culture, and a major role for economics and politics (Nederveen Pieterse, 2004a, 2004b). Bourdieu (1998, 2003) on the other hand, incorporates political economy, and so also power, inequality and conflict, into his sociology of globalisation not only into his studies of economics and politics but also his sociology of the media and culture.

A focus on culture and a reaction against economism, leaving out the economy and the way economic motivations, economic power and inequality structure globalisation, gives an over-benign, harmonious and equalised picture of globalisation. The consequence of cultural and cosmopolitan approaches that see globalisation in this latter way is that globalisation based on power and inequality is downplayed. A world with such problematic characteristics is validated by being defined in terms of the more optimistic category of globalisation. Not only is power and inequality left out, but power-ridden and unequal globalisation is positively endorsed, because such factors are excluded from the picture by anti-economism.

I mentioned at the start of this paper that it is important to have a pluralistic understanding of globalisation that does not reduce explanations to economic or other single factors. At the same time it was argued that it is important to see the links between different factors in globalisation and look at the extent to which some have causal power over others, rather than just seeing all as equal, separate or unaffected by one another.

The search for resources, trade, production or investment and the wealth that can be made from these has been a driving force in globalisation, from premodern trade, to European imperialism, and global capitalism. One result has been global economic interdependency such that small occurrences like the 2007 US sub-prime crisis can have ramifications for economic, political and cultural life globally.

Similarly phenomena like media and culture, politics and migration are not autonomous from economics, often being motivated, unequal or structured by power on economic bases. To dismiss economic explanations as too economicist leads to such causes, power relations and inequalities being missed out. If you go too far in guarding against economic determinism then you leave out the way these economic factors determine peoples' life chances. Anti-economic determinism runs the risk of hiding power and inequality and endorsing a globalisation structured by these, as if it is not. A critical sociology, which shows relations of power and inequality in society needs to maintain an awareness of where economic factors determine globalisation, even if critics dismiss such an approach as old-fashioned and past its day.

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