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**Globalization and Conflict:**

**Effects of globalized production & culture on conflict**

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A broad definition of globalization from Susan Olzak states: “Globalization refers loosely to an increasingly interdependent pattern of relations in which political treaties, media and information flows, negotiations, economic and trade exchanges and agreements like regions and states.” (Olzak 2010, 4-5) This broad definition covers numerous topics, but this paper will focus more specifically on the forms of globalization that cause pressure on states, both externally and internally, that can lead to either interstate or intrastate conflict.

As a result of globalization, the globe is significantly more connected today than it was even just ten years ago. All of this interconnectivity raises questions about the effects that globalization has on the world, specifically in regards to conflicts. With the U.S. invasions of Iraq and Afghanistan, civil war in Syria, the Arab Spring, the Russian invasion of Georgia, and numerous other conflicts; it is clear that globalization does not end conflicts outright. However, globalization could have an effect on conflicts and on who is involved fighting in these conflicts. Do the effects of globalization affect countries similarly or do the effects vary on certain conditions or specific forms of globalization?

Generally, economic problems can be exasperated in developing nations and can lead to internal conflict. By considering Nye and Keohane’s ideas on interdependence, a discussion of how globalization fits into interdependence will show potential vulnerabilities of globalization. Furthermore, the effects of a specific effect of globalization on culture and production will be compared to the relations of developing states between themselves and internally. Globalization of culture and production places great strain on developing countries and leads to conflict internally against the globalizing forces in terms of both intra- and inter-state conflict. Moreover, it leads to conflict because not all groups within the society benefit equally from globalization there is a tendency for conflict between haves and have-nots to emerge.

**Globalization and Conflict:**

Stewart summarized the best way to minimize conflict in the 21st century into nine points, of which eight were economic or trade related. The author went on to conclude that diasporas provide important funding for conflicts as displaced persons send money back to their homelands, this money can be used to sustain a rebel force despite internal pressure from the government. Stewart stated:

Most struggles for self-determination that have strong local causes involve a combination of cultural, economic and political factors. Global influences, however, often play a strong role in contributing to the inequalities and deprivations, while they also facilitate the finance of the struggles and provide private incentives for individuals to fight, both among the government and the rebels. Global cultural connections also play a part. On the one hand, diasporas can be an important source of finance for particular groups; on the other, cultural connections facilitate trade and finance, particularly when trade is illegal. (Stewart 2006, 42-43)

This begins the discussion on the ideas of what global influences can strain a state internally and lead to conflict. The author talked specifically about how certain globalized trades such as timber, drugs, diamonds, aid, oil and diasporas are all used to finance conflicts. Stewart’s findings correlate with Gissenger & Gleditsch, who focused on foreign direct investment (FDI) and how it caused political unrest by causing inequality. Stewart’s examples also depend on FDI since timber; diamonds, etc. are what FDI is investing in.

Stewart’s second major point was that both economic and cultural influences are critical in shaping internal conflicts. Additionally, the book concludes that future conflict analysts should be “multidimensional” in their perspectives. Economic considerations and cultural factors individually can cause problems. However, it is foolish to think that they do not both work into the factors that guide internal conflicts. (Stewart 2006, 247)

Oliver Roy has done extensive research on global Islam and adds that with the emergence of global Islam; globalization has overlapping ties with Americanization. The addition of American culture and values can, at times, clash with the religious values of Islam and brings together elements of ethno-religious conflict, fundamentalism, and globalization. American culture has transcended many boundaries and spread throughout the world due to the large scale of interconnectedness; through multinational companies such as McDonalds, communication through internet and social media, and movement of people such as travelers. (Roy 2005, 271-287) Danielle Conversi looked at ethnic conflict and globalization and her conclusion, which followed Oliver Roy’s work, found that:

Wherever cultural globalization appears as synonymous with Americanization, it engenders conflicts on a variety of levels. Because the process is one way and unidirectional, the result is unlikely to be a fusion between cultures or, even less, the blending of ethnic groups… together with the collapse of the state legitimacy, this substantially contributes to the spread of ethnic conflict and nationalism. (Conversi 2009, 362)

Ms. Conversi’s conclusion shows one level of globalization that aggravates internal pressure on a state that can lead to conflict inside this state. Susan Olzak’s work concluded that ethnic conflict and economic globalization had a connection and a pattern. She found that economic globalization did not decrease deaths during a conflict. She continued on saying that two of her models found that “economic globalization actually *raises* the rate of fatalities from ethnic civil war” (Olzak 2010, 21). Gissinger and Gleditsch looked at the consequence of economic globalization on civil wars, focusing on how “a high level of trade does generate more domestic peace; at the same time, direct foreign investment also creates conditions conducive to political instability” (Gissinger and Gleditsch 1999, 327). Additionally, the authors took it even further, by breaking down what types of exports seem to be more instable than others. They concluded that foreign direct investment (FDI) “seems to have a more negative effect on distribution and political unrest than does trade” (Gissinger and Gleditsch 1999, 354). Gissinger and Gleditsch singled out agricultural products as having caused inequality and political unrest; although the author conceded that it depended on the structure of the economy.

Benjamin Barber wrote “Jihad vs. McWorld” and looked at effects of globalization as a push for uniformity and integration. Globalization has led elements of states to push back against globalization along ethnic, racial, tribal or religious lines looking to make a smaller element inside a state. (Barber 1992)

**Interdependence:**

Globalization brings states and other entities into more contact with each other at more levels. This leads to a complex relationship, which only gets more complex as multinational corporations spread resources across the globe. Complex interdependence has been molded into a theory to counter realist perceptions of the world. Realists view that “All history shows that nations active in international politics are continuously preparing for, actively involved in, or recovering from organized violence in the form of war” (Morgenthau 1967, 36). To realists, power is the ultimate form of diplomacy and they focus a great amount of energy into military might. Nye and Keohane argue that three characteristics make up a complex interdependence; the multiple channels that connect societies, the fact that states’ relationships are based on multiple issues and not just a single one, and that military force is not used where complex interdependence ‘prevails.’ (Koehane and Nye 1977, 25). This complex interdependence builds a more robust relationship that cannot always be pushed away by a state’s short term military desires.

As globalization leads to states becoming more interdependent on one another, one cannot ignore the reality of vulnerabilities that arise from this independence. Joseph Nye and Robert Keohane have given theories of vulnerability interdependence. They define vulnerability “as an actor’s liability to suffer costs imposed by external events even after policies have been altered” (Koehane and Nye 1977, 13). Nye and Keohane go on to talk about “asymmetrical interdependencies as sources of power among actors” (Koehane and Nye 1977, 18). This idea can be used for both governments and multinational corporations, as globalization has increased the importance of multinational corporations in world affairs and state relations. The relationship between multinational corporations and globalization will be discussed in the next section.

**Globalization of Production: Great Powers v. Developing Powers**

Stephen Brooks wrote an extensive book on security and how the effects of globalization of production have affected great powers’ relations, and how that has affected developing nations. His book brings into focus one particular form of globalization that keeps great powers from going to war, which is a common observation. He concludes that globalization of production, which is done by multinational corporations, reduces conflict amongst great powers while it tends to increase conflict amongst developing states. This is mostly because developing states do not benefit from globalized production in the same way. (Brooks 2005, 220)

The dispersion of a state’s resources makes states more vulnerable to supply cut offs. Conquering other states requires advanced military hardware, which is acquired through globalized production of defense. This globalized production will leave a state open to sanctions from the international community. Brooks notes that other sources of stability exist such as nuclear weapons, international institutions, however he goes a step further making the claim that global production is “the most robust source of great power stability” (Brooks 2005, 215-216). Brooks argues that globalized production is a structural check on great powers, limiting their ability to upend the system, since their diffused production means are open to threats abroad and it would be extremely difficult for a great power to protect its interests everywhere while trying to change world order.

Globalized production can greatly enhance great powers’ military capabilities and also diffuses the economic capabilities of a state over the globe, making conquering it for its economic benefits less relevant. Brooks argued that the globalization of production affects security relations amongst great powers. The traditional idea of conquering a nation for economic gains is dwindling as the state’s economic resources are now scattered over various areas and regions of the world. (Brooks 2005, 209-210). (Brooks 2005, 214-217)

Amongst developing states globalized production does not seem to be a peace setting trend. Small developing states often do not have far reaching globalized production, and because of this, these developing states still are economically conquerable. Mr. Brooks gave the example of Kuwait; a country with much of its economy focused on oil and has a high per capita GDP, leading to less globalized production (Brooks 2005, 222). Kuwait was invaded by Iraq in the First Gulf War 1990-91 for its oil, supporting the concept that developing states are still economically conquerable.

Developing states fail to achieve the benefits that global production allows great powers. Great powers use globalized production to enhance and diffuse their economies and weapons production. A globalized weapons production allows states to more rapidly advance their weapons. However, developing countries do not get the same benefits that great powers get with globalized production. Generally developing countries can only afford to focus on certain weapons and advances; staying current with all the various weapons systems are generally out of their reach. Additionally, these ‘niches’ of weapons systems can give states edges over their neighbors and can lead them to decide to conquer their neighbors or can lead to arms races amongst them as they compete with each other to have an edge. (Brooks 2005, 226-227). Great states do not have such concerns as they can afford the various weapons systems and therefore gaining a decisive advantage through globalized weapons productions is unlikely, not to mention the general difficulties mentioned earlier about conquering great states with diffused economic capabilities.

**Discussions:**

Globalization and conflict place pressures on a state internally, through economic resources. As FDI enters these countries through the forces of globalization of production by multinational corporations, conflict that ends up focusing on controlling resources arises. Timber was cited as being used for conflicting parties’ profits in Cambodia, with the Khmer Rouge used timber sales to finance their operations. Burma’s government and outside timber companies have used timber revenue to fight a lengthy civil war for both sides. Finally, timber was one of several revenue sources used to finance conflict inside Liberia and also to support other actions in Sierra Leone. Oil was a major conflict for Sudan, which used oil revenue to fund its military; recently the interstate conflict became an intrastate conflict as Sudan broke into North and South Sudan. They continue to fight over oil resources, and multinational corporations play a large role in developing these oil resources. Aid was cited as a reason for financial inequality in Rwanda in 1994 and Cambodia in the 1970s, where foreign aid helped to enrich a small group of people and led to military build ups and genocides. Diamonds have been funding conflicts in Africa for decades and over the last decade many NGOs have risen up against this.

Diasporas can create large lobbying groups outside a conflicted nation in many locations and can be a major source of revenue. All of these factors are examples of large globalized industries that are used to finance conflicts while they occur, or that lead to economic inequality. (Stewart 2006, 29-43). An example of this would be the Irish Republican Army who was heavily financed by Irish Americans through various organizations. This practice has been used in various other rebellions as well; although the United States has, since September 11th, cracked down on sending money to organizations labeled terrorists. Another example comes from Canada, where money from a Canadian bank account was used to finance a bombing that left 1,400 people dead or wounded in Sri Lanka’s capital, Colombo (Collier 2007, 22).

Nye and Keohane’s ideas about interdependence show us that vulnerabilities can arise from interdependence if there is an asymmetrical relationship between states. This idea can be applied to globalization, as globalization does build interdependence between states. Brooks’ ideas on globalization of production and its effects on great powers and developing state shows how globalization builds up relations between great powers and tends to not work as well for developing states. This answers how globalization seems to bring some states closer together while other states are ripped apart by conflict, generally internally, but sometimes when great powers go after them.

An example of globalization causing a great power to intervene on a developing state is with Guatemala in the 1950’s. The Central Intelligence Agency financed and supported a coup against Guatemalan President Jacabo Arbenz in 1954. When Guatemalan President Arbenz sought to nationalize the land of the United Fruit Corporation (UFC), a U.S. company that owned significant portions of Guatemala’s land, UFC lobbied the U.S. government to overthrow Arbenz. UFC focused its public campaign for intervention by focusing on President Arbenz being a communist, a hot button issue in the United States at the time. They played down the economic reasons that the company was truly after. The campaign worked and the CIA was tasked with overthrowing Arbenz. The mission succeeded, however Guatemala slipped into a civil war for the next several decades with several military governments supported by the United States (Immerman 1980-81). This supports the idea that globalization can lead to great powers going after developing state to ensure their diffused economic interests are secure. This also supports Nye and Keohane’s argument about asymmetrical relationships that can lead to conflict between great powers and smaller states. Guatemala could never militarily stand up to the United States, and this helped push the United States to act suddenly with little regard for consequence.

Globalization of production has managed to add a ‘robust’ level of additional stability to great powers. The United States, Great Britain, France, Germany, Russia, Japan and China all enjoy stable relationships with heavy economic ties connecting them together. Trade amongst the countries is exceptionally high and alliances and cooperative agreements between the countries and also between their multinational corporations exist. According to United Nations data for 2004, 85% of the world’s top 100 transnational corporations were concentrated between the United States, Japan and the European Union (United Nations Conference on Trade and Development 2007, 4). These top 100 transnational corporations totaled $8.8 trillion in assets with $4.7 trillion in foreign assets. This shows how much these top corporations own and how much of their assets are abroad.

As this article is being written none of these countries are preparing to go to war with each other. This supports the idea that globalized production has made an impact on stabilizing great power relations. The nations’ heavy economic connections and spread economic resources make conquest extremely difficult and impractical. Additionally, Nye and Keohane ideas on interdependence are highlighted as well. These great powers have all built complex relations with one and other, and have worked hard to establish relationships that are not asymmetrical. The United States continues to buy Chinese products and exports, while China invests in the United States buying U.S. debt. If China stopped buying U.S. debt, the U.S economy would take a hard hit, which would lead to a decrease in purchases of Chinese exports that would hurt China’s economy. This makes the two interdependent on each other through their economic links and not in an asymmetrical relationship keeping balance between the two. (Dorn Winter 2013)

Great power relations with developing countries have been more difficult. Globalized production does not give the same security benefits offered to great powers. Additionally Stewart, Roy, Conversi, Barber, Gissinger and Gledditsch all showed that globalization of culture has led to problems for states creating conflict internally and being wage internally or externally with outside support. Regional conflicts are another concern that can grow through globalized production of weapons. Developing states never could afford to gain all the weapons systems, and therefore must rely on certain ones. However, this can cause conflict between the developing states as they gain weapons that could lead to an asymmetrical relationship.

The United States has invaded two countries within the last decade and been involved with fighting during the Libyan Civil War during the Arab Spring. Russia launched a brutal six assault on its former territory, the Republic of Georgia in 2008. This clearly shows that globalized production or really any form of globalization is not keeping conflict between great states and developing states down. Continuing conflicts include the Syrian Civil War, civil war in Somalia; Iraqi insurgency continues (post U.S. withdrawal) to show that developing states are not deterred from fighting either. Iran has been working on a nuclear program, the purpose of which is not fully clear at this time, however it neighbors have voiced great concern and have asked the United States to intervene militarily to prevent an arms race in the Middle East. (Black and Tisdall 2010). This again highlights globalization and conflict.

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