THE CONTRADICTIONS OF GLOBALISATION

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'Globalisation' is a ubiquitous yet highly elusive term. It is usually used to describe increasing economic, political, and socio-cultural integration, largely driven by recent technological developments in information processing, communications, and transportation world-wide (Dicken, 1998; Held *et al.*, 1999). The debate on the content and meaning of globalisation is still waged largely in binary terms – e.g., globalisation is understood *either* as increasing standardisation *or* as increasing difference. This is particularly true in accounts emanating from the business press as well as from academics in marketing and business management (e.g., Ohmae, 1995). More complex and nuanced studies exist (e.g., Appadurai, 2000), but these are most often found in areas such as cultural studies and have yet to impact on the more 'mainstream' areas of business or public policy.

The argument developed in this article is that the effects of globalisation are best understood in terms of three sets of simultaneous contradictions: convergence *and* divergence, inclusion *and* exclusion, and centralisation *and* decentralisation. The project of this article is to 'unpack' these contradictions in order to better comprehend their internal dynamics as well as the interrelationships between them. Such an approach can yield the increased level of understanding necessary for effective strategy formulation for organisational actors in corporate, governmental, and other sectors. This increased understanding can then promote more open

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communication between these groups in order to address some of the distributional inequities associated with globalisation.

It is important to note that the following analysis of the three central contradictions of globalisation is not symmetrical, as each contradiction involves different socio-economic groups/actors as well as impacting on those groups/actors in different ways. The focal level of analysis also changes across the three contradictions. Lastly, it is germane to point out that the contradictions are not mutually exclusive of each other; rather they interact in complex associations of mutual causality which will be discussed in the concluding section.

Contradiction #1: Convergence and Divergence

The first contradiction of globalisation is that between *convergence and divergence*. This refers to the empirically observable mix of developments which homogenise, or make things more similar on the one hand, and those which maintain – and sometimes even increase – differences on the other.

Proponents of convergence focus on the increasing tendency for economic and social activity to fall within a range defined by Anglo-Saxon and Western European capitalist systems, a range including the form of government macroeconomic policy; general business practices; organisational strategies, structures and processes; and cultural orientation, particularly with respect to work and consumption. For example, traveling across the wealthier nations and through most of the newly industrialising countries, one navigates landscapes constituted by similarly designed airports and transportation systems, hotels, restaurants, shopping and business centres, all operating according to broadly common international standards of etiquette and efficiency. While this convergence process is neither uniform nor irreversible in particular localities, it serves to standardise the rules of the game adequately for transacting business across national borders.

These observers argue that cultural diversity, as expressed in terms of widely divergent consumer demand preferences, is also receding as globalisation unfolds. Several catalysts are identified as being at work here. They include the global media and its associated demonstration effects – first to local elites, then downwards to the middle classes (Schiller, 1989). Also noted is the work of various development institutions over the past several decades, which has resulted in many developing countries cultivating institutional and material infrastructures which are well articulated with those of the advanced countries (Jones and Venkatesh, 1996). Finally, the activities of transnational corporations (TNCs) themselves are increasingly prominent as these firms have brought their ways of doing business (e.g., quality standards, supplier networks, marketing techniques, human resource approaches) with them into host countries, establishing standards for local best practice and generally molding local business environments according to their needs (see Sklair, 1996).

Critics of the convergence thesis maintain that the proliferation of consumer societies and lifestyle models, and the associated convergence of consumer preferences, should not be understood as a totalising cultural homogenisation. This point is illustrated by Appadurai (1990), who argues that the globalisation process transforms the consumer through commodity flows into a sign, with global advertising assuming the role of key technology in the dissemination of normative cultural models. Thus, although these models are globally standardised, globalisation is not synonymous with homogenisation. Rather, globalisation uses the instruments of standardisation (e.g., clothing and fashion, entertainment, food, aesthetic experience) to create heterogenised markets; that is, to serve and service local markets with global universal signs. In this formulation, transnational cultural ideology serves the global capitalist system through the perpetuation of the economic order by influencing the cultural order. From the perspective of capital, the key is to foster the diffusion of the institutional apparatus of consumer society – *how* consumer preferences specifically manifest in a given society is a secondary matter, as is the manner in which global signs (e.g., the Nike 'Swoosh') are interpreted locally.

Convergence critics working in cultural studies, area studies, and anthropology tend to stress the complexity of the relationship between the global and the local. Conceptualisations of a global-local dialectic are particularly useful as they create a theoretical space for reconciling culturalist analyses emphasising the specificity of the local with political economy approaches stressing the universality of the global. A middle ground is cut between the two.

For example, Appadurai (1997) argues strongly against a primordialist (ontological) notion of the local, positing instead the fundamentally dialectical association between global and local, which he frames as the tension between cultural homogenisation and cultural heterogenisation. Barber (1996) also argues that globalism and localism are locked in an inescapably dialectical relationship. Globalism, most particularly in the form of consumer capitalism, dissolves the social and economic barriers between nations, weaving the world's diverse populations into a series of relatively uniform global markets. Simultaneously, formerly nationally-based political landscapes are fragmenting into smaller local units due to ethnic, religious, and racial conflicts springing from the undermining of nationally constituted cultural systems by globalisation. He writes (p. 215), 'If [globalism] in its most elemental negative form is a kind of animal greed – one that is achieved by an aggressive and irresistible energy, [localism] in its most elemental negative form is a kind of animal fear propelled by anxiety in the face of uncertainty and relieved by self-sacrificing zealotry – an escape out of history.' Barber feels these developments serve most importantly to undermine democracy and the nation-state.

A timely example of global-local conflict relates to the backlash against that aspect of globalisation associated with cultural imperialism (sometimes also referred to as 'Americanisation'). The constant barrage of foreign images through electronic media undermines notions of national identity (and the link between nation and state), substituting an intense but shallow pastiche of signs which have no coherent meaning in local contexts. Observers such as Barber (1996) and Castells (1996) suggest that the shock of this inundation by global media culture causes some groups to revert to primary identity sources tied to very local affiliations with place, ethnicity, and religion – which combine to forge coherent, meaning-laden, deep identity structures – as substitutes for undermined national identity.

Yet these 'backlash' situations can also – perhaps somewhat perversely – present marketing opportunities for TNCs. For example, customised ethnic and/or nostalgia-oriented products are increasingly targeted to alienated groups, whose consumption of such goods simultaneously reinforces their primary identity structures and increases their integration into the global economic system. This is consistent with Lash and Urry's (1994:100) observation that:

> consumerist global capitalism...is wrapped into the increasingly thematised particular-universal relationship in terms of the connection between globewide, universalistic supply and particular demand...The contemporary capitalist creation of consumers frequently involves the tailoring of products to increasingly specialised regional, societal, ethnic, class and gender markets – so-called 'micro-marketing.'

Jones (1998) presents an interesting example of micro-marketing from New Zealand. Lion Nathan Ltd., a transnational brewing company, produces a wide range of beers. Several of Lion's brands are targeted to specific localities and marketed to articulate with the embedded cultural identity of consumers in regionally-defined markets. These brands are marketed in terms of their local and nostalgia-invoking aspects, thus fostering a powerful semiotic response from consumers longing for an idealised past. Obviously we are dealing here with commodities, and also with a sizable TNC, but that is not the entire story. Of equal salience is the point that these beers, resonating as they do with very local identity formations, serve to reinforce the local against the global (defined in this case by both nationally branded as well as imported beers).

This case is interesting because it illustrates some of the complex linkages and ironies generated by globalisation: the site of production has gone from small, locally-owned breweries to highly centralised corporate facilities owned largely by foreign (Japanese) interests; consumption of these products transfers income from local environments to international investors; and consumption increases the buyer's integration into consumer society (versus homebrewing, a relatively popular pursuit in New Zealand). Yet consumption also enhances the consumer's identification with his/her local habitus as a source of identity. In this case the local effect is a result of commercial decisions taken at the global level, but that does not diminish the fact that the products (although 'inauthentic') take their place among constellations of local signifiers, adding their semiotic power to those constellations and fueling a factually false but experientially true and 'real' component of identity.

An important point to note in the convergence/divergence debate is the difference between the discourse of globalisation, which in most business and governmental circles is dominated by convergence factors, and the empirical reality. Most careful inspections tend to support the notion that there is a mismatch here, with the discourse considerably ahead of the reality (see Held *et al.*, 1999). Yet it can be argued that the manner in which key social actors conceive of globalisation, though ahead of the empirical reality, is itself a force in driving the future towards increased levels of convergence.

At the firm-level, the convergence/divergence contradiction can significantly impact how and where an organisation structures its value-chain, how it manages its employees, and how it serves its customers. Unless a firm understands the balance of convergence/divergence forces in its environment, it cannot formulate and deploy effective strategies to deal with them. In other words, ideas, conceptual frameworks, and theories *matter*, because they are the grist from which 'real world' actions are fashioned. It is worth noting that the very high levels of convergence necessary to constitute genuinely 'global' input or output markets remains relatively scarce on the ground; in fact, much more so than the commercial celebrants of globalisation suggested in the 1980s (Bartlett and Ghoshal, 2000). The international business history of the past twenty years is littered with examples of major TNCs which overestimated convergence factors in their input and/or output markets, acted accordingly, and subsequently were forced to undertake major restructuring efforts to correct their mistakes (see Jones, 1997).

Contradiction #2: Inclusion and Exclusion

The second contradiction of globalisation is that between *inclusion and exclusion*. This contrasts those socio-economic groups which are empowered (and enriched) by the globalisation process to others who are relatively – sometimes even absolutely – dissempowered and pauperised by that same process. Conceive of globalisation in terms of a gravitational field emanating from a core source. Those groups closest to the centre of the field are ever more tightly integrated economically, politically, and culturally. Yet those further out in the 'system' are increasingly left behind. Their standing in place is equivalent in practice to losing ground, to being increasingly excluded from the value and wealth-generating processes happening at the core of the system. This dynamic manifests both across and within countries. In the former, we see substantial regions in Latin American, Central Asia, and most of Africa simply bypassed by globalisation; in the latter we see increasing socio-economic and spatial stratification within even advanced countries, as recognised recently with the coining of the phrase 'digital divide' to describe the technological apartheid that accompanies the uneven diffusion of the Internet (U.S. Dept. of Commerce, 1999).

The inclusion/exclusion dynamic affects companies, workers, and consumers, all in different ways. At the firm-level, it has been driven by the massive industrial restructuring of the past two decades, itself generated by an historically unprecedented level of technologically-induced 'time-space compression' (Harvey, 1997) as well as changes in government policies. New technologies have driven the convergence of formally discrete industries such as communications, information processing, and news and entertainment, creating a huge multimedia sector operating partly in 'electronic space' (Castells, 1996). Meanwhile, changes in government regulations have fostered the intersection of banking, insurance, and financial services within and across national markets (Dicken, 1998).

In many areas these developments have changed the underlying economics of competition from 'big beats small' to 'fast beats slow' (Hutton and Giddens, 2000). Product lifecycles have continued to shorten as advertising has intensified and consumer tastes for constant novelty appear insatiable (e.g., the Apple iMac computer, which comes in several vivid colors totally divorced from any functional consideration). Profitability has become concentrated in particular high-technology sectors (i.e. the 'new economy') to an extent not previously seen, with major implications not only for investment flows but also for employment patterns, occupational structures, income and wealth distributions, and even individual identity (see Sassen, 1998; Sennett, 1998). Significantly, these centres of value creation are almost uniformly dominated by TNCs. Meanwhile, smaller players are either excluded from the value creation process altogether, or (at best) partake in that process as network partners subject to the central coordination and control of a dominant firm.

Relatedly, and perhaps most importantly, in these core sectors the generation of goods and services has become *decoupled from employment*. That is, the relative number of 'good' jobs that the contemporary economy generates is far less than in the previous Fordist era (see Amin, 1994). High-skill workers (so-called 'symbolic analysts') face greater opportunities as employers compete for their services, whilst low-skill workers are increasingly threatened by automated systems, relocation of their jobs to offshore sites where labour costs are lower, a lack of union protection, and a general lowering of the social wage. These trends were recognised with respect to the manufacturing sector during the 1980s (see Harrison and Bluestone, 1988), but they have become much more pronounced in recent years as the duality of service sector employment has become more evident.

Luttwak (1999) offers as an example of this trend the case of Microsoft vs. General Motors, noting that the market value (and market power) of the former considerably exceeds the latter. Yet Microsoft has approximately 20,000 employees worldwide whereas GM still directly employs over 200,000 people. His basic point is that this single anecdote, extended into a *system property*, creates a highly exclusionary and skewed economy with a huge potential for social fragmentation and even violent upheaval. Rifken (1997) offers a similar treatment of these developments, referring dramatically to 'the end of work'. Castells (1996) suggests a more appropriate phrase would be 'the end of good work for the average worker'. I would add that 'good work' is increasingly being replaced by so-called 'shit work' – some combination of unsatisfying, insecure, and poorly paying employment, usually in the service sector, often performed by female and/or immigrant labor (Waring, 1998). Certainly, the increasing polarisation of labour markets and the consequent effects in a variety of spheres is at the very heart of the globalisation debate.

The erosion of the welfare state has also been an important driver of the inclusion/exclusion dynamic. Faced with increasing capital mobility from the 1970s onwards, most states supported regressive measures to lower wages and production costs – and even more fundamentally, to lower middle and working class *expectations* (see Krugman, 1990). A typical policy mix incorporated some or all of the following approaches:

- the internationalising of national economies through the lowering of barriers to foreign trade and investment;
- the deregulation and privatisation of most sectors which had formerly been state controlled or owned;
- a shift away from Keynesian macroeconomic management to a focus on controlling inflation through monetary policy, leaving the articulation of supply and demand to market forces;
- changes to industrial relations systems which marginalised unions and individuated employment contracts;
- contraction of welfare programs and the lowering of government expenditures on the social wage;
- a shift in tax policy towards lowering taxes on corporate profits, capital gains, and high incomes and increasing (regressive) taxes on property and consumption, as well as raising fees for basic services (through the 'user pays' approach).

Kelsey's (1996) account of the 'New Zealand Experiment' remains one of the most trenchant analyses of the implementation – and social effects – of such a program. In many countries, such measures served to shift socio-economic patterns of income, wealth, and life-chances from a diamond shape (with a bulge at the middle signifying a large middle class) towards an hourglass shape (representing growing segments of haves and have-nots and a shrinking middle class) (Galbraith, 1998). Importantly, the 'historic' economic boom in the United States over the past decade did not reverse this trend (Pollin, 2000). Rather, it appears to have been an integral part of the process through which polarisation was generated and exacerbated.

Sassen (1996) observes that these distributional developments have directly impacted on consumption patterns, contributing to the fragmentation of Fordist mass markets and the growth of two modal market segments. The first incorporates customised products and services oriented to particular 'lifestyle models' as demanded by very well off (and generally urban) 'yuppies' or 'bobos' (bourgeoisie bohemians) (Brooks, 2000). (The irony here is that the satisfaction of these demands depends on the existence of a large pool of cheap labor to keep entertainment prices down and gentrify inner-city housing for yuppie occupation, thus casting a *predatory* light on the privileged classes whose 'quality of life' increasingly relies directly on the low wages of other groups). The other dominant market segment consists of highly price-sensitive consumers who shop at discount stores, factory outlets, and similar sites to maximise their limited purchasing power. These consumers are served by standardised and largely undifferentiated products and services (e.g., 'generic' or 'house brands').

The developments discussed above all interact with each other through feedback loops in political, economic, technological and socio-cultural processes, leading to cumulative causation (Sassen, 1998). These interactions foster systematic and systemic processes of exclusion, separating winners and losers in categorical and seemingly intractable ways. As Castells (1996:102-103) observes:

> the new global economic system is *highly exclusionary...* While the dominant segments of all national economies are linked into the global web, segments of countries, regions, economic sectors, and local societies are disconnected from the processes of accumulation and consumption...most people in the planet do not work for or buy from the...global economy. *Yet all economic and social processes do relate to the structurally dominant logic of such an economy* (italics added).

Social and geographic spaces which have no value as markets, production platforms, or sources of raw materials are beyond the purview of the key agents of advanced capitalism, TNCs , and will be bypassed. Castells (1996:113) continues: 'some rural regions of China, India, and Latin America, entire countries around the world, and large segments of the population everywhere are becoming irrelevant (from the perspective of dominant economic interests) in the new pattern of international division of labor.' He refers to these socio-spatial areas as constituting the 'Fourth World' (Castells, 1998), and argues that their condition will be one of *structural irrelevance*, which he believes to be worse than dependency. As recent comparative research on the Internet has confirmed, the so-called 'information revolution' exacerbates this exclusionary process by privileging core over periphery, urban over rural, and educated over uneducated; also in evidence are significantly different age, gender, and racial impacts (see Elliot, 1999; U.S. Dept. of Commerce, 1999). Interestingly, even the World Bank has begun to explicitly use the term 'two-tiered global economy' to describe current patterns of economic development (Aslam, 1998).

A further point to make with respect to the interactive nature of these developments is that the inclusion/exclusion dynamic also constitutes a dialectical process which could eventually culminate in some form of systemic crisis (O'Conner, 1987). A (global) crisis of underconsumption is one possibility given the growing concentration of wealth and income in a relatively small fraction of the population (within and across countries), along with continuing (and increasing) overcapacity in major global industries such as motor vehicles, steel, electronics, and most primary commodities (Dicken, 1998). Alternatively, a cascading political crisis could be driven by the breakdown of social cohesion and institutional legitimacy as national societies fracture along socio-economic lines. States would then be forced to intervene in increasingly coercive ways to 'maintain order' and 'the rule of law' by criminalising poverty, increasing their surveillance capabilities, and redefining citizenship rights and responsibilities – and the very discourse of 'democracy' itself (see Held, 1995; Jones, 1999).

Contradiction #3: Centralisation and Decentralisation

The third contradiction of globalisation is that between *centralisation and decentralisation*. Here the most salient level of analysis is the organisational, and within that spectrum attention necessarily centres on the transnational corporation. The expansion of these firms from their home countries to global scale has been widely chronicled (*cf.*, Dicken, 1998). What is new with contemporary globalisation is that the technologies exist today for TNCs to be spatially decentralised, with research and development, manufacturing, and/or distribution operations literally placed planet-wide, yet linked with each other and with headquarters and centrally coordinated in *real-time*. Increasingly, the span of control of these firms is extending beyond their own organisational boundaries to encompass complex network systems which they construct, maintain, and dominate as an alternative to high levels of vertical integration. Such firms are thus simultaneously centralised and decentralised along different dimensions.

The centralisation/decentralisation dynamic creates tremendous challenges for other parties such as more localised firms which try to compete with TNCs, as well as for governments, labour unions, and other groups which vie with TNCs in some way for resources. Local firms cannot access the locational advantages that TNCs are able to draw upon by configuring their value-chains in a manner which allows them to pursue absolute (not comparative) advantage at the company-level. Even very large domestic firms are thus usually unable to compete on cost against TNCs; they are also presented with disadvantages in areas such as learning, cost of capital and the ability to raise new capital, personnel recruitment, and tax exposure (Bartlett and Ghoshal, 2000).

The ability of TNCs to simultaneously centralise and decentralise also maximises their leverage against workers (or their unions) and governments. This increase in bargaining power is achieved most simply by placing multiple groups of workers located in different nations in competition with each other for the jobs which TNCs generate, and similarly putting states in competition with each other for the jobs, capital, technology, and tax revenue with which TNC investment is associated (see Cowling and Sugden, 1987; Moody, 1997; Greider, 1997). Having operations which are usually organised on a regional basis, and a substantial amount of excess capacity in most value-chain activities, TNCs can shift or relocate their operations relatively quickly should tax hungry governments or militant labour unions press for a greater share of their income streams. In fact, the very threat of relocation is usually sufficient to provide a disciplining power against new wage claims or moves to increase corporate taxes. Importantly, major economic, political, technological, and socio-cultural developments since the 1970s have reduced the transaction costs of leveraging (or 'divide and conquer') strategies substantially for TNCs (Jones, 1999).

The TNC itself is best understood as an evolving institutional form. The modal strategies and structures employed by TNCs have changed greatly over the past two decades. A particularly significant development has been the adoption of new sourcing arrangements involving the spatial reorganisation of TNC value-chains from primarily national to regional or global configurations in line with changing corporate strategies. These arrangements are typically manifested by the national dis-integration of a given value-chain and the relocation of its nodal segments to multiple host countries. In the new production structure, intermediate products are transferred from one nodal point to another for further processing as they move along the value-chain. These developments are reflected in the steady rise of intra-firm trade over the past two decades (Dicken, 1998).

A related development of much significance has been the growing tendency for TNCs to replace hierarchically governed, vertically integrated production systems with network systems – groups of interdependent, vertically linked suppliers and/or distributors coordinated by focal (core) TNCs to produce goods or services in a manner which maximises flexibility and minimises risk for the core firm. The hierarchical network form of organisation allows TNCs to reduce their transaction costs and increase their flexibility by delegating non-essential activities to subcontractors which bear most of the risks associated with uncertain market conditions (Harrison, 1997; Jones, 1996a). These subcontractors are locked in TNC-centered value-chains in which they have little power and in which the intermediate goods they produce have little trading value outside of the chain in which they are located. TNCs can then focus on high value-added activities based upon proprietary knowledge, technological intensity and scalar economies. TNCs are thus able to have their cake and eat it too by enjoying the benefits of control and centralisation without the liabilities of ownership.

Anticipating these events, Cowling and Sugden (1987) argue that the traditional definition of the firm (based on ownership) is in need of revision. That definition, founded as it is on an assumed identity between ownership and control, is largely obsolete in light of contemporary organisational arrangements. Increasingly, control extends widely beyond the boundaries of ownership as vertically integrated forms (in which ownership and control were commensurate) give way to nominally independent production networks organised around a focal firm (in which ownership and control are nominally separate). Cowling and Sugden therefore suggest that a broadened definition of the firm based on *effective strategic control* rather than ownership is warranted.

An important implication of this conceptualisation is that official data on industrial concentration rates *seriously underestimates* the increasing level of control TNCs exert in the international economy. This point needs to be considered together with other developments: the unprecedented merger and acquisition activity occurring in industries such as automobiles, air travel, and banking and finance over the past decade; and the proliferation of (anti-competitive) strategic alliances in technology-intensive, scale-sensitive industries (see Brahm, 1995). These trends toward market consolidation raise serious concerns for long-term consumer welfare and democratic accountability (Strange, 1998).

Conclusion

As noted earlier, the three central contradictions of globalisation discussed in this paper do not operate independently of each other. Rather they interact (or overlap) in complex associations of mutual causality, driven by the actions of key agents and structural processes. As Jones (1996a) has elsewhere argued (echoing Marx and Weber), it is the structural processes of capital accumulation and institutional rationalisation which constitute the core drivers of globalisation (and also the main targets of anti-globalisation forces). They materialise primarily in the institutions of the market, the transnational corporation, and the state. These processes and institutions are deeply implicated in all three contradictions.

For example, the patterns of centralisation/decentralisation in practice are largely a product of the strategic choices of transnational corporations and the manner in which they organise their value-chains. These choices are themselves largely determined, at any point of time, by the economic opportunities yielded by the processes of convergence/divergence. Yet considered in dynamic terms, it is clear that the TNC strategic choices regarding the centralisation/decentralisation of their activities will materially impact on both the patterns of convergence/divergence and inclusion/exclusion. Similarly, the inclusion/exclusion contradiction can be understood as an effect of the dynamic interplay between the other contradictions. Who is incorporated in the globalisation process – and why – is largely determined by the forces shaping convergence/divergence and centralisation/decentralisation – namely, market outcomes, the strategic choices of TNCs, and the actions of states. Finally, the inclusion/exclusion dynamic can be seen as a driver of the other contradictions under certain circumstances, as when increasing marginalisation of geographical spaces or socio-economic groups impels TNCs to reconfigure their value-chains (impacting the centralisation/decentralisation contradiction) and/or prompts states to adjust their policies on social welfare or law and order in novel ways (affecting the convergence/divergence contradiction).

These examples constitute only schematic illustrations of the complex relationships which can exist between the three contradictions. Yet they are clearly suggestive that additional and systematic theoretical 'unpacking' *across* the three contradictions is warranted in future research.

The phenomenon of globalisation has for too long been conceptualised as generating 'either-or' effects to which firms, governments, and other actors must respond in some way. Inevitably, such a polar perspective ignores significant countervailing forces and developments which can undermine any strategic action derived from that understanding. We need to move beyond simplistic binary opposites and towards analysis highlighting more complex, simultaneous contradictions. Such an approach can assist planners and activists in business, government, and other sectors in their efforts to formulate more effective strategies to deal with the myriad opportunities and threats that globalisation fosters. It can also promote an increased awareness that the 'gains and pains' of the process will need to be distributed through negotiated structures rather than imposed from above or through 'market forces' if institutional stability is to be maintained.

By analysing the contradictions of globalisation we discover that the benefits and costs of the overall process are distributed quite disproportionately. The impact of globalisation depends on *who* you are and *where* you are – defined in terms of both socio-economic and geographic space. The claim that globalisation will indeed benefit all socio-economic groups in the *long-run* through superior global resource allocation has emanated from many quarters over the past decade – most particularly from those corporate and investor constituencies currently benefiting from the process. However, as Keynes duly noted many years ago, 'in the long-run we're all dead'. It is the short- and medium-term, highly uneven effects of globalisation which merit urgent attention and action.

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