



## INTRODUCTION

The devil is in the details. Mark Twain learned this lesson as a boy working at a Missouri newspaper, setting printer's type by hand. If you want to get a sentence right, you've got to get all the right letters lined up in just the right order. Every detail must be exactly right; getting close isn't good enough. A single mistake can corrupt the meaning of an entire story.<sup>1</sup>

But the devil isn't *always* in the details. Sometimes the devil lurks in the big picture, the grand design. You can get all of the bits and pieces lined up perfectly, but it doesn't make any difference because the design itself is flawed. I don't know if Mark Twain coined a phrase to this effect, but he certainly knew it from personal experience. He lost his vast publishing fortune investing in an unsuccessful attempt to manufacture an automated typesetting machine. All of the expensive little details of this complicated and temperamental machine were right, but somehow the darn thing never worked.

What is true about complicated machines can sometimes also be true about complex social and economic systems. In fact, Mark Twain wrote a book about this problem, *A Connecticut Yankee in King Arthur's Court*. It is the story of a modern fellow named Hank who gets knocked unconscious and unexpectedly wakes up in sixth-century Camelot, not nineteenth-century Hartford. With his advanced knowledge of science, technology, and commerce, Hank is soon running King Arthur's realm along more efficient lines. He becomes Sir Boss.

Mark Twain tended to make up his stories as he went along, so as we read his books we can see how his attitudes and outlook changed. The beginning of *Connecticut Yankee* is all about how well the technical

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and commercial details of nineteenth-century America worked and how much better and more efficient they are than the products, practices, traditions, and institutions they replaced. It reflects Twain's inherent optimism. Sir Boss gets all the details right, and the prospect for progress is bright.

By the end of the book, however, the scene is not so sunny. All the little details of modern life, when transplanted to King Arthur's time, have arranged themselves in patterns of conflict and misery. In the end, *Connecticut Yankee* is less a celebration of modern industrial life than an indictment of its harsh and bitter consequences.<sup>2</sup> In the course of writing *Connecticut Yankee*, Mark Twain came to believe that the devil in industrial capitalism was not its details, but the way those details came together, in the patterns they formed. The details were correct, but the grand design was flawed. This distinction is a useful insight that can be applied to many situations, especially our current concern, globalization.

Globalization is real, and we must take it seriously, but it is not easy to understand because of its complexity. Globalization is not one single thing; it is a collection of things, some tightly intertwined, some loosely connected if at all. James H. Mittelman calls globalization a *syndrome*, or a group of related signs and symptoms that produce a recognizable pattern.<sup>3</sup> Impossible to define with precision, but you know it when you see it: that's globalization. It might not be too strong to say that globalization is in the eyes of the beholder. If you stare at its details long enough, some pattern may eventually appear, like one of those Magic Eye 3-D images that were so popular a few years ago.

You need to understand the details of globalization if you are going to make any sense of it, but the *devil* isn't in the details, it is in the pattern, the big picture, in how we organize and make patterns out of those details. Because globalization is too complicated to understand directly, through the details, we tend to think about it using metaphors, parables, and other rhetorical and heuristic methods that create for us a comfortable sense of the big picture, the grand design.

But that's where the devil comes in. It is easy to manipulate the details to create false patterns and to distort the big picture. Clare Booth Luce coined a term to describe an argument that intentionally misunderstands globalization or misrepresents it in order to make a questionable point. She called it *globaloney*. I've borrowed her term for the title of this book.

*Globaloney* is a critique of the rhetoric of globalization: the vivid im-

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ages, clever metaphors, and persuasive narratives that manipulate and distort our understanding of the globalization syndrome. In writing this book I'm not trying to defend globalization against the forces that oppose it. Rather, I'm trying to defend my understanding of globalization as a messy, complicated process against rhetoric that tries to simplify it in order to sell a particular viewpoint or political agenda. I want to look closely at the "stories" that people tell about globalization and compare them to the factual details. And I want to tell a few globalization stories of my own to show how various are the patterns that the details can create. In short, I want to muddy and complexify globalization so that my readers will think more critically about globalization arguments—and recognize globaloney when they see it.

### *From Selling Globalization to Globaloney*

*Globaloney* broadens and extends an argument that I began in 1998 in *Selling Globalization: The Myth of the Global Economy*.<sup>4</sup> This book started out as an application of chaos theory to international finance and ended up as a critical examination of the methods and motives of the neoliberal pro-globalization movement.

*Selling Globalization* was initially a book about financial bubbles, speculative attacks, and chaos theory. It argued that the fundamental instability of global financial markets makes it impossible for globalization to be as complete, as powerful, and as encompassing as some people seem to think. Globalization is built on a foundation of global finance, but this foundation is inherently unstable. The more global the finance structure becomes, the less stable it is. It cannot possibly support the elaborate global structures that some people hope for and other people fear.

It was a sound argument, but I had a hard timing getting people to take it seriously at first because, in the boom years of the late 1990s, it just didn't fit the way that most people had been conditioned to see the grand design of globalization. How could I get people to take the idea of *fragile* globalization seriously when they were conditioned to see it as an unstoppable universal force?

I decided to try to undermine the conventional wisdom about globalization's grand design through close analysis of its details. I put together four brief case studies of "global" corporations and then looked closely to see if the details of their businesses were consistent with the most common metaphors and images of economic globalization. In

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other words, I asked, do the facts fit the stories that we tell about the facts?

One of the companies I selected—Nike—fit the standard globalization/multinational corporation story very well. But Nike turned out to be the noteworthy exception, not the representative case. The other three firms I studied—Boeing, Microsoft, and the Frank Russell Company, a global investment advisor widely known for its Russell 3000 index—all were very different indeed, and the details of the differences revealed a lot. For most global firms, I concluded, the fact that they are global is a secondary attribute. The most important factors are specific to their particular businesses or industries.

These case studies attracted a lot of interest not because they were so good but mainly because they were so rare—hardly anyone looks to see if the facts of globalization fit the popular stories and images. The stories that are told about globalization are seldom questioned, much less tested, because the rhetoric of globalization is so convincing, the simple images used to reinforce the rhetoric are so compelling, and the interests of the “sellers” are so strong. *Selling Globalization* showed that some of the pro-globalization rhetoric was used to sell the idea of globalization in order to advance a particular set of economic, political, and intellectual interests.

My goal this time is not to persuade you that global financial markets are an unstable foundation for global capitalism—hopefully my previous book and the continuing series of international financial crises have already done that. Now I want to persuade readers that they might be misunderstanding the very nature of globalization because they have accepted a distorted “big picture” that is fundamentally different from the facts. And I want them to consider that this might be a very serious problem. The way we understand problems affects the choices we make, the votes we cast, and the causes and interests that we support by accident or design. I picked *Globaloney* as a title for this book because, although it isn’t a very elegant term, it sure gets the point across.

When I first started working on this project I created a “Globaloney Test” webpage. It showed a slice of mortadella, the big, plump, savory Italian meat, alongside an image of the earth as seen from outer space. The first caption read, “This is Mortadella, a complex and subtle pork product made in the Bologna, Italy. Don’t confuse it with Baloney, its one-dimensional, highly processed, mass-market substitute.” Under the globe I wrote, “This is Globalization, a complex and subtle web of economic, political, and social change. Don’t confuse it with Globaloney,

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its one-dimensional, highly processed, mass-market substitute.” I hope that readers of this book will pass the globaloney test.

### How *Globaloney* Is Organized

It is best to begin at the beginning, and this book begins with the first recorded use of the term *globaloney* in a heated 1943 political debate between the vice president of the United States, Henry Wallace, and an ambitious new member of Congress, Clare Booth Luce. Luce coined the term to describe Wallace’s vision of the postwar world. But the debate wasn’t really about globalization, or even global policy; it was about the domestic policies of the Roosevelt administration on one hand and the political ambitions of a very junior member of the House of Representatives on the other. The techniques and even some of the images that Wallace and Luce used in the 1940s bear a close resemblance to arguments you heard in the 1990s. The moral of chapter 1, “The Globaloney Syndrome,” is that globaloney is not really new and that sometimes it is not even about globalization. It is about interests and the arguments that best advance them. There is always an interest at the center of a globaloney argument that seeks to advance itself by creating a persuasive image of the grand design.

What is globalization? I argue that a lot of what we mistake for facts about globalization are really the result of the clever application of standard rhetorical forms. Adam Smith, the father of economics, was also a master of rhetoric (he even lectured on it). Smith wasn’t the father of globaloney, but he was perhaps its most successful early practitioner. In a real sense, I think Adam Smith taught today’s globalonists their trade. So, as the title of chapter 2 suggests, you can “Blame It All on Adam Smith.”

I am particularly interested in arguments that globalization is the end of local culture and that it is essentially the Americanization of the world, with all the bad effects you might imagine. This means I need to confront arguments like Benjamin Barber’s *Jihad vs. McWorld* and Walter LaFeber’s *Michael Jordan and the New Global Capitalism*.<sup>5</sup>

Sports metaphors and images are powerful rhetorical tools. I don’t think Adam Smith talked about the need for a “level playing field” or the ability of transnational corporations to “slam dunk” negotiations with emerging market countries, but he would probably take advantage of such devices if he were writing today. I examine one of the most persuasive examples of sports globaloney in chapter 3, “Michael Jordan

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and NBA Global Fever.” Just like professional basketball, globalization is a U.S.-centered,

media-driven, capitalist enterprise that destroys local culture and exploits everyone but those at the very top. This narrative makes a good story, but it is so one-sided that it would make a very boring game. I feel the need to organize a more effective opposition, if only to add some excitement to the game.

And it isn't hard to do, because if you accept the premise that globalization is the National Basketball Association, then you will see many stories, not one. You will find the story of Air Jordan, of course, but you will also find Yao Ming and Emanuel Ginobili, among others. The full story of globalization and basketball is a complicated pattern that weaves together global market forces, local culture, national pride, and individual opportunity. It is almost as much about foreign influences on a U.S. game as it is about American domination abroad. Globalization as we usually think of it is part of the story, but the real story is different, more complicated, and more interesting. The real story of Air Jordan and the Global Game is the kind of globalization story I am interested in.

But is basketball *really* the global game and therefore a valid metaphor for understanding globalization? The *truly* global spectator sports, some would argue, are Formula One auto racing and soccer, or football as most of the world calls the game. The global soccer industry is the subject of chapter 4, “The Beautiful Game and the American Exception.” The American exception? I said soccer was a global spectator sport, but that's not really true. In the United States soccer is widely played but not widely watched. That's the American exception that helps us appreciate the limits of the argument that sports equals globalization equals Americanization.

If you examine the global soccer industry you will find some patterns that repeat those of the Air Jordan story of globalization, but you'll also see much that is very different. I hope that this will raise a number of disturbing questions about the ways we misunderstand globalization through sports. I think you will see that the Air Jordan story, for example, is deeply rooted in an American view of America. Ironically, all the classic globalization stories are rooted in very specific local perspectives, and often reveal more about local attitudes than global patterns.

Food—fast food—is the basis for perhaps the most popular image of globalization—McWorld—and is the subject of chapter 5. Globalization is so closely associated with American hamburgers that the entire

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complex process of economic and social change is often characterized simply as McDonaldization, a process that destroys local cultures and traditions, replacing them with the fat-filled empty calories of American capitalism. Thomas Friedman, in his book about globalization, *The Lexus and the Olive Tree*,<sup>6</sup> cannot seem to resist having “Golden Arches” moments that define globalization wherever he goes.

Although it is tempting to see the spread of fast food as the essence of globalization, it is also wrong to do so. Even the McDonald’s story is more complicated than is commonly appreciated; it is *both* a story of global business *and* the story of the vitality of local culture, as we will learn as we search for the truth about the McAlloo Tikki Burger. More than anything, however, McDonald’s story is the story of the process of rationalization, which Max Weber identified years ago. Rationalization is related to globalization, I suppose, but they aren’t the same thing.

But *are* hamburgers the essence of globalization? One problem with the McDonaldization story is that it uses an exceptional case—the world’s most successful single restaurant chain—to argue a general case (almost a universal case). What happens when we look beyond hamburgers? Chapters 6 and 7 try to find out.

The people who oppose global McDonaldization often champion the merits of *terroir*, although they usually don’t call it that.<sup>7</sup> *Terroir* is a French term for the special qualities associated with particular places. *Terroir* is about how wines are affected by local soils, techniques, traditions, and microclimates. If generic “chablis” from California doesn’t taste the same to you as the eponymous dry white wine from Chablis in the Burgundy region of central France, then you might be someone who appreciates *terroir*.

The logical place to look at globalization versus *terroir* is the wine industry, a seriously interesting example of global markets at work and not, as some of my friends have suggested, just an excuse to drink a lot of wine in the name of research. The classic patterns of global trade and investment are present in the global wine industry. Gallo, Mondavi, Beringer, and other U.S. firms have established systematic global networks of vine and wine. Meanwhile, the French are expected to be vigorously resisting these trends, even as they enthusiastically embrace them. There are clear links between core and periphery (or Old World and New World, as wine people like to say), which fit an expected pattern, too. It’s all there. The story of wine is the story of globalization as McDonaldization. Except that it’s not.

Although it is easy to make the wine industry fit the preconceived

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notion of the globalization debate, in fact what is happening in the wine business has little to do with globalization and everything to do with particular patterns and practices that have existed in the wine business for hundreds of years. When you go looking for certain patterns of globalization, you sometimes see them both when they are present and when they aren't. Analysis of the wine industry shows that "globalization" is just one of the special arrangements that characterize this business. I hope this will make you wonder how many other "globalization" stories aren't really about globalization, either.

What does globalization look like to the people who don't live in McWorld, who are too poor to buy a Big Mac, who live in the countries that cannot even attract a McDonald's in the first place? How does it change their lives down at the grassroots level? Does it give them hope and opportunity, or does it crush them and their cultural heritage?

The conventional wisdom, which I call "Grassroots Globaloney," is that globalization is like the Borg Collective in the *Star Trek: The Next Generation* series and movies: Resistance is futile; you will be assimilated (and homogenized and dehumanized). Because I am suspicious of simple, deterministic conclusions, I suspect that resistance is possible and that even the poorest people in the world have at least some ability to shape globalization to suit their needs. I explore these ideas in chapter 7 through cases studies of global trade in used clothing (the rag trade) and the Slow Food movement, a global network that uses the methods of McWorld to offer an alternative to it.

Taken together, these case studies make an argument for a more complex definition of globalization and suggest the types of local, regional, national, international, and global patterns that we need to visualize if we are going to try to understand globalization in a meaningful way. I say that we need to *try* to understand globalization, with emphasis on the *try*, because I'm not really sure that we can understand any complex system of which we are so much a part.

*Globaloney* concludes with an exercise in creative destruction, where I try to uncover some deeper truths about globaloney and globalization. Chapter 8, "Globalization and the French Exception," presents my own theory of why the French hate globalization so. Like all great global narratives, my theory contains a lot of globaloney (but it is high-quality globaloney, I assure you). I then subject my own theory to critical analysis, an exercise that raises doubts about the premise—the notion that the French really do hate globalization—as much as the theory

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and sets the stage for my attempt to draw a conclusion about why globalization is so difficult to understand clearly. Maybe it's impossible to really understand globalization, given all the devils and all the details that are at work, but we don't have to try so hard to *misunderstand* it. And that's not globaloney.

