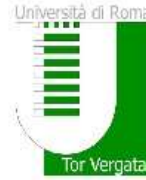


Global History

a.y. 2020-21

Prof. Daniela Felisini & Prof. Angela Romano

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- Reasoning about Globalization(s) and Deglobalization(s).
Globalization: an historical issue.
- Analyzing the creation of the world bipolar order 1947-1989 and its main changes after 1989
- Considering the international arrangements made to govern political and economic relations to understand :
 - how the interdependent world is organized and governed
 - how the variety of actors interact and cooperate (or not) to deal with global issues
- Exploring the European integration process and its entanglements with global dynamics. EU as one of the most important economic and political actors in the world

- ❑ Special focus on the years 1979-1980, starting globalization (?)

Guest lecturer: Jacek Koltan, Director of European Solidarity Centre in Gdansk

- ❑ Special focus on the global financial and economic crisis of 2008, a real global event starting deglobalisation (?)

Guest lecturer: Nicola Forti, Editor-in-Chief “Bancaria”

Textbooks and Material

- Mark Mazower, *Governing the World: The History of an Idea*, Penguin Books, 2013.
- Catherine Schenk, *International Economic Relations since 1945*, Routledge, 2011.
- Desmon Dinan, *Europe Recast. A History of the European Union*, Palgrave Macmillan, 2014, chapters 2, 6, 7, 9.
- John McCormick, *Understanding the European Union*, Palgrave Macmillan, 2017, chapter 4.
- Further specific readings for assessed presentations will be made available during the course.

- ❖ Assessed presentations on assigned specific readings (see DIDA)
- ❖ Group work on 2008 financial crisis using multimedia materials (see DIDA)

The globalization process started in the last decades of the 20th century suggested new historical approaches

Global History

- reflects on the increasing integration of world regions into a single system through **globalization(s)**
- adopts the interconnected world created by the **processes** of globalization as its larger unit of analysis (*D. Olstein*)

Globalization(s) a complex process

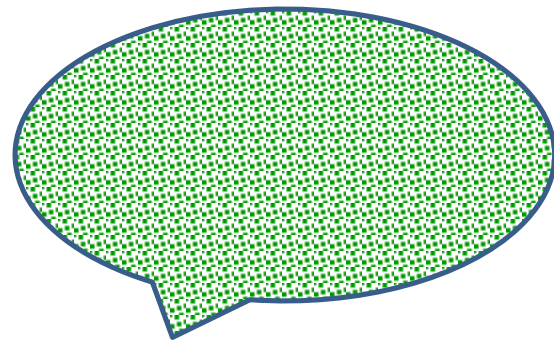
Globalization: an extremely complex process, involving political, economical, cultural, social, environmental aspects !!!

A contested phenomenon about which there are appreciation (more or less enthusiastic) and significant disagreements and even struggles

The phenomenon of globalization is much older than the concept. Before 1994 the word could not be found in the Oxford English Dictionary. Nowadays on Google it has 50 million results

A huge number of definitions

What about yours ?



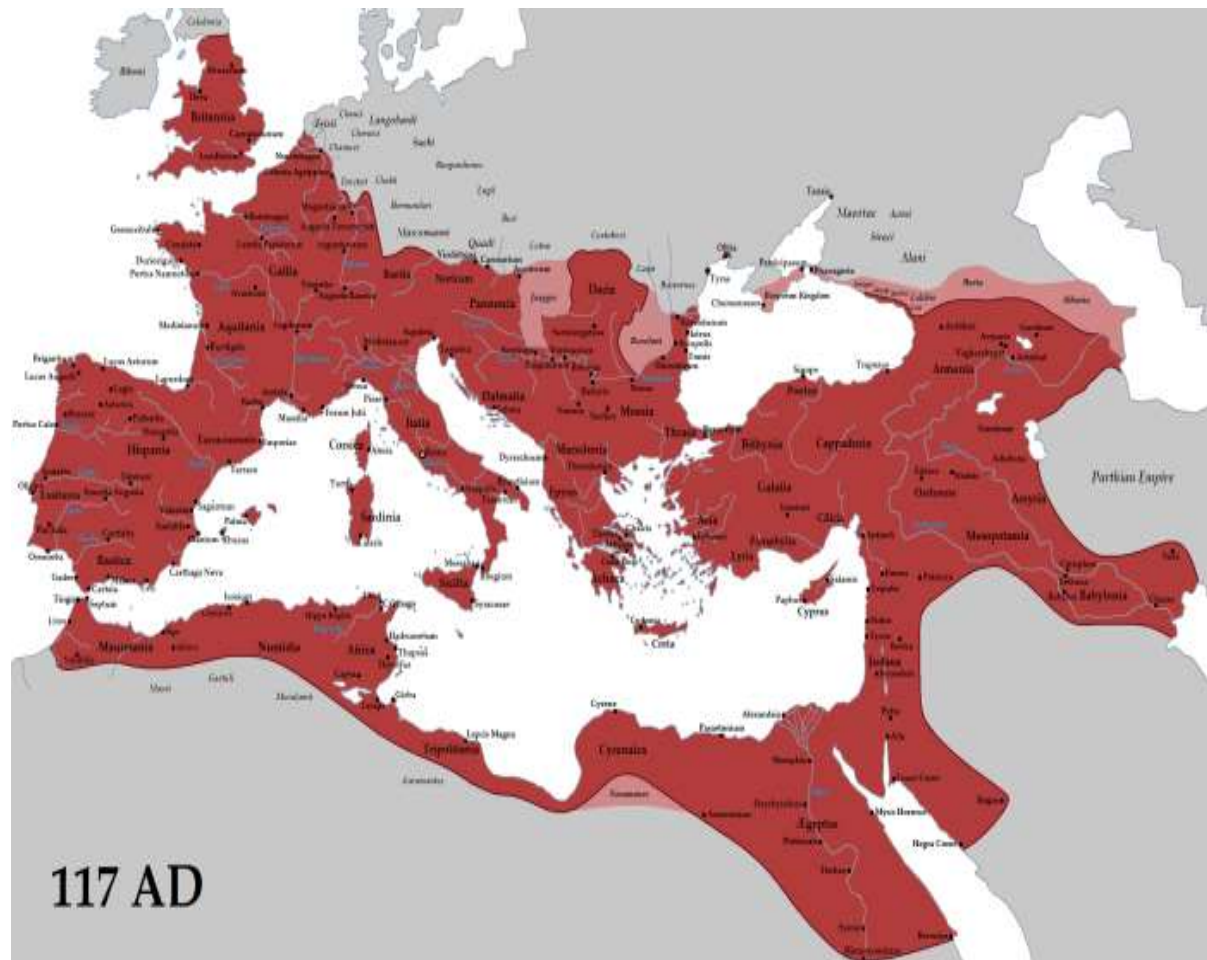
Globalization(s): the ancient past

Not a 21st century process !

Ancient Empires have been considered as experiences of globalization.

The Ancient Rome, the Mongol Empire, the Ottoman Empire

Roman Empire, at the age of Traianus



Globalization(s): the ancient past



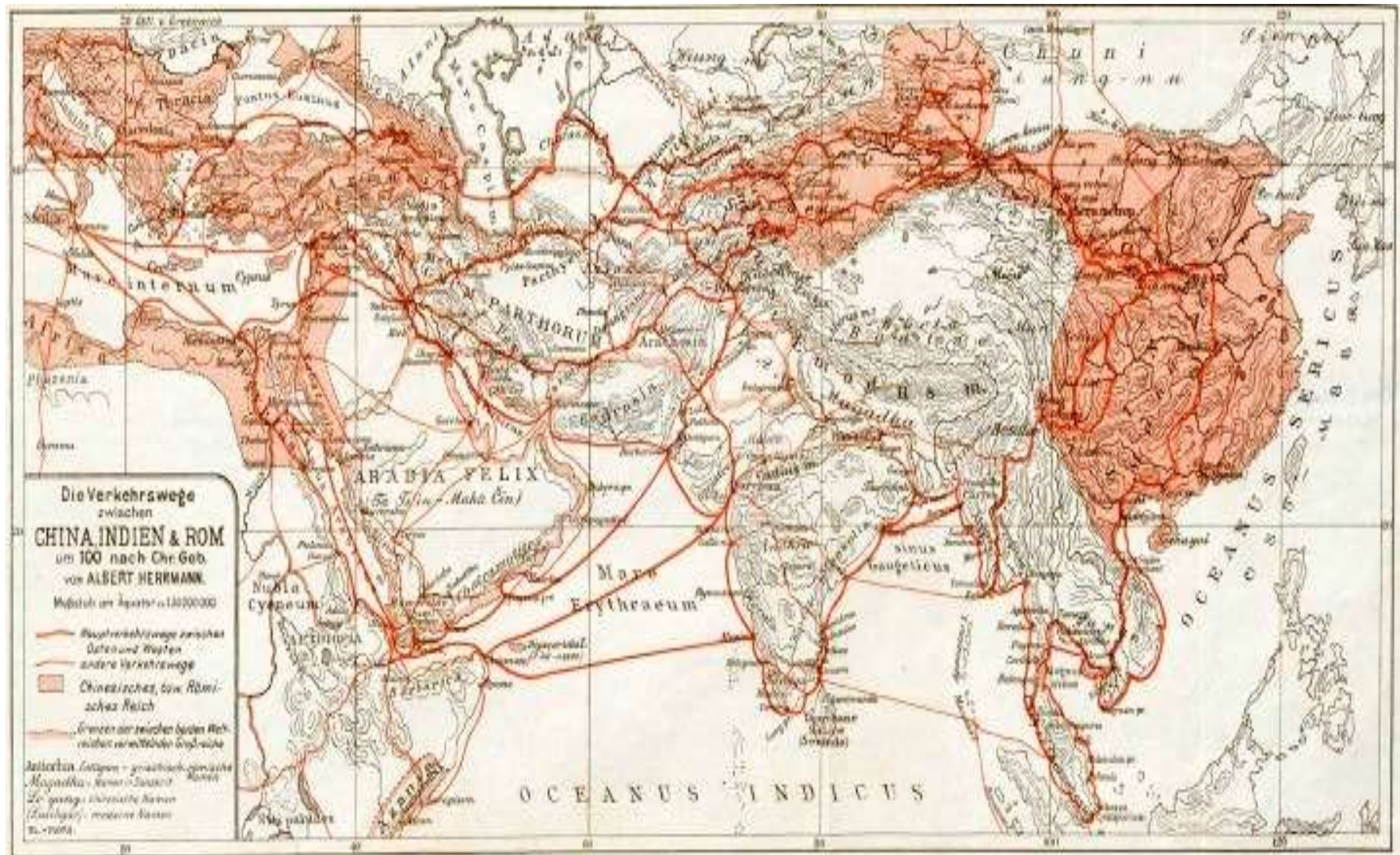
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Those empires:

- bring together (sometimes melting) territories, populations, economies, religions, social organizations
- establish shared rules
- spread cultural ideals
- build and manage trading routes: a plurality of itineraries and combinations of overland and sea routes (e.g. Silk Road) where the army and the merchants could move

BUT...

Globalization(s): the ancient past

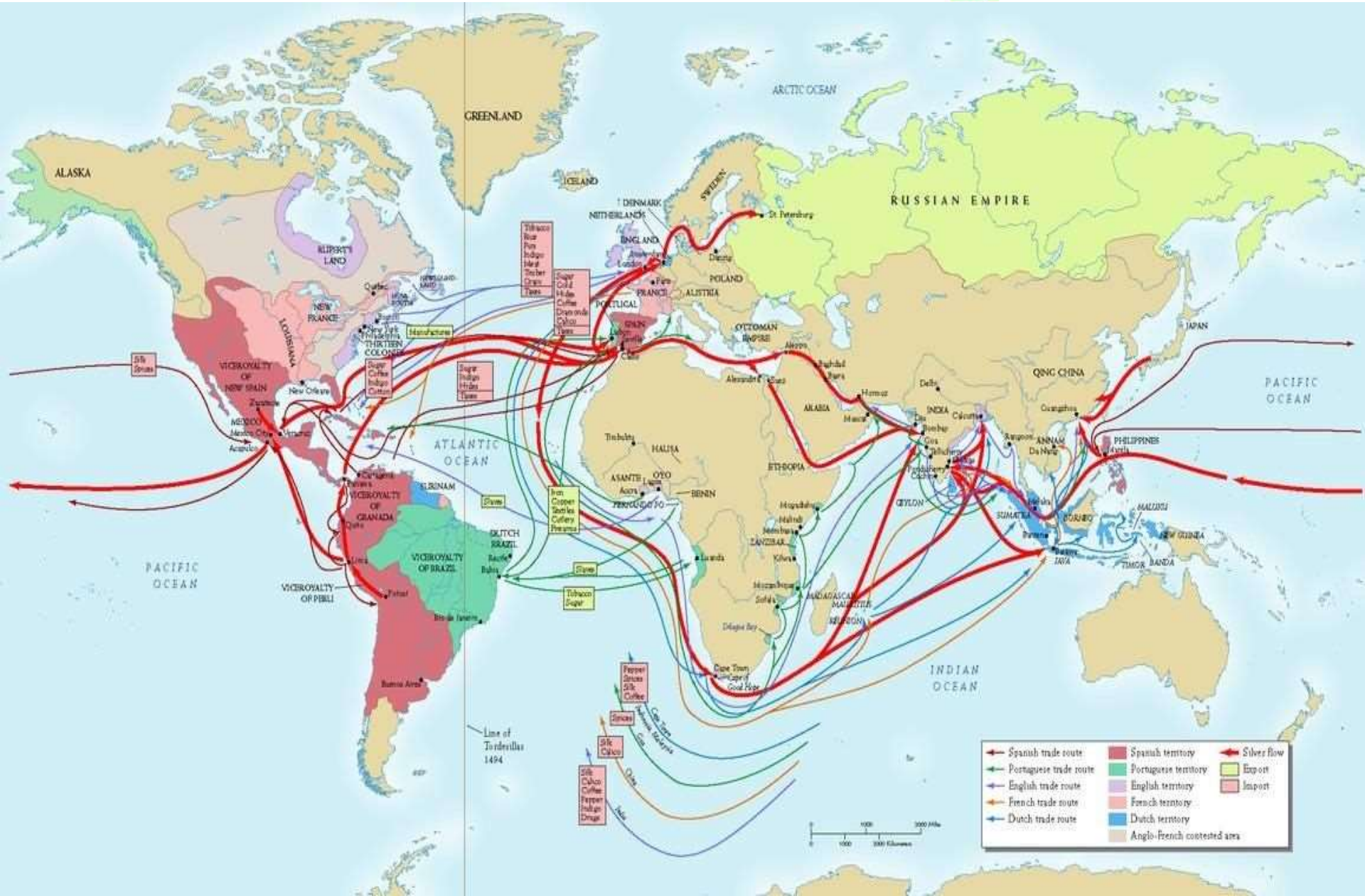


Age of exploration (early 15th- early 17th century)

- ❖ Colonization: Dependence and Interdependence
- ❖ New trade routes: shift of the trade axis from the Mediterranean to the Atlantic
- ❖ New products: increasing diversity and volume of goods exchanged

 Creation of the **économie-monde**, centered on Europe
(F. Braudel, 1949; I. Wallerstein, 1974)

Globalization(s) : The modern world-system



Globalization(s): 1st in the industrial Era

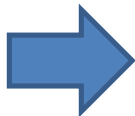


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In the last 20 years of 19th century: the first globalization of the industrial Era.

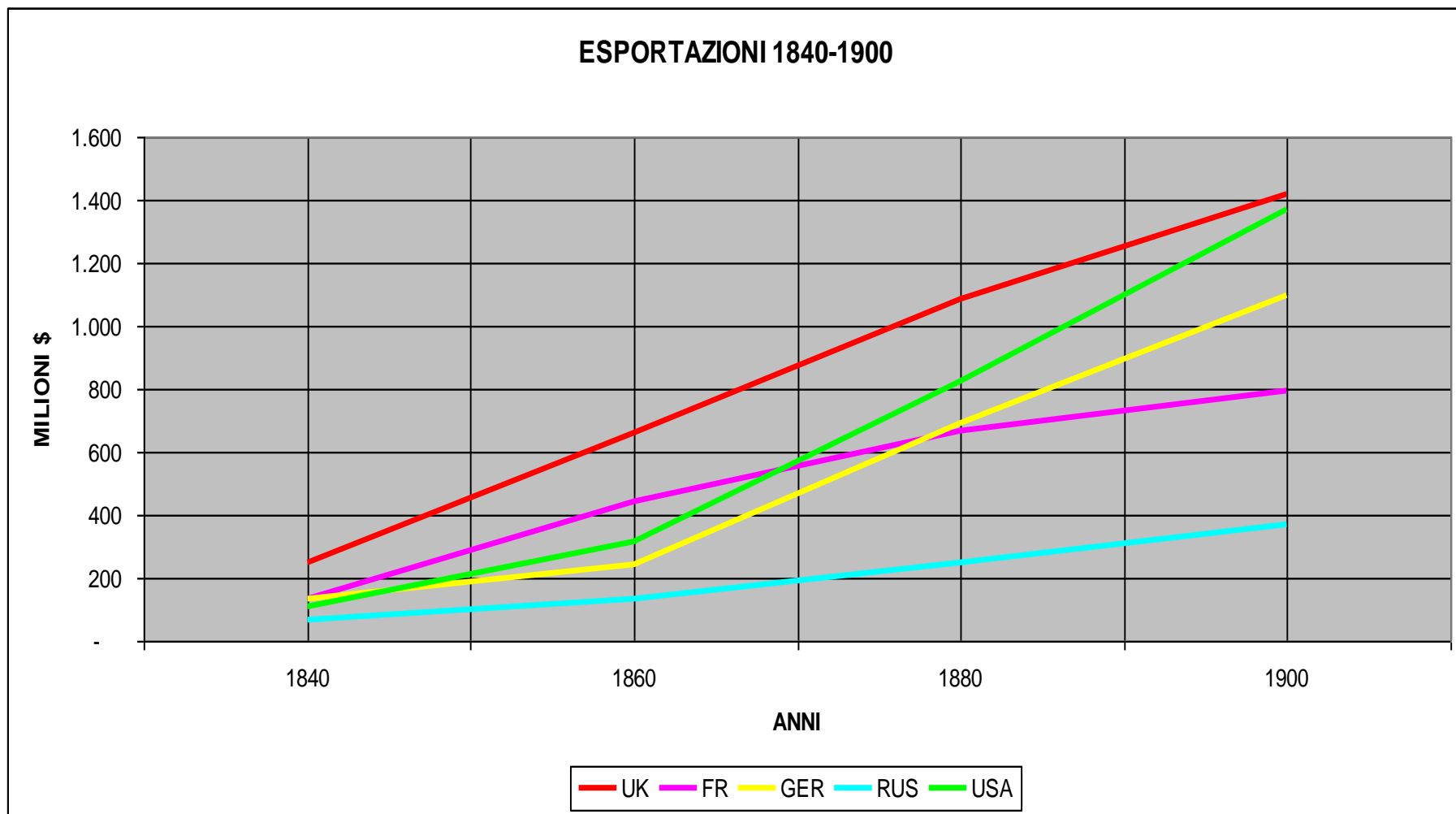
Causes:

1. Spreading of Industrialisation
2. The free-trade movement encouraged by Great Britain since 1840
3. Transportation and Communication technologies (railways and steamships, since 1830s; telegraph 1844-66; radio 1896-1907)
4. Lowering transportation costs
 - **Suez Channel** opening (1867)
 - **Russian** railroad from Ukraine to the Black Sea (1870) and **Trans-Siberian Railway (1890-1904)**
 - **USA Transcontinental railroad** (1870)
 - **Steamship** in Mediterranean, Atlantic and Indian Oceans regular routes (since 1850)



Huge growth of global trade

Exports trends in 19th century



The birth of the Global Financial Market

Railway Mania and Financial Revolution

International capital flows focused on **railways bonds** sold in London and Paris Stock Exchange, later in Wall Street. Capitals mainly directed to:

- European latecomers (Italy, Spain, Russia)
- European outskirts (USA, Canada, Argentina, Australia)
- Some mining areas (Russia, South Africa)
- Colonies (India)

Railways allowed high profits connecting

- strategic raw-materials supply
- military functions
- State finance investments

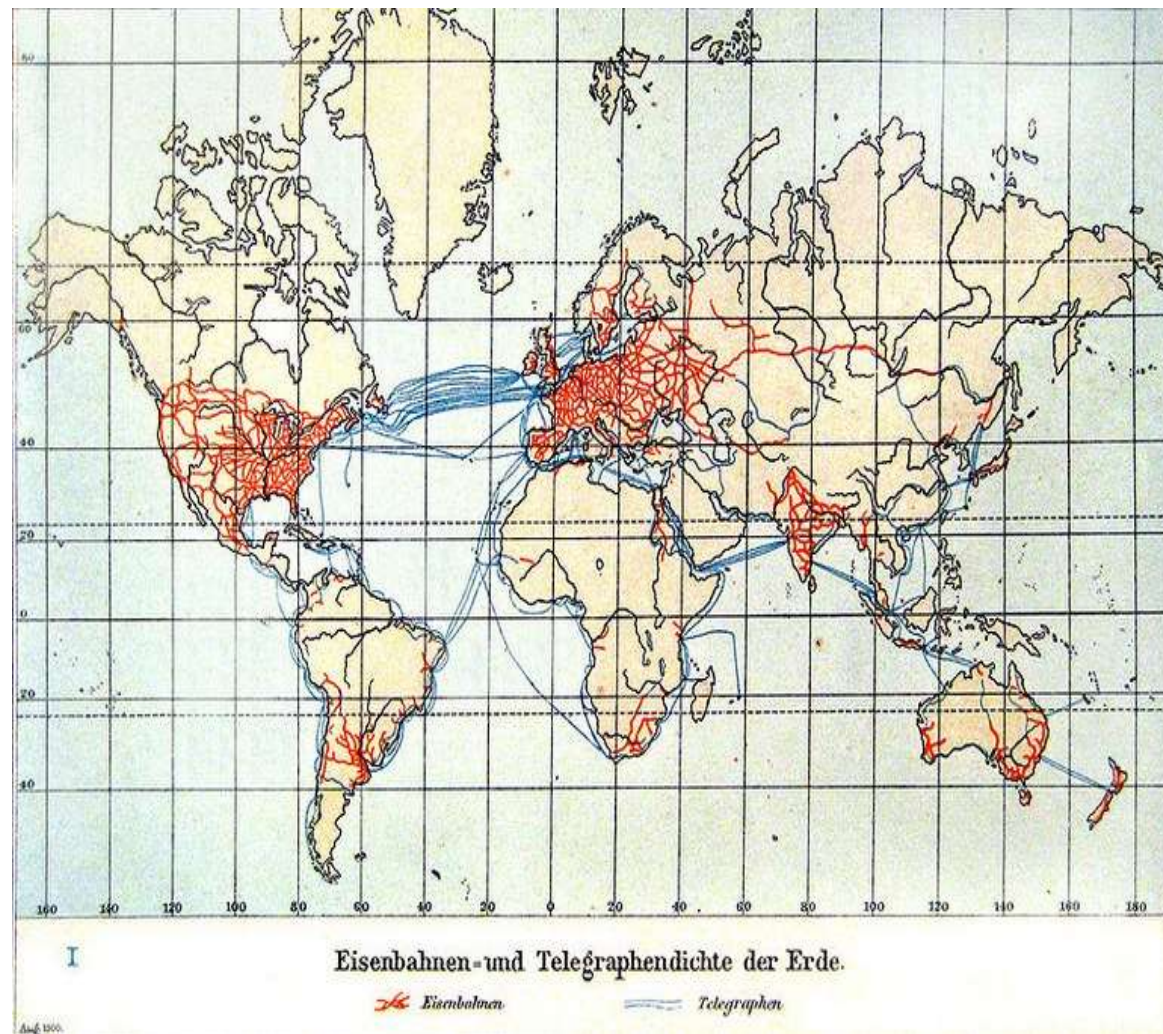
Gold Standard (1900-1914): International monetary system, relative stability in exchange rates

Globalization(s): in the industrial Era

Again a European centered process ?

In 1913 Great Britain, Germany, France dominated large sections of the global economy. These three countries contained less 50% of the population of Europe, but they accounted for 70% of Europe's industrial production and 75% of all trade between Europe and the rest of the world.

But a new country emerged: **USA**



Globalization(s): in the industrial Era



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Consequences for Europe:

Wheat cheap imports (from USA and Russia) >> Collapse in prices >> Crisis of European Agricultures

1870s- 1880s: General economic crisis in Europe

Which reactions ?

- **Mass migration (1880-1914): 35 mlns Europeans** (on 450 mlns) left Europe mainly towards North and South America, Australia
- **Protectionism:** trade wars (es. Italy vs France)
- **International tensions:** conflicts for colonial markets, growth in military expenditures
- **WWI:** >> *deglobalization*

Interwars years:

- USA Isolationism: out of the League of Nations (founded on 10 January 1920 following the Paris Peace Conference, it was the first worldwide intergovernmental organization aiming to maintain world peace).
- Soviet revolution: USSR isolated and self-isolated
- Spreading of dictatorships and authoritarian regimes: Italy, Germany, Brasil, Spain, Portugal, Hungary....
- Nationalistic visions

Globalization in 20th and 21st century

In the last 20 years of 20th century: a wide wave of globalization

Causes:

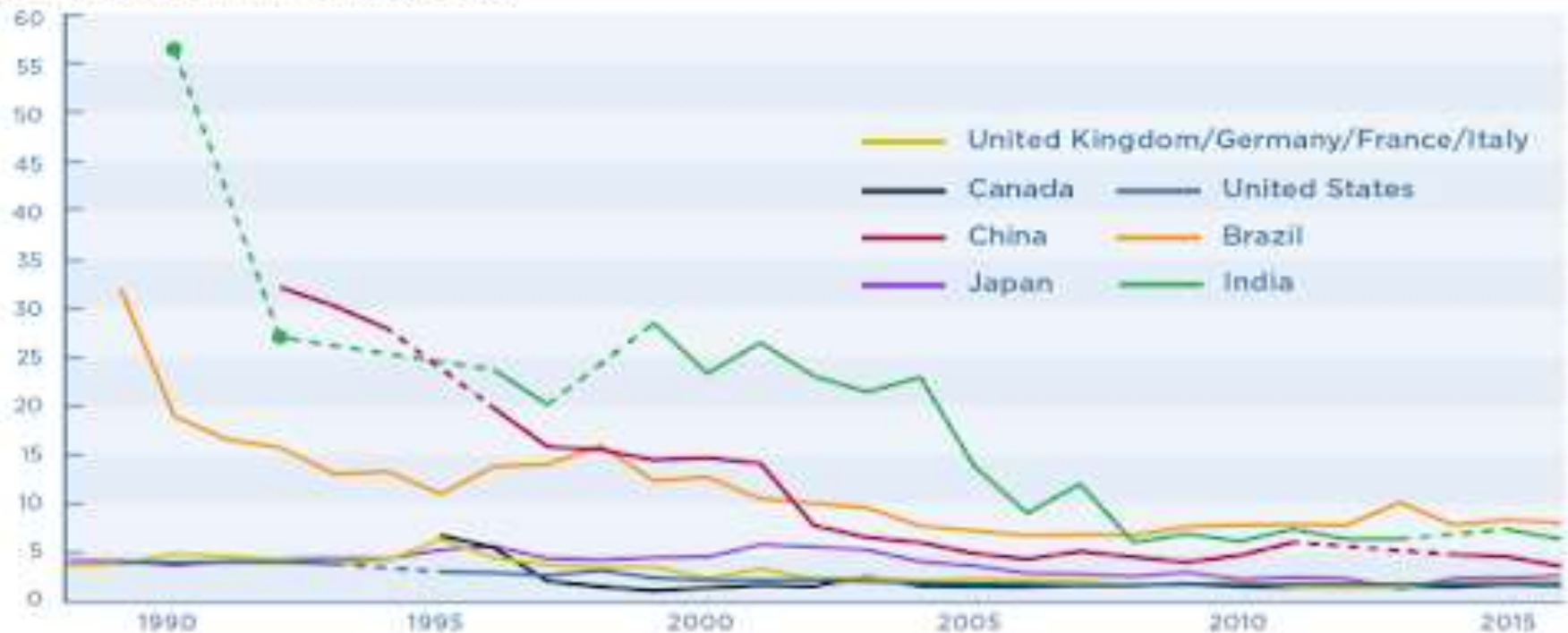
- **1971: Crisis of the international monetary** system established at Bretton Woods (1944): progressive creation of a new global monetary and financial system (e.g. petrodollars)
- **Since 1970s:** Economic and societal crisis in USA and Europe after oil shocks
- **Decolonisation:** New actors on the world scenario (e.g. Middle East Countries)
- **Since 1978:** deep changes in **Chinese economy**
- **Since 1979: Neoliberal Turn:** market-oriented reform policies aiming at reduce the State role in the economy (privatization and reductions in government spending), deregulate capital markets, lower trade barriers
- **Since 1980:** innovation in goods transport system (**container**)
- **Since 1980s:** ICT development
- **Since 1989: Crisis of the socialist block** >> end of the Bipolar World Order



Globalization in 20th and 21st century

Major economies dropped tariff rates and kept them low

Average applied tariff rates (1988-2016)



Note: Shows world's ten largest economies, 2016. Rates are weighted by trade value. Dotted lines indicate years when data are not available.

Source: World Bank DataBank.

Globalization in 20th and 21st century



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Consequences:

- Huge growth of international trade (WTO 1995) > Creation of global value chains (global integration in a product conception, design, needed raw materials, manufacture and intermediate inputs, marketing, distribution, support to the final consumer)
- Greater and faster mobility of capital
- Integration of markets on a global scale (prices)
- Intensification of people mobility (tourism, migratory flows...)
- Affirmation of new Countries (china hegemonic project) and new areas in the world scenario (Asia)>> New hierarchies
- Development of multinational businesses
- Decline of world population poverty ratio BUT growing inequalities
- Environmental and health problems
- Massive interconnectedness >>> interaction, integration and dependency amongst areas and people

After the financial and economic crisis started in the USA in 2008 it started a phase of contradictory deglobalization:

- Slow down in global trade and in global economy
- Protectionism (e.g. trade wars USA vs China)
- Growing of international tensions
- Rising nationalistic feelings and attitudes (Brexit, Trump, Putin, Erdogan)
- Barriers to migration flows
- Chinese OBOR project: a global project or a hegemonic one?

Comparing Globalizations

- Transport and communication technologies (train, ships, telegraph, radio)
 - Growing international trade (exports = 10% global GDP)
 - Growing international capital market and FDI
 - People movements
 - Leadership of Western countries
- Transport and communication technologies (airplanes, containers, telephone, ICT)
 - Growing international trade (exports = 20% global GDP) + global value chains
 - Huge international capital market and FDI (new financial actors, deregulation, ICT applied)
 - People movements
 - More Countries on stage (China, India, Russia, Middle East)

Comparing Deglobalizations

- The 1st globalization of the industrial Era ended with a World War and a catastrophic pandemic (Spanish Flu)

What about the globalization of 20th -21st century ?

We have a pandemic....

Martin Wolf: *“we need a better global ruling class, competent and aware of complexity”* >>> **YOU!!!**