

Alexander Lenger
Florian Schumacher *Editors*

Understanding the Dynamics of Global Inequality

Social Exclusion, Power Shift, and
Structural Changes

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Alexander Lenger
Albert-Ludwigs-University
Freiburg
Germany

Florian Schumacher
Global Studies Programme
Albert-Ludwigs-University
Freiburg
Germany

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Preface

The globalization process intensifies existing inequality structures while simultaneously generating new inequalities on multiple levels. Indeed, globalization is structured as relations of power (James 2005). Although the impact of globalization on multiple dimensions of inequality seems to be obvious, systematic analyses on this important field are scarce. Although the topic of globalization developed as a sub-discipline in the social sciences since the 1970s, only since the beginning of the 1990s few convincing theoretical approaches (cf. Hardt/Negri 2000; Wallerstein 1974, 1980, 1989) and empirical data on this important issue exist (see e.g. the excellent anthology of Jomo Kwame Sundaram and Jacques Baudot (2007) to gain empirical information on the issue of global inequalities).¹

However, few subjects lie outside of the domain of the issue of inequality in contemporary social sciences. Consequently, most disciplines deal with the question of global inequality as a complementary sideline, such as economics, jurisprudence, psychology, sociology, ethnology, anthropology, international relations, and many others. Of course, each discipline approaches the issue with a specific unique but limited perspective. As a result, analyses of globalization and inequality emerge from various disciplinary backgrounds through limited local approaches to these phenomena. For example, they analyze inequality from a local respectively a national perspective (e.g. Beeghley 2008 for the United States; Goldthorpe 1987 for the United Kingdom; Jodhka 2012 for India; Van den Berghe 1965 for South Africa) or from a global perspective (e.g. Beck 2000 [1997]; Wallerstein 1974, 1980, 1989; Hardt/Negri 2000). Some authors consider inequality as an individual phenomenon (e.g. Boudon 1974 [1973]) or a collective phenomenon

¹ For primary data on international comparisons of inequality see the United Nations Development Reports (www.undp.org), the World Bank Development Indicators (<http://data.worldbank.org/indicator>), and the Luxembourg Income Study (<http://www.lisdatacenter.org>). For basic information see the reports *Divided We Stand: Why Inequality Keeps Rising* (OECD 2011); *A Fair Globalization: Creating Opportunities for All* (World Commission on the Social Dimension of Globalization 2004).

(e.g. Bourdieu 2002 [1979]). Finally, they analyze global inequality from a normative (e.g. Nussbaum/Sen 2009 [1993]; Sen 1999) or a positivist (e.g. Milanović 2005; Kaplinsky 2005) perspective. Although their perspectives and findings are divergent and occasionally contradictory, they present a consensus that global inequalities hold significant consequences for the modern world society.

This book arises from an international conference organized by members of the Global Studies Programme, an international and interdisciplinary master's program created in 2002. The program is jointly offered by five international partner universities: Albert-Ludwigs University in Freiburg (Germany), the University of Cape Town in Cape Town (South Africa), FLACSO in Buenos Aires (Argentina), the Jawaharlal Nehru University in New Delhi (India) and Chulalongkorn University in Bangkok (Thailand). The conference "Understanding Dynamics of Globalization" was hosted by Jawaharlal Nehru University in New Delhi and organized in close partnership with the Albert-Ludwigs University. With the financial support of the DAAD, the Global Studies Programme had the opportunity to hold this international conference for its 10th anniversary. The conference offered a unique opportunity to discuss different local approaches and perspectives on globalization with the main representatives of all five partner institutions of the Global Studies Programme convening in India. Consequently, the conference aimed directly at bringing together different methodological and disciplinary views of globalization research with a special focus on inequality research and global inequality. Distinguished scholars from various disciplines from Europe, Australia, Asia, United States, Latin America and Africa came together to discuss three primary questions. First, what are the levels on which inequality is expressed in a globalized world? Second, what are the structures and rules influencing global inequality? And third, how does globalization influence unequal distributions and participation schemes around the world?

This interdisciplinary book completes and enriches the Delhi conference discussions by integrating the research of a wide range of disciplines and regions involved in the study of global inequality. Hence this compilation approaches the complex question of inequality not only from different regional perspectives (Africa, North America, Asia, Europe, Latin America) but also from different disciplinary backgrounds (economics, political sciences, sociology, cultural anthropology). The contributions are subdivided into three essential fields of research. Part I introduces the issue of global inequality. Part II analyzes the socio-economic dimensions of global exclusion. Here, the impacts of internationalization and globalization processes on national and regional social structures are highlighted against the background of social inequality's theoretical concepts. Part III approaches the political dimension of global inequalities. Since the decline of the Soviet Union, new regional powers such as Brazil, China, India or South Africa have emerged. The power shifts within the area of international relations are the coherent element of the contributions of this third part. Part IV examines the structural and transnational dimensions of patterns of inequality concretized in the rise of globalized national elites or the emergence of multinational networks which transcend the geographical and imaginative borders of nation states.

Introducing Global Inequality

The first chapter is an introduction to the subject of the book as well as a reflection of the different sociological approaches on inequality and of the current discourses on global inequality. We, Alexander Lenger and Florian Schumacher, demonstrate the importance of social and global inequality for contemporary theories of globalization. We argue that social differentiation must be seen as a key aspect of modern societies. We start with illustrating the sociological concept of social differentiation by distinguishing these approaches into three different lines of thought. Then, we discuss the main theories of globalization that explain global forms of stratification. Finally, we address the empirical dimensions of global inequality, which demonstrate that globalization has two structural effects on social stratification. On the one hand, it creates global inequalities on a micro level. On the other hand, it shapes the global social structure on the macro level. Consequently, global inequalities are global processes shaping inequality and human well-being in everyday life of individuals and are perceived by the individuals in an interpersonal comparison between individuals, i.e. relational inequality. Inequality within global social structures is measured as absolute social inequalities displayed for example by the famous Gini coefficient.

Dynamics of Global Exclusion

The five chapters of the second part analyze the socio-economic dimension of global exclusion. In particular, by using the sociological theoretical concepts of social inequality the consequences of globalization on national and regional social structures are illuminated.

Seth Schindler demonstrates that the consequences of global exclusion are not only a phenomenon of the developing world but can also be observed in developed countries such as the United States. He shows how globalization results in the exclusion of non-productive territories from the global economy. For example, Flint, Michigan, in the United States is one such place disconnected from the global economy. He analyzes the emergence of the political economy in the city and explores implications of the emergence of zones of exclusion for the globalization process.

Faisal Garba deals with the effects of global inequality for Africa and its consequences for migration patterns. He traces the social and economic dislocations of the African working class by neoliberal interventions and examines the resultant outward movements within and outside the African continent. Through comparative empirical research, his considerations are empirically based on the lived experiences and networks created by “subaltern” African migrants in Germany, India and South Africa.

Caroline Janz approaches the issue of global inequality by investigating the complex and multiplied inequality patterns and the power structures in the self positioning from women from Latin America in Germany. Based on her interviews, she applies an intersectional approach assuming that social inequality is (re)produced through the constructions of difference. In particular, she demonstrates that inequality is reproduced through different categories of difference as ethnicity, race, gender, body, class, etc. and interacts on different levels – as in identity constructions of persons, on the structural level as well as in discourses.

Eric Haanstad and Chulanee Thianthai discuss the influence of globalization on inequality and unequal participation in Thailand. Following up on the worldwide increase of urbanization, they analyze the distinction between urban and rural political opinion in post-coup Thailand with 250 interviewees. They argue that many suburban adolescents stress democracy's perceptual links to a uniting equality while many urban adolescents conceptually link democracy to majority rule. In the context of globalization, these conceptual conflicts reveal an intimate linkage of political inequality to global patterns of urbanization. Their findings suggest subtle conceptual fault lines separating urban and suburban Thai youth, providing critical insights into the political inequalities.

Vivek Kumar Srivastava analyzes the situation of inequality in South Asia with a special focus on India. Starting with processes of political regionalization and economic liberalization, he first describes the economic and social infrastructure of the region. In a second step, he unveils the relationship between inequality and globalization processes in India and other South Asian countries. In a third step, he displays the variety of inequalities established in the region and highlights the influence of regional trading block formation on the persistence of inequality. He demonstrates that globalization and regional economic integration create inequality in a way that discriminates the social group which has limited access to education and modern technology. Consequently, he calls for policy implications to upgrade the social infrastructure in developing countries.

Global Power Shift

The four chapters of this third part of the book focus on the political dimensions of global inequalities and emerging powers. Since the end of the Cold War at the beginning of the 1990s new regional powers (the BRICS states) have emerged. The power shifts within the area of international relations are the coherent element of the contributions of this part.

Boike Rehbein addresses the issue of emerging powers. Starting with the observation that inequalities in most societies and especially in emerging societies have increased rapidly, he investigates the link between globalization, capitalism and increasing inequality in emerging societies. He argues that in each society, older local, regional and national social structures persist that shape contemporary inequality patterns. The ranks and classes in these older structures transform into

capitalist classes or milieus by changing their daily life and activities while at the same time reproducing their relative social position. The leading milieus partly embrace capitalism and partly try to resist globalization by drawing on older national traditions. This situation leads to specific configurations of social structures, capitalisms and globalization that differ from one society to the next.

In his article, Jürgen Rüländ shows that the “principled multilateralism” of the post-Cold War era must be seen as a “diminished multilateralism”. More precisely, the current situation with multiple centers of power (BRICS) and other rising states in the Global South question the legitimacy of contemporary international relations. Considering this, Rüländ discusses the role of the United States and Western countries as well as the decreasing power of international institutions and their inability to solve global problems.

Gaston Fulquet also refers to the field of international relations focusing on emergent South-South relations. Focusing on South America, Fulquet’s article shows the increasing importance or interregional arrangements with other regional partners in the Global South. By contrasting traditional political relations (North-South) and newer interregional partnerships (South-South) as well as the role of the European Union, Fulquet discusses the relevance of South-South relations for sustainability and equitable development.

Alejandro Pelfini in his article on “populism” also discusses global inequalities in Latin America. He argues that populism especially in South American countries with a high level of inequality (Venezuela, Ecuador, Bolivia, Argentina, Brazil) but also on the global level (protest of the Indignados, Occupy Movement) does not seem to be a pathology. It is rather a rational alternative to solve problems rooted in failed nation-building processes, unequal participation in public decision-making and elite-failure. The article discusses the continuities and similarities between the recent populist waves in South America and the Occupy Movement.

Global Structures, Networks and Inequality

The book closes with four chapters on the structural and transnational dimension of inequality patterns which can be concretized in the rise of globalized national elites or the emergence of multinational networks which transcend the geographical and imaginative borders of nation states.

Carlo Angerer touches upon the systematic level of global networks. He shows that research on global networks has made important contributions to the understanding of globalization phenomena, but it often does not consider the intrinsic hierarchies of networks. By examining the examples of the global air travel network and the online news network, he uncovers a twofold hierarchy: within global networks as well as in access to global networks. Economic, political and social barriers create these distinct hierarchies, which in turn affect the outcomes of globalization processes.

Christian Schneickert, Andreas Kroneder and Regine Schwab address the current debate on global elites. Employing data on elites in Brazil and India, they show that political and economic elites in both countries are globalizing. However, this process is strongly embedded in specific historic, cultural, and sectoral structures. They illustrate that the idea of a homogenous global elite is misleading and that instead the issue of multiple conflicts within national elite fractions and between globalizing national elites from different countries and world regions must be analyzed.

Johann Fortwengel adds another important aspect. Drawing on comparative capitalism research he illustrates the importance of multinational enterprises as a lens to discuss global convergence and global inequality. To give further insights into inequality research, he proposes to conceptualize organizations as actors caught in structure. The emerging picture reveals firms situated within the complex and dynamic interdependence of structure and agency. The way this dynamism materializes is far from determined, yet it remains highly relevant in answering issues of convergence and inequality, and thus provides a promising trajectory for globalization research.

Finally, Jörg Dürrschmidt explores the link between global mobility and “distanciation”, identified as the dynamic underlying new forms of “existential inequality” in the global arena. He argues that in the course of globalization, a disjuncture is unfolding between inclusion and belonging which turns the equilibrium of “a good life” into an ongoing precarious achievement. Accordingly, he emphasizes a temporalized understanding of situatedness which makes it difficult to argue in the accustomed winner/loser dichotomies with respect to global social inequality. Instead Dürrschmidt portrays global existential inequality as a complex and shifting socio-cultural order.

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Chapter “[The Global Configurations of Inequality: Stratification, Glocal Inequalities, and the Global Social Structure](#)”, Figs. 1 and 2 from Widening Global Access – The Need for a Paradigm Shift from Excellence to Responsibility in International Higher Education, Alexander Lenger, Christian Schneickert and Florian Schumacher, *International Journal of Management Concepts and Philosophy* (2011) 5 (4), pp. 354–373. Reprinted with permission of Inderscience.

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In chapter “[The Rise of “Diminished Multilateralism:” East Asian and European Forum Shopping in Global Governance](#)”, Jürgen Rüländ, originally appeared under the same title in the journal *Asia Europe Journal* (2012) 9 (2–4), pp. 255–270. Reprinted with permission of Springer Publishers.

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