

# The moral globalist: making globalization work

Globalization is often accused of harming domestic jobs, and accusations of Americanization are not too far away. May 1, 2001 protests in Australia saw anti-globalization advocates take to McDonald's restaurants. In response to these—which seems even more poignant after the air strikes on Afghanistan in October 2001—the author refers to moral globalists: those who do not see a distinction between themselves and fellow world citizens in other nations, who can help ensure that the forces of globalization help those most in need instead of marginalizing them. One key to this global social justice is the use of branding.

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THOSE residing outside the United States often hear charges of American cultural invasion. They see McDonald's, 7-Eleven, *Baywatch* and other American exports become part of their daily life.

The charge has been directed toward designers, amongst others. Those that do not undertake to make use of a national identity in, for instance, a web site, or adopting a dot com address, risk being accused of Americanization. I know of a number of non-American ecommerce outlets that price in US dollars. I have met numerous people in New Zealand, where my publication *Lucire* is headquartered, who believe it to be American, rather than global, despite our tagline, 'The global fashion magazine'. In these examples alone, it appears some have equated globalization with Americanization.<sup>1</sup>

Culture is seen as an integral part of national identity. In an increasingly global society—which includes the internet and a growing awareness of the planet as an environmental unit—there are logical concerns that national identities are being diminished. Yet what seems to grow stronger are international brands. They are not necessarily American (Seiko, Mercedes-Benz, Nokia, *Elle* are Japanese, German, Finnish and French) but many are (Coca-Cola, *Vogue*, McDonald's). Seemingly, there is a greater concentration of American companies.

The most poignant example as I write are May 1 protests in Sydney,

Australia, against international trade. McDonald's branches were targeted. They were attacked and protesters sprayed graffiti on their premises. In Wellington, New Zealand, a city branch of the restaurant had to be closed, with police forming a cordon to prevent the same happening.

History is filled with similar examples, and not always directed at the United States. Graphic designers may remember a Swiss movement that saw the growth in the use of the Helvetica typeface. Some Americans believe there is a strong eastern influence these days, with Hollywood adopting ideas from Hong Kong Chinese film-making (not to mention its stars). Everyone is concerned with their own identity being changed or moulded with another.

Yet given the way we would like our society to develop, we should not stop these forces. They are in fact far less harmful than the pessimists would like to have us believe.

### Is it progress?

Free-trade protesters are spurred by the fear that globalization has cost jobs. There is an associated concern over environmental damage. Sue Bradford, a New Zealand Green Party MP, put forward a powerful argument, backed by real-life examples, in September 2000:<sup>2</sup>

[We] recognize that there are limited resources on Earth and if a small group of [the world's richest] own or control big chunks of it, there is less for everybody else.

The accumulating wealth of these people and companies comes at a price—not only through deprivation of resources and wealth for smaller, developing nations, but also through environmental degradation and the exploitation of the people who make the goods and supply the labour to create these profits.

The Green Party deplores the sweatshops of South Asia where Chinese workers earn 23¢ an hour and Bangladeshis 1¢ an hour, with no union or human rights.

New Zealand has unfortunately been a world leader in the ideology of globalization. We have removed nearly all the protections for local production and have sold off or privatized huge chunks of our economy to foreign interests.

These changes have led to lower wages, increased unemployment and the absurd situation where we import goods which we should be making ourselves—such as pet food, biscuits, clothing and footwear. ...

Over the past 30 years the environment has been damaged more than in the whole history of human life on Earth ...

Ms Bradford is right in the results of deregulation and globalization: New Zealand's deregulation since 1984 has seen its GNP drop substantially compared with other rich nations. Economist John Kay, in the *Financial Times*, called New Zealand's post-1984 performance 'dismal',<sup>3</sup> its economic progress slower than that of its former rival countries. However, blame cannot lie solely with the philosophy behind globalization, but rather how individuals have coped with it.

Ms Bradford and her Green Party colleagues are correct in joining protesters to raise awareness of the issues that concern them. Being

active is far more productive than engaging in mere rhetoric. The plight of sweatshop workers and the damage to the environment need to be highlighted and it is admirable that a Member of Parliament sees no difference between the governors and the governed. Many of her fellow politicians would dare not roll up their sleeves.

Those who are responsible for the damage, however, are not necessarily globalization advocates. They have simply capitalized on globalizing forces.

Nike is often attacked by labour groups worldwide, and even the company itself now calls the treatment of Indonesian workers 'disturbing'.<sup>4</sup> It has shifted production to Indonesia because of its low cost and had not guarded against the exploitation of workers that included 'verbal and physical abuse' and where 'female employees at two of its factories were coerced into having sex with managers to get hired and promoted'.<sup>5</sup> The experience is unlike, for instance, Sweden's Hennes & Mauritz AB, which has a code of conduct and was consequently able to refute allegations printed in *Aftonbladet* about poor treatment of workers.<sup>6</sup> Hennes & Mauritz regularly visits its factories to ensure compliance.

These high-profile examples show both the unacceptable and acceptable faces of globalization. The latter's acceptable aspects are in its respect of fundamental human rights and the improvement of living standards in Cambodia. Free trade

## A corporate culture more inclined to treating fellow humans with decency is the key to making globalization work. To create justice, there needs to be *more* globalization—not the forces that serve to marginalize the poor and repeat social injustices

has helped H&M be more profitable. Its Swedish headquarters can concentrate on research and development, creating value-added products. The income generated from the profit has helped grow H&M and consequently, the Swedish economy. Sweden's shift to value-added products and a government active in reducing the number of jobless has seen unemployment fall steadily since January 1999.<sup>7</sup> (By contrast, *c.* 70 per cent of New Zealand's exports remain in the primary sector.<sup>8</sup>)

Yet this also brings concern, for it could centre wealth on a rich nation while the poor factory workers are paid a pittance. 'The difference between the income level of the top 20 per cent and the bottom per cent has been widening and is now around 1 to 37,' wrote UN Under-Secretary-General Nitin Desai in the *Earth Times News*.<sup>9</sup>

The difference between the exploiter and the "moral globalist" is the educational aspect. A corporate culture more inclined to treating fellow humans with decency is the key to making globalization work. To create justice, there needs to be *more* globalization—not the forces that serve to marginalize the poor and repeat the social injustices that are represented by the Nike example.

What I support is a dismantling in the way we see a separation between nations; those in economically poor nations are our equals.

In a standard economic argument, those with access to higher technologies should use them for the betterment of their own nation (I use this word for the ease of description), creating wealth through value-added services and innovations. Those who can best produce the innovation given current market structures should do so. Such a scenario relies on globalization.

Using another explanation, the treatment of workers in third-world countries, for instance, by corporations reflects on their brand equity, as Nike and others have found. In the twenty-first century, there is a growing awareness of the honour and integrity behind the brands, given that they have become increasingly powerful. As corporations become more global the actions of its individuals become more important: misbehaviour by the CEO or impolite service by a clerk are communicated with greater impetus via email and other media. Because of their intrusion into people's lives, corporations have in many ways switched roles with nations, many of which have tried to reduce the size of their governments.

Thus, audiences have become interested in the substance behind the façade.<sup>10</sup>

The concern of the widening gap is then addressed by the market. This is not a pure economic model as advanced by Friedman and others, but one that is based around branding. The market—or more correctly the audience—will purchase because of the sincerity behind the brand and how the corporation behind it treats its workers. Since information is becoming easier to get, it is likely that the modern consumer is more knowledgeable. Abuses could be quickly propagated through viral email campaigns. Already, the largest companies are learning that consumers are tiring of big-brand stances, with their revenues falling,<sup>11</sup> for reasons of market segmentation and, I believe, awareness of their corporate citizenship. Citizens are swayed more by the intangibles of emotions and brands than the hard economic data of globalization.

Should jobs leave one country in favour of another where wages are lower, then there is exceptional potential for retraining and upskilling the newly unemployed. From the perspective of corporate citizenship, there is potential for the corporation to partner with a group of training organizations. This may bear a cost but the benefits from being a good corporate citizen are invaluable from a brand-equity standpoint. In a corporate world that is driven by financials as much as PR and brand equity (though all are interrelated), such actions improve an organization's profile considerably, measurable in terms of goodwill. On a simpler note, it is part of carrying out a duty, doing the right thing.

The Green Party's protests serve more to highlight that decency is

lacking when the earth's resources are raped or its citizens are abused, rather than a fault with globalization which seeks, at least in its ideal form, to ensure everyone can fulfil their desired purpose in life with a respect for our environment. The key is raising consciousness about how we can direct globalizing forces for good. That takes education and a way to shift our focus from national views to world views. (To some degree it is about addressing our planet's need for spiritual development versus technological or economic development.)

To take an example that has already begun, there is a growing awareness amongst the young of the effect of rainforest destruction because they do not see that as happening in a "foreign" nation, but on our planet. It may take positive examples where moral globalists have empowered people, not just in commerce, but in social, health and human rights' programmes.

One should also remember that the causes that Ms Bradford and others have protested for have come to their attention through global media flows and a rising, healthy awareness that third-world workers are our own fellow citizens. They are themselves a positive example of globalization: those who are concerned enough to take a stand for fellow humans and for the planet's well-being.

### **America, the international police nation**

Linked to globalization is the perception of Americanization. As the world's remaining superpower, the United States' actions influence other nations. In my work, the internet is a strong example: our readership rises and falls depending on American holidays. Summer breaks at universities affect us. Our

hits drop on Thanksgiving Day. But American peace efforts in the middle east, the Balkans or Ireland, for example, are just as important as they are reported widely and internationally by the media. The US has to be involved in such efforts, largely to safeguard national interests. She has learned the hard way in the last century that isolationism meant more difficulties in the long run: her 1930s behaviour only meant a more costly fight against Axis powers during World War II. Other nations that practised isolationism have found the need to catch-up: the gap between the rest of the world and Communist China, for example, was highlighted most when Premier Deng opened the People's Republic's doors in the mid-1970s. And in more recent times, the United States has learned that shallow, TV-camera diplomacy failed to impress leaders such as Milosevic. The human misery in the Balkans could have been avoided if substance was delivered with the words. I hope that within the Bush administration, particularly given the talents of the Secretary of State and the National Security Adviser, the "cruise control" mentality in "solving" international conflict has been turned off.

But all these US efforts are almost always matched by accusations of imperialism and protesters with 'Yankee go home' placards. It is not surprising that many American voters prefer less involvement offshore because it can be a thankless task.

As these are communicated through the media, nations outside the US become concerned over their own culture. Rather than create innovations that can be exported into other nations' homes along with their national style, or brands that can be communicated with their own philosophy, some raise the

spectre of Americanization. The French have been good at resisting Americanization through powerful marketing campaigns for luxury goods such as Moët champagne or Hennessy brandy. The Japanese have done so not only through automobiles but children's products such as Anime cartoons. In the light of such possibilities, claims of an American hegemony seem to be based around an unwillingness to be creative. Americanization is a myth created through state envy. The complainants could have relied on globalization themselves to market their national images but chose not to.

*If* such complaints are offered sincerely, and that those extending them believe that globalization is Americanization, then the only realistic long-term solution is, ironically, continued globalization to a point where all cultures are considered equal.

### **The global society**

At a very basic level, we see a global society emerge on the internet. The examples have often been cited elsewhere. If there are any boundaries on the internet, then they are along language lines. That problem is being gradually solved through improving online translation services that, while not perfect, seek to promote the importance of different cultures and their languages.

The online community is already an example of how global and local interact. People communicate across national barriers while regional and local distinctions are retained through physical (offline) social groups. Within the same language, Americans have little trouble accepting a piece spelt in British English. This is why we have retained Oxford English and *Hart's Rules* for the majority of our publications:

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there has been neither resistance nor protest from our readers. Reading something published in British English is as acceptable as driving a Japanese car or wearing a Swiss watch.

It is through globalization that regional and local differences can emerge and be championed. Individuals' efforts—whether they be this paper or Ms Bradford's essay from which I quoted<sup>12</sup>—can come to the fore and reach more people. With cheaper air travel, we can personally communicate our views to others.

Most importantly, we should see the moral globalist surface. We should educate tomorrow's citizens with global responsibility in mind and there are encouraging signs that tell us we are on the right path—though far more needs to be done. The separations that have kept nations at odds with one another and fuelled misunderstanding are unnecessary and wasteful. Corporate structures that force the marginalization of the poor cannot survive because of an increasingly globally conscious and information-rich consumer who is more aware and desirous of the truth. The fault lies not with globalization, but how we have managed to use—or more accurately, misuse—our path. The misuses can, refreshingly, end overnight, by our simply making a choice for the betterment of everyone on this planet. •

- <sup>1</sup> See MacKinnon: 'Foreign correspondent', *Desktop*, April 2001, pp. 75–6. Ms MacKinnon's series is excellent in showcasing work from around the world. She does not make this mistake, but she does note that there is a prevalence of American design on the web. This is, the author presumes, due to US leadership in the medium.
- <sup>2</sup> Bradford: 'Globalization has made most of the world poorer', *The New Zealand Herald*, September 19, 2000.
- <sup>3</sup> Kay: 'Downfall of an economic experiment', *Financial Times*, August 30, 2000.

<sup>4</sup> Chandrasekaran: 'Indonesian workers in Nike plants list abuses', *The Washington Post*, February 23, 2001, p. E1.

<sup>5</sup> Ibid.

<sup>6</sup> Knol (ed.): 'H&M refutes *Aftonbladet* allegations', *Lucire*, April 11, 2001, <<http://lucire.com/news.html>>.

<sup>7</sup> 'Labour market', Statistics Sweden, March 2001, <<http://www.scb.se/eng/arbetsmarknad/arbetsmarknad.asp>>.

<sup>8</sup> *Foreign Labour Trends Report: New Zealand*. Washington: US Department of Labor 1993–4, <<http://www.tradeport.org/ts/countries/newzealand/fit.html>>.

<sup>9</sup> Desai: 'Redirecting globalization for benefit of the masses', *Earth Times News*, January 2, 2001.

<sup>10</sup> Olins: *Trading Identities: Why Countries and Companies Are Taking on Each Other's Roles*. London: The Foreign Policy Centre 1999.

<sup>11</sup> For example, Nike revenues peaked in 1998. *Nike Ten-Year Financial History*, 2000, <[http://nikebiz.com/invest/ar\\_00/financials/10\\_year\\_history.pdf](http://nikebiz.com/invest/ar_00/financials/10_year_history.pdf)>; q.v. *Branded*, BBC TV 1996, a three-part series investigating the power of the Nike, Levi's and Heinz brands.

<sup>12</sup> Bradford, loc. cit.

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is nothing wrong about criticizing Chancellor Schröder, where proper investigations into scandals is considered a fundamental part of a political journalist's job and where the press offers differing viewpoints to allow the citizenry to analyse and make up its own mind.

We return to the same arguments I've been advancing for some time in the disciplines of identity and branding. The moral globalist still is the key to corporate success around the world. The image of being individual, championing rights, sincerely believing in our fellow human beings. The promotion of trust, not hypocrisy. Of values, not harm.

It'll take a while for larger organizations to shift if existing images are too strong. Don't expect McDonald's to be remedied in mere weeks. But a path of conquering new markets and expansion is not wrong, provided it is done with the greatest awareness of individual rights and freedoms, as

well as respect of local cultures. I stake—have staked—my company's work and reputation on that.

The United States needs not change its policy on freedom; the free world's resolve should be steeled and a moral high ground can be taken—but only once we reflect on the values that make us great, why they should be emphasized in commercial endeavour such as McDonald's, and conclude that the rights enshrined in the US Constitution should be followed more sincerely.

The great adventure is the synergy that can result and an emergence of new cultures, not one that is solely American, but one that is richer and greater because of the valuable traits that it has inherited from its progenitors. That is progress in human history. It could see the end of racism and sexism. That, however, is another article altogether, with its own path. •

- <sup>1</sup> Olins: *Trading Identities: Why Countries and Companies Are Taking on Each Other's Roles*. London: The Foreign Policy Centre 1999.
- <sup>2</sup> Roth: 'A united front?', *Legal Times*, October 16, 2001.
- <sup>3</sup> Barboza: 'When golden arches are red, white and blue', *The New York Times*, October 14, 2001.
- <sup>4</sup> Yan: 'Brands transcend economics (and *The Economist*)', *CAP Online*, September 25, 2001, <<http://jyanet.com/cap/2001/0925ob0.shtml>>.
- <sup>5</sup> Yan: 'The moral globalist', *CAP Online*, May 2, 2001, <<http://jyanet.com/cap/2001/0502ob0.shtml>>.
- <sup>6</sup> Watson (ed.): *Golden Arches East: McDonald's in East Asia*. Stanford 1998.
- <sup>7</sup> In Barboza, op. cit.
- <sup>8</sup> Barber: *Jihad v. McWorld: How Globalism and Tribalism Are Shaping the World*. New York 1995.
- <sup>9</sup> Ang: 'Best-selling cars in the world', *Motioncars.com*, September 2001, <[http://motioncars.com/autobuzz/articles11/best\\_selling\\_car.html](http://motioncars.com/autobuzz/articles11/best_selling_car.html)>.
- <sup>10</sup> Firestone: 'Call to study US stance on Mideast draws anger', *The New York Times*, October 18, 2001.