ON THE STATUS OF THE GLOBALIZATION PROCESS

The term ‘globalization’ has really come into its own in recent years, although the concept of a centrifugal broadening of our horizons on a world scale is not new. Wallerstein (1974, 1979, 1983) first described how capitalism would develop as a historic global system in a series of publications back in the 1970s. In his interpretation, the global system is a configuration of central, semi-peripheral and peripheral states. It is thereby described as one unit with a single division of labour and many different cultural systems (1979, pp. 31–67). However, in the 1990s, the process of development of the division of labour has intensified.

Originally, internationalism was an invention of Social Democrat labour leaders to counter nationalistic capitalist warmongers. In the meantime, internationalism has swapped sides. The global system is becoming characterized less by the political stance of nation states, and more by the global economic configuration of 40 000 international businesses. The new International is a capitalist organization which is putting the screws on nation states worldwide, for example with only low tax havens showing a profit. Through this process, workers’ wage levels are also kept artificially low because workers in every nation are being played off against one another. After the breakup of the Communist bloc in Eastern Europe, the global march of capitalism gained fresh impetus and is now threatening the functional capability of nation states and their democratic stability. The rapid rate of change and gradual redistribution of power and wealth is crippling established social structures (Martin and Schumann, 1996).

Year on year, more and more people are losing their jobs and facing an uncertain future in society in Western Europe and specifically in Germany. The term ‘one-fifth society’ is common currency. It means one-fifth of the population of working age should be enough to keep the global economy booming in the next
millennium. For the bottom 80 per cent, the bread and circuses approach may become reality. To prevent mass social rejection in Western society, world politicians are supporting a strategy of keeping the mass of the population quiet with a mixture of entertainment and a good diet.¹

EFFECTS ON URBAN RESIDENTIAL AREAS

The global race for maximum efficiency and minimum wages is not just having profound social repercussions. As well as changes in interdependence between labour markets and work processes, traffic flows and consumption patterns are having a direct impact on urban areas (Harvey, 1990). With multinational concerns also intensifying the rivalry between urban regions, the pressure is on to secure the competitiveness of the urban economic base. Consequently, the cities are the places where globalization is visible and tangible in physical terms. There are three main areas of activity involved (Dangschat, 1996):

- restructuring of regional economic processes;
- changing local structures and local policy;
- polarization and pluralization in urban society.

Restructuring regional economic organization is normally reflected in changes in employment figures, sectoral structure, labour market regulation, new technology and new forms of production organization. Changes in local policy orientation are seen in new urban development strategies concentrating on development of the economic base. In order to strengthen the location, urban images are created to attract new investment, company relocations and city tourists en masse. Characteristic attractions include postmodernist architecture, symbolic revamping of public spaces and development of an entertainment infrastructure for multilingual and highly mobile sectors of the population. These represent a new type of person – the cosmopolitan city dweller as the new urban elite (Engelsdorp Gastelaars, 1988, pp. 38–42). This elite can be described as:

- career-driven, not family-oriented;
- prefers circle with broad interactive network and no local base linked to relatives and neighbours;