

# The Era of Globalization

*In his book *The Lexus and the Olive Tree* (1999), New York Times columnist Thomas L. Friedman explores the nature and consequences of globalization. His title draws attention to a contrast he thinks is important. On the one hand, there is modern, globalized industry. It uses robots and high technology to produce cars like the Lexus, and sells them all over the world while largely ignoring national borders. On the other hand, there is the traditional world of communities and nations, of borders and local traditions, of nationalism and age-old feuds. For Friedman, this world is symbolized by the olive tree, firmly rooted in one place. The tensions between these two worlds are the subject of Friedman's book, from which the following document is taken.*

Today's era of globalization, which replaced the Cold War, is a similar international system, with its own unique attributes.

To begin with, the globalization system, unlike the Cold War system, is not static, but a dynamic ongoing process: globalization involves the inexorable [unstoppable] integration of markets, nation-states and technologies to a degree never witnessed before—in a way that is enabling individuals, corporations and nation-states to reach around the world farther, faster, deeper and cheaper than ever before, and in a way that is also producing a powerful backlash from those brutalized or left behind by this new system.

The driving idea behind globalization is free-market capitalism—the more you let market forces rule and the more you open your economy to free trade and competition, the more efficient and flourishing your economy will be. Globalization means the spread of free-market capitalism to virtually every country in the world. Globalization also has its own set of economic rules—rules that revolve around opening, deregulating and privatizing [selling state-owned businesses to private enterprises] your economy.

Unlike the Cold War system, globalization has its own dominant culture, which is why it tends to be homogenizing [makes everything similar]. In previous eras, this sort of cultural homogenization happened on a regional scale—the Hellenization of the Near East and the Mediterranean world under the Greeks, the Turkification of Central Asia, North Africa, Europe and the Middle East by the Ottomans, or the Russification of Eastern Europe and parts of Eurasia under the Soviets. Culturally speaking, globalization is largely, though not entirely, the spread of Americanization—from Big Macs to iPads to Mickey Mouse—on a global scale.

Globalization has its own defining technologies: computerization, miniaturization, digitization, satellite communications, fiber optics and the Internet. And these technologies helped to create the defining perspective of globalization. If the defining perspective of the Cold War was division, the defining perspective of globalization is “integration.” The symbol of the Cold War was the wall [the Berlin Wall], which divided everyone. The symbol of the globalization system is the World Wide Web, which unites everyone. The defining document of the Cold War system was “The Treaty.” The defining document of the globalization system is “The Deal.”

## Review Questions

1. Explain the symbolism of the Lexus and the olive tree in the title of Thomas Friedman's book.
2. How does Friedman compare the era of globalization with the Cold War era?
3. Why does Friedman say that globalization is largely the spread of Americanization?
4. How has technology aided in the development of globalization?