

Globalization: The ‘New’ Colonialism of the 21st Century

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Abstract

Colonization, for the most part, was motivated by economics as European powers sought to expand their markets and acquire raw materials from locations outside their borders to support their domestic economy. In the period after World War II a number of European powers determined that the benefits of maintaining colonies were not worth the cost. As a result of this cost-benefit analysis colonial systems were dismantled in a process referred to as ‘Decolonization’. This paper questions whether decolonization has actually taken place or whether we have simply substituted one form of colonization for another.

Today, instead of using tanks and military personnel to control a country, we use capitalism and cultural forces to give us control and favorable access to countries precious resources. We call this practice Neocolonialism. However, this ‘new’ Neocolonialism is motivated solely by economics! Corporations and nations seek to achieve favorable economic policies overseas by linking loans to particular actions on the part of a developing country. This is accomplished through the implementation of the dependency principle.

Through the dependency principle, in order to receive financial aid, developing nations must accept a list of terms and conditions that generally advance the ideals and economic norms of the lending organization(s). From the developing nations perspective they have little choice but to accept these “strings-attached” economic aid (the people eat or starve). These aid-

come-loan agreements provide a clear example of how the dependency principle works and ultimately, demonstrates a clear example of Neocolonialism in action.

One of the driving forces behind today's new Neocolonialism is the interconnection between nations. With this 'new' interconnectivity a nation's or an organization's threats and opportunities, whether they are economic or cultural or a combination thereof, increasingly stem from 'who' you are connected to thus further deepening the dependency linkages.

In this paper, the evidence will show that there is no difference between early European colonialism, which used direct military or political control to take over a nation to advance their economic expansion and today's Neocolonialism that uses multinational corporations, capitalism, a form of economic colonialism and cultural forces to accomplish the same outcome. However, to make this more palatable to the global citizen, we package and teach the concept of economic-colonialism, which has the stated purpose of fostering economic cooperation, growth and high employment, and promoting stability in exchange rates, and call it Globalization. Unfortunately, "the negative side to globalization is that it wipes out entire economic systems and in doing so wipes out the accompanying culture" (Berger, 2011, online interview). Tragically we as educators in business schools around the world are complicit in the implementation of Neocolonialism by repackaging this devastating philosophy and making it a required course for every entrant business class and calling it "Globalization: Introduction to a Global Market Economy" or some variant thereof.

Keywords: neocolonialism, economic colonialism, cultural destruction, globalization, capitalism, dependency principle

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The consequences of colonization and subsequent de-colonization have been enormous in economic, social and political terms. In particular, de-colonization has opened the door to today's globalization”. However, what does the term globalization actually mean?

Every word in every language necessarily is endowed with meaning – an endowment that relies on concurrence (or compliance) among users in order for the word to be useable at all – even when the interpretation of the political effect of words may vary. Rarely does the ordinary use of language conform to a standard of exactness. According to Littleton, Arthur, and Rousseau (2000, cited in Howell, 2006, p. 14) malleability of meaning provides for a ‘multi-layered richness’. However, Humphries-Kil (1995) suggests that flexibility of meaning can be a source of power whereby ambiguities can be exploited for personal and political gain to influence human affairs by harnessing them to support a particular course of action or power structure. Indeed, both Kuhn (2000) and Lyotard (1984) contend that language itself is first and foremost a game of power.

We agree with the sentiments of Kaarbo and Ray (2011) when they suggest that the term ‘globalization’ is one of the commonest terms used to describe world politics as it stands today. We also concur with Held, McGrew, Goldblatt and Perraton (1999, p. 1) when they define globalization as reflecting “the widespread perception that the world is rapidly being molded into a shared social space by economic and technological forces and that developments in one region of the world can have profound consequences for ... individuals or communities on the other side of the globe”. But let us be clear – certain countries and business interests benefit more greatly than others and as such aggressively pursue pro-globalization policies. Business schools who teach business practices that promote globalization without also drawing attention to the potential detrimental impacts of such practices are choosing to promote a particular political policy directive.

Our paper amplifies the concerns of those who observe that the apparent mainstreaming of much of what we teach in business schools around the world as ‘sound business practice’ is aiding and abetting a business model that can have tremendous detrimental effects to developing nations. We exploit developing countries through the setup of Multinational

Corporations that export technology, resources and capital back to the parent country for their profit, not the benefit of the host country. To date, 73 million jobs have been created worldwide by Multinational Companies. Sadly, only 12 million of those jobs reside in the host country. We posit that such practices are associated with the spread of cultural globalization whereby the norms, practices and values of the dominant culture are spread globally. Not only do we exploit the host country in the name of profit, but in the process marginalize and ultimately erase the country's cultural identity in the name of 'Globalization'. As stated by Held et al., (1999, p. 327)

Few expressions of globalization are so visible, widespread and pervasive as the worldwide proliferation of internationally traded consumer brands [such as Coca-Cola], the global ascendancy of popular cultural icons [such as Madonna] and artifacts [such as Harry Potter books].

Thornton and Ocasio (2008) suggest that institutional logics are taken as normal beliefs that guide the behavior of legitimated organizational forms and strategic behaviors. We wish to raise awareness of how our business education and teaching strategies assist in introducing, reinforcing and amplifying these legitimatizing organizational forms and strategic behaviors. In the face of growing evidence that global capitalism and its twin economic colonialism, we, as educators of the next generation of business functionaries, are culpable in fostering an almost cult-like following of corporate greed. This greed, justified on the grounds that 'business' needs to maintain and increase economic growth, can be directly traced to economic and social policies being formulated in countless boardrooms and international financing institutions that frequently have devastation impacts on vulnerable third world countries and their communities. We, as educators, are in a privileged position to be able to raise awareness of the detrimental effects of existing organizational forms and strategic behaviors including globalization and neocolonialism.

The repercussions of management educators not taking a strong role in molding future business leaders to take a strong lead in ethical and socially responsible behavior can arguably be claimed to be the root cause of some of the more disgraceful business practices currently being justified as 'good for business'. Practices such as strip mining, clear felling of virgin forests in the Amazon for beef farming, drift netting that captures all fish in its path,

the use of sub-prime lending that arguably has been one of the key factors that has brought the financial markets in American to its knees, the act of off-shore contracting in the full knowledge that such contracts will involve the near slave labor and unsafe working conditions and pay rates for the poor souls needing the work, to the use of child labor. The examples are almost endless and we, as educators, must accept some of the responsibility.

Though our education process, we teach our students, among other things, the accounting equation $A=L+OE$ (assets = liabilities + owners' equity), cost benefit analysis and the drive for the effectiveness and efficiency of their company's operations. We teach our future business leaders these concepts whereby they can absolve themselves of responsibility for the outcomes of their actions on their fellow man and for the environment as these concepts reduce humanity and the environment to a dollar value – a value that is devoid of any moral fiber. L'Huillier (2012a) suggests that as educators, we should lead the charge in teaching. For example, she suggests teaching a new accounting equation that incorporates awareness that the actions and policies implemented in the boardrooms of businesses and international financing institutions all around the world have the potential for negative repercussions. She suggests we teach our students $F = G + H$ whereby F = the future of the human race, G = the greed of humankind and H = the hope that we will not self-extinct and more importantly, that the role of business is not just business. We argue in this paper that we, as educators, have a responsibility to encourage and foster in our future business leaders a thirst to develop and implement a social and economic framework that benefits humanity, the environment *and* business.

To posit that we are in an era of de-colonization is perhaps to succumb to the most subtle of the hegemonic discourses. Without an analysis of both the power of former colonial powers in this age of neo-colonization, and of the rather weak notion of sustainability that is in vogue in much management discourse, we may well be lulled into a sense of dangerous optimism. We suggest that such optimism is 'dangerous' in the sense Bourdieu (2003) uses the term: a normalization of logic of markets that encroaches on everything that Deetz (1992) calls 'the life world'. Such themes are also to be found in the work of George (2003, 1997) and Ogbor (2001). These themes are applied to the critique of management can be found in the work of Barker (1993) Alvesson and Deetz (2000) and Twinaime et al (2006).

When scholars are not attending deeply enough to the flawed constituent concepts embedded and intensified in discourses of organization, of good governance, and of efficient management, we caution that our collective thoughts and efforts may be just one more ripple in the ongoing tide of neo-colonization. We see the taking up of ‘the convenient’ from more radical perspectives and from indigenous cultures to furnish our thinking while leaving aside the much more difficult question of how do we educate ourselves and our students to have a deep mutual respect for universal and environmental flourishing in all its diversity as called for by Humphries and Grice (1995). But how do we do our scholarly work differently? As authors, we do not presume to have a definitive answer for this question. We do however, wish to share and discuss at the conference the ideas that have come to our attention.

We have sought ways of engagement that extend us beyond harnessing extant justice theories into mainstream management education. Along with Kristeva (2002) we argue that “our capacity for revolt has been weakened” (p.84) and we seek to strengthen it. We are looking for companions to help shape a stronger voice of resistance to support the seemingly hopeful, but the deeply compromising rhetoric of justice and ‘sustainability in [of] the global economy’ that now prevails (Bauman 1998). We call for an urgent and critical rehearsal and invigoration of the ideas of universality of entitlement for all that lies at the heart of the western sense of justice idealized in the rhetoric of democracy.

We might have chosen to write about our research in the deadly pervasiveness of poverty and the seemingly intractable growing gap between rich and poor (L’Huillier, 2012b; L’Huillier and Humphries, 2011). But these, as outcomes of (neo-liberal) capitalism, are already well documented elsewhere.¹ Their regular rehearsal is not changing the outcomes. We are not short on ‘evidence’. A few minutes on the Internet now provides volumes of examples of exploitation of people and planet that were once difficult to gather and update for pedagogical purposes. Evidence, however, is a slippery idea in the maintenance of regimes of power.

¹ The work of John Pilger, Noam Chomsky, Mike Moore, Vandana Shiva, Susan George, Al Gore, and Kofi Annan are examples. In critical management studies the work of Mary Boyce, David Dunkerley, Stuart Clegg, Matt Alvesson, David Knights, Stanley Deetz, Nicholas Rose are examples of work to bring a more critical consciousness to the organisational and management disciplines.

Western leaders are stalking the moral high-ground. They appeal to democratic inclusion and sharing the burden of a legacy of destruction of people and the planet. Despite the evidence of the growing gap between rich and poor nations, between rich and poor people within all nations, we are all mandated to march to the globalization drumbeat. Colonization is not a 'thing of the past' but thrives even in the most 'liberal' of arguments that purports to include 'justice' in the sustaining of 'The Global Economy'. The underlying reasoning can be exposed in numerous examples of the relationship of environmental degradation and human suffering that are yet unresolved.²

From the Global to the Local

New Zealand, a small democratic nation in the Pacific, is a good case in point. The devastating effects of its rapid and radical opening of the economy to 'globalisation' left a trail of social distress in its wake, fastidiously documented as it was occurring by Kelsey (1999, 1995). Helen Clark, then Prime Minister of New Zealand, eventually acknowledged that this preoccupation with economic thinking came at the cost of all else and left a "legacy...of high unemployment, surge in poverty, and sense of social exclusion":

The era of neo-liberalism had left us as a divided society where many had little hope of success. Our aim has been to give all New Zealanders a stake in society, and to ensure that the benefits of economic growth can be more widely shared....Building a sustainable economy, society, environment, and national identity requires smart and active government working with key stakeholders – it doesn't happen by accident nor as a result of market forces...The high value, innovative economy we seek to build needs an educated and skilled, healthy, well housed, and secure society with the confidence to grasp opportunity and take risks.³

² Easy examples include the disgrace of Bhopal, the current struggles of indigenous peoples in Greenland to find any source of livelihood, the continued relocation of populations from indigenous lands to reservations as their natural resources are deflected, diminished, or polluted by private interests, the disproportionate pain inflicted on the poor caught up in the 'credit crunch' fallout.

³ Helen Clark (2007). Clark now heads the United Nations Development Agency.

Only a few years on from this revelation in our country, and the newly elected conservative party continues with the [re]invigoration of the liberalisation agenda – perhaps more explicitly than is deemed wise in other regions of the world (L’Huillier and Humphries, 2012). The destructive limitations of the de-spiritualised notions of western instrumentalism and economic rationalism pervades through all its proclamations often cloaked in language of concern about efficiency, effectiveness, productivity gains, growth and, yes, fairness. We recommend the viewing of “The Mauri of Lake Omapere” as a localised example of Al Gore’s influential work in *An Inconvenient Truth*.⁴

Conclusion

Our paper calls on educators to examine the implications to the ‘good’ business practices that we are teaching our students. We invite consideration of the perspective that scholars, in the academy of organizational studies, are implicated in the deaths of millions as we contribute to the maintenance of ‘the economy’ by providing generations of functionaries who will administer the new colonialism currently known as globalization who have been taught to do their job well and with a built in willingness to tolerate sacrifice and distress of the most vulnerable (Humphries et al 2007) – a willingness seen globally as The Master rescues the bankers (L’Huillier, 2012c), and closes his eyes to the genocidal effects of this system (Humphries 2007). Perhaps in the education of our future economic leaders, we should take a page out of the medical hipocratic oath which states “First do no harm”. De-colonisation? Not until the deeply engrained threads of neo-colonisation are identified and pulled out.

⁴ <http://www.docnz.org.nz/2007/film/restoring-the-mauri>

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