Globalization, Mobility, Identity, and Consumerism: 
an Analysis of the Genesis of Unsustainable Consumption
Sam sundar chinta•, Babu George••

Abstract

Globalization in its current instantiation is the fusion of capitalism and advanced technologies, also called “techno-capital”. It produces forces that both homogenize and differentiate identity. Contemporary globalization has impacted the social, cultural, economic, technological, and environmental realms; fostered transformations of identity; and, helped to new forms of subjectivity. While globalization is the dominant hegemony of the present age, consumerism has become the basis of its wealth. The current practice of consumerism fosters certain forms of identity (such as self at play, expressed in spectacles, games, and hedonistic lifestyles) where fantasies of the self can be articulated in virtual realms. The problematic of contemporary identity can be seen in various debates over hegemony, resistance, social fragmentation, identity politics, or youth cultures. Moreover, insofar as consumer based identities are dependent on commodities and commoditized forms of selfhood, one can see how reification has moved from the production of commodities to the realms of identity giving rise to new postmodern articulations of alienation. In this paper, we argue that those identity formations that sustain contemporary hegemony do so at the cost of alienated subjectivities. It is posited that the various articulations of identity instantiate the problematic of alienation and identity in our current age. Some would create subcultures of transgression to find meaning and dignity. Others would seek to overcome this alienation through political action. While small minorities celebrate capitalist globalization, especially through consumerism, the new forms of wealth and power alienate the masses. In sum, the objective of this paper is to seek the relation between globalization, consumerism, and identity and how the interplay of these factors promotes unsustainable consumption practices.

Key Words: Globalization; consumerism; identity; underdevelopment; inequitability; and, open markets.

• College of Business and Economics, Asmara, Eritrea.
•• University of Southern Mississippi, USA - babu@george@usm.edu
Introduction: Connecting Globalization with Consumerism

There are some who celebrate globalization through consumerism; such people legitimize the new political economy and its goods, gadgets, and entertainment products. But while some may locate selfhood in a consumerism sustaining the status quo, others would resist and others escape from the effects of the global political economy in the various forms of the lucid, indulgence that often permit the expression of the transgressive in symbolic forms. Insofar as techno-capital has either automated, deskilled or exported many jobs, many younger people, alienated by global capital, and/or “squeezed” by the new global order, are likely to retreat into subcultures of inversion based resistance ranging from the shock rock of Marilyn Manson or Eminem, to the fandom of violence such as “professional” wrestling or subcultures of extreme body modifications. Such realms of opposition varying from the “cool” to the grotesque provide sites where some can find jouissance as they create and/or embrace transgressive identities that mark opposition to and anger toward the global order. At the same time, cultural resistance, in lieu of political action serves to sustain the very alienation and domination that engender its emergence. Finally, others interrogate the adversities of the global economy. An emergent global justice identity is challenging the economic disparities, environmental despoliation and human rights abuses associated with the new global economy. In face of the globalization of capital, with the grinding poverty of the majorities, environmental despoliation and human rights abuses, growing numbers seek engagement in organizations that would challenge the new forms of alienation, power and exploitation in a word dominated by transnational capitalist corporations.

A connection between globalization, mobility and consumerism could be established within the domain of three main factors which are:

1) Access to resources and markets on a global basis.
2) Production of consumers all over the world with an extensive range of products and services that were not easily available before, and
3) Central and fundamental understanding of globalization and the modern world being the notion of “consumerism” but this expression seems to be in a gradual change.

Globalization and mobility therefore set the conditions for consumerism through an interrelated process which works through the above mentioned factors. To elaborate this connection more explicitly, it is necessary to understand the nature of present consumption. At present, a variety of resources and products are being consumed having moved beyond basic needs to include luxury items and technological innovations. Even though such consumption beyond minimal and basic needs should not necessarily be negatively perceived, what should be understood is what lies behind the form of consumption and consumerism in the present world (Shah, 2006). In the present world some characteristics of consumption are; (i) choices of consumption are being influenced by certain actors, (ii) what is to be produced and not are being decided by certain actors,(iii) a uniformity of consumption patterns are being created throughout the world and (iv) material value
influence relationships among people (Shah, 2006). According to United National Development Report (1998), global priorities and expenditure on choices of consumption and consumption patterns are shown in the charts below:

<table>
<thead>
<tr>
<th>Global Priority</th>
<th>U.S. Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cosmetics in the United States</td>
<td>8</td>
</tr>
<tr>
<td>Ice cream in Europe</td>
<td>11</td>
</tr>
<tr>
<td>Perfumes in Europe and the United States</td>
<td>12</td>
</tr>
<tr>
<td>Pet foods in Europe and the United States</td>
<td>17</td>
</tr>
<tr>
<td>Business entertainment in Japan</td>
<td>35</td>
</tr>
<tr>
<td>Cigarettes in Europe</td>
<td>50</td>
</tr>
<tr>
<td>Alcoholic drinks in Europe</td>
<td>105</td>
</tr>
<tr>
<td>Narcotics drugs in the world</td>
<td>400</td>
</tr>
<tr>
<td>Military spending in the world</td>
<td>780</td>
</tr>
</tbody>
</table>

In comparison this was estimated as additional costs to achieve universal access to basic social services in all developing countries:

<table>
<thead>
<tr>
<th>Global Priority</th>
<th>U.S. Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic education for all</td>
<td>6</td>
</tr>
<tr>
<td>Water and sanitation for all</td>
<td>9</td>
</tr>
<tr>
<td>Reproductive health for all women</td>
<td>12</td>
</tr>
<tr>
<td>Basic health and nutrition</td>
<td>13</td>
</tr>
</tbody>
</table>

Data from the World Bank for 2003 suggests that these numbers have only very slightly changed in those 5 years (Shah, 2006). The evolved consumption patterns as such are imposed globally due to globalized markets. Market led globalization denotes the emergence of the free market (Aimaq, 2003). This produces consumers all over the world with an extensive range of products and services that were not easily available before (Niello, 2003). Market led globalization intensifies commodity exchange thereby capturing global markets promoting consumerism through lucrative promises such as fair and efficient use of resources to meet basic human needs, increased access to more goods (Evenett, 1999), reduced prices due to competition with local monopolies and enabling poor people in certain countries to buy cheaper imported goods rather than poor quality goods produced by local monopolies (Graham & Krugman, 1991). Given this nature of consumption, it could be asserted that these consumption patterns have evolved overtime based on the influence of those who have more power to control the means and resources, fluent economic conditions and trade. Control of resources and markets are granted to powerful actors on a global basis through globalization which enables access to resources and markets on a global basis.
Focusing particularly on America as one of the powerful actors in the contemporary
globalized economy, statistics on American resource uses are such that, America
consumes 25% of world’s resources, including 26% of the world’s energy, although
having only 3% of the world’s known oil reserves. American industries generate roughly
30% of world’s waste. An American’s impact on the environment is 250 times greater
than a Sub-Saharan African (http://en.wikipedia.org/wiki/Consumerism). Within this
context, it could further be asserted that the notion of consumerism itself becomes
fundamental in understanding the current forms of globalization and the modern
world (Stearns, 2001) because there is a market as well as economic orientation in
globalization which aims consumption of resources to generate profit. Consumerism
is central to this phenomenon.

Thus, a connection between globalization and consumerism could be established
based on the factors which are 1) access to resources and markets on a global basis 2)
production of consumers all over the world with an extensive range of products and 3)
the notion of consumption being fundamental and central in understanding the current
forms of globalization.

As stated above, there is a system behind present forms of consumption and
consumerism which is operated by the actors of a global economy that have the power
to control the global market forces of a globalized economy. Within this context, there
are mobile trends that have been identified around globalization and consumerism
which have made consumerism an issue at present (Shah, 2006). Some of the trends
of present consumption are:

- Inequality of consumption (not redistributing from high-income to low-income
customers).
- Use of pollutant goods and production technologies instead of cleaner ones.
- Promoting goods that discourage poor producers rather than promoting goods to
empower poor producers.
- Creating a priority among consumers for consumption to conspicuous display
rather than to meeting basic needs.

Hence, globalization, mobility and consumerism today are accelerating the dynamics
of the consumption-poverty-inequality-environment nexus (Shah, 2006). Moreover, two of
the major criticisms of globalization and consumerism are unequal distribution of wealth
and unsustainable consumption patterns (Shah, 2006). One major problem of consumerism
is that consumption patterns today are not to meet everyone’s needs. The system that
drives these consumption patterns contribute to inequality as well as un-sustainability.
Thus, globalization and consumerism creates two important issues viz;

- Patterns and effects which exacerbates inequalities and
- Unsustainable consumption and the depletion of the environmental resources
(Shah, 2006).
Globalization and Consumerism On Unequal Distribution Of Wealth

It is widely acknowledged that the world at the end of the 20th century vastly is an unequal place with (i) wide and widening differences in incomes, (ii) wide and widening differences in wealth and resources among countries, and also within countries (Khor, 1999). The globalization and liberalization processes that have marked the last two decades are held responsible to have generated greater inequalities between the countries of the North and South (Khor, 1999). At the creation of this inequality which placed countries in South in a disadvantaged position are the policy interventions which aimed regulation of the economies in the North after World War II. Such policy interventions were (i) ensuring full employment (ii) growth through macroeconomic policy intervention and (iii) gradual return to laissez faire economics, in which the government should have minimal interference in the market. Moreover, governments were not expected to act towards protecting home industries and financial institutions. Governments were expected to break down national economic barriers enabling foreign goods and firms to enter and compete freely with local institutions (Khor, 1999). This policy in the Northern countries spread to the developing world through many channels (i) through the training of Third World economists and policy makers (ii) through advice given by multilateral agencies (iii) through policy conditions attached to loans provided by the World Bank and IMF and (iv) through the new rules of the international trade regime, now institutionalized at the World Trade Organisation (Khor, 1999). With the rapid proceeding of deregulation, privatization, and liberalization, there has been the dual phenomenon of growth in a few countries and stagnation in many; a rapid rise in wealth and income by a small section of world society and the continued or worsening poverty of large parts of humanity (Khor, 1999).

Patterns and Effects which Exacerbates Inequalities

Four patterns and effects which exacerbate inequalities causing an unequal distribution of wealth are taken into the debate in this paper. These four patterns are; (i) structural positioning of countries in the global economic system, (ii) competition that occurs due to open market, (iii) moving of manufacturing and processing operations to lesser developed countries and (iv) income distribution.

Structural Positioning of Countries in the Global Economic System

Uneven distribution of economic wealth among states has been one of the driving incentive and a condition for globalization (Hurrel&woods, 2000). In spite of the fact that wealth among nations is unevenly distributed, a global division of labour was necessary in order to regulate economies - which was aimed by the policies of North after World War II. When a division of labour initiates in the global market, a structural positioning of countries takes places in the global economic system. Unequal distribution of wealth and inequality is created by means of the structural positioning of countries in the global economic system which leads to the centre and periphery relationship in international and national level as presented by the world-systems perspectives of Amin (1989), Frank (1979) and Wallerstein (1991) that emphasize "unequal exchange" (Reyes,2001).
The global economic system enabled by the open market, consists of a single division of labour within one world market. Labour is divided among functionally defined and geographically distinct parts arranged in a hierarchy of occupational tasks. Within the global economic system there is a structural division as core states and peripheral areas. The structural positioning of a state as such depends on the dimensions which are (i) the formal status of the state (their degree of formally recognized independence), (ii) the territory, population and natural resources of a state, (iii) the domestic strength, efficacy and viability of a state, (iv) the distribution of economic wealth, military and political power among states, (v) the metapower to make and change the rules of international relations and (vi) the power and relative status of non-state actors (MNCs, foreign investors, global communications conglomerates) (Khor, 1999). Since the countries in North enjoy the above mentioned dimensions they are structurally placed in the position of core states in this globalized economy and enjoy more power while the under-developed countries are structurally positioned in the peripheral areas. Furthermore, it is important to note that core states are a few while there are a large number of peripheral states.

In the pattern of structural positioning of countries in the global economic system an unequal distribution of wealth occurs resulting in a dual phenomenon of growth because core states concentrate on high skill, capital intensive production. Peripheral states focus on low-skill, labour intensive production and extraction of raw material. Through the setting of this unequal relationship, core states appropriate much of the surplus of the whole world economy while peripheral areas have weaker status in the world economy and get exploited. Supporting this argument, in the contemporary debates, opponents of the position that globalization of economy creates jobs and increase wealth of people in many countries, holds that developing countries are placed in a disadvantaged position in the globalized economy and in the globalization led consumption (Niello, 2003). Investment resources, growth and modern technology are focused on a few countries (mainly in North America, Europe, Japan and East Asian Newly Industrialized Countries). A majority of developing countries are excluded from the process, or are participating in it in marginal ways that are often detrimental to their interests (Khor, 1999). The paradox with this lays in the way mobility (based on the technological advance of industrialized countries) encourage the exchange of goods but constraints the mobility of people. Likewise, a rapid rise in wealth and income in a small section of the world takes place while poverty occurs in a large part of the world. There are structural causes of poverty. This causes in non-redistribution and in power structures within countries and between North and South. Unfortunately, now the existent literature has serious problems to understand not only globalization but also late-modernity.

**Competition that Occurs due to the Open Market**

The most important aspects of economic globalization are the (i) breaking down of national economic barriers, (ii) the international spread of production, especially in the manufacturing sector, (iii) and the growing power of transnational corporations. Therefore, with the changes in policy interventions, governments were expected to breakdown national
economic barriers enabling foreign goods and firms to enter and compete freely with local institutions (Khor, 1999). This policy in North countries was spread to the developing world. It was a process to which underdeveloped countries had to respond involuntarily.

Underdeveloped countries were trapped between the imperatives of globalization such as economic liberalization and subscription to a range of international standards (Hurrel&Woods, 2000). Over the past four decades industrialized countries have exhorted less developed countries to integrate into the world economy and to attract more investment through opening their markets (Hurrel&Woods, 2000). As a result of open market many developing countries had to face competition that occurs in the market with powerful competitors from developed countries. Due to this reason developing countries suffer closing down of local industries, job losses in local industries that cannot compete with foreign multinationals once liberalization occurs and formerly protected markets are open to everyone (Lee, 1996). For example a major feature of globalization is the growing concentration and monopolization of economic resources and power by transnational corporations. Fewer and fewer transnational corporations are gaining a large and rapidly increasing proportion of world economic resources, production and market shares. Where a multinational company used to dominate the market of a single product, a big transnational company now typically produces or trades in an increasing multitude of products, services and sectors. Through mergers and acquisitions, fewer and fewer of these TNCs now control a larger and larger share of the global market, whether in commodities, manufactures or services (Khor, 1999). Basically, one of the problems of globalization is the concept of wealth distribution. Whether the wealth can be understood as an unquestionable result of saving and poverty, by extending the wealth to all limited populations, one inevitably expands the poverty too. Tourism and hospitality as well as other modern mobile industries have serious limitations in warranting a fairer wealth distribution simply because both are enrooted in the core of market, an amoral exchange of persons and goods objectified under the logic of consumption (Korstanje, 2011).

Therefore, the gap between the developed and the under-developed countries widens due to the inability of the under-developed countries to survive in the competition that occurs due to the open market. Likewise, the competition that occurs due to the open market leads to exacerbation of inequalities supporting a dual phenomenon of growth which leads to increase wealth in some countries and stagnation in many, based on who is able to compete successfully in the globalized economy and who is unable to compete successfully in the globalized economy.

Moving of Manufacturing and Processing Operations to Lesser-Developed Countries

Given the division of international labour, and the incentives provided through trade liberalization and free market, firms in developed nations move their labour intensive manufacturing or processing operations to lesser-developed countries. One of the key aspects in neo-liberal policy is restrictions on workers’ rights for the sake of higher economic efficiency. At the same time, neo-liberal policies strongly advocate labour market
flexibility, namely, de-regulating labour market and empowering employers in areas of 
hiring, firing, wage, and use of labour. Therefore, the pattern of moving of manufacturing 
or processing operations to lesser developed countries occurs due to several reasons which 
in turn exacerbate inequalities.

Most important reason is the low-cost. Moreover, multinational enterprises are 
encouraged to invest in lesser-developed countries by offering a host of incentives such 
as tax free status, infrastructure and exemptions from adhering to the national labour code. 

Because of these reasons, there are restrictions imposed by lesser developed countries 
on their citizen’s labour rights. This takes place especially in Export Processing Zones 
by allowing foreign firms to ignore national labour laws (Charnovitz, 1992). As a result, 
informal employment and cheap forms of labour, such as part-time, casual and domestic 
workers, have become prevalent forms of labour in developing countries over the past 
few years. Those informal workers have not enjoyed adequate protection for their 
employment, wages, social security and occupational health and safety. Furthermore, 
job displacement and disparate labour conditions cause inequality because often workers 
in Export Processing Zones are hired only on temporary basis (Klein, 2000). There is 
also a transitory nature of many overseas factories therefore, closure of factories cause 
job displacement. In the meantime, the fast application of new and high technologies in 
traditional industries such as steel, manufacturing and construction has caused a drop in 
labour demand on a yearly basis (www.acftu.org.cn/rongshu). Over the last few years 
many developing countries have faced an increase in unemployment. One of the major 
reasons for this is the imposition of structural adjustment policies and economic reform 
and reduced public spending (Norwegian NGO Working Group Position Paper, 2000).

Therefore, the moving of manufacturing and processing operations to lesser developed 
countries exacerbates inequalities leading to coerced forms of labour, under-paid labour, 
transitory nature of jobs, job displacement and job insecurity.

Income Distribution

The distribution of wealth and income among countries has been unequal over the 
past centuries and in recent years the situation has worsened even further. This is largely 
due to the pattern and process of globalization. In the process of globalization national 
economic barriers are being broken down and large multinational firms, financial 
institutions and players from the developed North have been able to cross boundaries 
through trade, investment and finance and make profit from the developing countries of 
the South (Khor, 1999). The main tendencies associated with globalization that impact 
on income distribution are such that in the short run most of the changes associated 
with globalization are likely to deepen income inequalities. With globalization there is 
a greater role of market forces in the labour and capital markets. In most countries it 
causes a rise in interest rates and lower wages, especially those of unskilled workers. 
The effect is likely to be reinforced by changes in taxes and public expenditure 
which are, moving towards indirect taxes and reduction of subsidies, social security and
welfare expenditure. Employment and wages could be further pressured by deflationary effects on economic activities and the progress of labour saving technologies. Increased competition nationally and internationally is likely to work in the same direction for most countries. An increase in the speed and volume of resource flows, expansion of trade and internationalization of production can be expected to have considerable effects on income distribution. Countries that are successful in attracting foreign funds, investment and technology, and in enhancing expansion of output and exports, are likely to experience rising employment and wages, and possibly reduction in inequality. At the other extreme, less competitive and more unstable countries may suffer from outflows of capital, investment, skills and entrepreneurship. The overall impact of these changes is likely to be negative on the working class in most countries.

While the above mentioned factors lead to inequality and unequal distribution of wealth causing poverty and exclusion in a majority of groups affected by market led globalization, "Redistributive Global Democracy" is an effort to address such poverty and exclusion. "Redistributive Global Democracy" is the idea that global government institutions should instate policies to ensure sharing of the benefits of market globalization to all members of the global community in order to create a higher level of equity. A global understanding would set the minimum quality of life and work through the interconnected market to address the roots of inequity (Global Human Security and Development, 2005).

Globalization and Consumerism: Be a Blessing and not a Curse

Continued globalization of our economy is inevitable. The virtual mobility of capital entails at some extent the physical isolation of subjects. Sometimes this is visible and obvious. You can choose to buy a foreign car or an American car. However, even such a visible distinction often isn’t representative of the entire picture. “American” cars may be made by American companies but built in Mexico. Another “American” car might be assembled in the U.S., but be comprised largely of imported parts. Conversely, “foreign” cars may be made by companies listed on a foreign stock exchange and built here in America, sourced largely with American-made parts.

Most new cars will have a label identifying which country the car was assembled in and percents identifying the major regions where the parts for the car came from. In some abstract sense you can know where and how your car was made. Typically your clothes will have a label identifying what country they were made in. Have you ever thought about who made those clothes or in what working condition they were made with? It’s usually pretty hard to identify the factory it was made in, or in what working conditions. What about the food we eat? In my hand I have an oats & chocolate energy bar. The label identifies 27 ingredients that make up this energy bar. I’m not sure what half of these ingredients are.

What’s “maltodextrin”, “natural flavor”, or “color added”? I may be uncertain about what these ingredients are, but I have no idea where any of them came from. I can see that the bar is “distributed by” a company here in Minneapolis, but there’s no information on where the factory is that produced the bar or much less where the individual ingredients came from.
Today’s consumption is undermining the environmental resource base. It is exacerbating inequalities. And the dynamics of the consumption-poverty-inequality-environment nexus are accelerating. If the trends continue without change — not redistributing from high-income to low-income consumers, not shifting from polluting to cleaner goods and production technologies, not promoting goods that empower poor producers, not shifting priority from consumption for conspicuous display to meeting basic needs — today’s problems of consumption and human development will worsen. The real issue is not consumption itself but its patterns and effects. Inequalities in consumption are stark. Globally, the 20% of the world’s people in the highest-income countries account for 86% of total private consumption expenditures — the poorest 20% a minuscule 1.3%. More specifically, the richest fifth:

- Consume 45% of all meat and fish, the poorest fifth 5%
- Consume 58% of total energy, the poorest fifth less than 4%
- Have 74% of all telephone lines, the poorest fifth 1.5%
- Consume 84% of all paper, the poorest fifth 1.1%
- Own 87% of the world’s vehicle fleet, the poorest fifth less than 1%

Runaway growth in consumption in the past 50 years is putting strains on the environment never before seen.

**Conclusion**

As discussed in this conceptual paper, it could be stated that consumerism is central to current forms of globalization as well as consumerism is fundamental to understanding globalization and the modern world. This connection could be grasped in the fact that globalization enables access to resources as well as markets globally. Furthermore to this argument, it could be asserted that the emergence of consumerism parallels the emergence of free market. The globalization led consumerism in its nature creates two important issues which could be taken into debate which are; the patterns and effects which exacerbates inequalities and the unsustainable consumption and depletion of the environmental resources.

Market-led globalization creates an unequal distribution of wealth through the patterns and effects which are; structural positioning of countries in the global economic system, competition that occurs due to open market, moving of manufacturing and processing operations to lesser developed countries and income distribution. The connection between environmental degradation and globalization and consumerism could be established taking into consideration the many factors viz; link of globalization and consumerism with the exportation of technologies and activities that can have detrimental effects on the ecosphere, link of globalization and consumerism with the increased levels of commodity exportation, link of globalization and consumerism with encouragement of consumption and creation of artificial needs, link of globalization and consumerism with the spread of factories worldwide on one hand which had made more infrastructure necessary and on
the other hand which emit environmentally damaging substances to the ecosphere, link of globalization and consumerism with the overuse of global resources disregarding natural cycles, disregarding traditional practices over more sophisticated markets, deforestation leading to habitat denial and extinction of species and genetic engineering.

It was believed that globalization and mobility will bring about new opportunities for the developing economies, the fruits of which will percolate down to the bottom of the society. But what has really happened is far from satisfactory. Even when some developing countries managed to grab the opportunities of globalization in terms of growth of the national economy, globalization has some major socio-economic implications on the developing societies apart from economic growth. For example, it has perpetuated consumerism which has not spared even the poorer section of the working population. The consequence has not been good for the hapless working children. The theoretical level analysis of this paper explains the positive linkage that exists between consumerism and the incidence of child labour in a globalizing developing economy.

However, more empirical research to examine the existence of this crucial linkage is urgently needed.

References


