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Consumerism and its effects on globalization

1.Deepak Kumar.S I- MBA., K.S.R. College of Engineering

PH -9842526670 E-mail – sdeepakkumarbba@gmail.com

2.KalaiRaja.S I- MBA., K.S.R. College of Engineering

PH -9976664542 E-mail – kalairaja447@gmail.com

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 commodities to the realms of identity giving rise to new postmodern articulations of alienation. In this paper, we argue that those identity formation 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 world 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.

I.INTRODUCTION:

Our consumption of goods obviously is a function of our culture. Only by producing and selling things and services does capitalism in its present form work, and the more that is produced and the more that is purchased the more we have progress and prosperity. The single most important measure of economic growth is, after all, the gross national product (GNP), the sum total of goods and services produced by a given society in a given year. It is a measure of the success of a consumer society, obviously, to consume.

However, the production, processing, and consumption, of commodities requires the extraction and use of natural resources (wood, ore, fossil fuels, and water); it requires the creation of factories and factory complexes whose operation creates toxic byproducts, while the use of commodities themselves (e.g. automobiles) creates pollutants and waste. Yet of the three factors environmentalists often point to as responsible for environmental pollution — population, technology, and consumption — consumption seems to get the least attention. One reason, no doubt, is that it may be the most difficult to change; our consumption patterns are so much a part of our lives that to change them would require a massive cultural overhaul, not to mention severe

economic dislocation. A drop in demand for products, as economists note, brings on economic recession or even depression, along with massive unemployment.

Richard Robbins, *Global Problem and the Culture of Capitalism*, (Allwin and Bacon, 1999), pp. 209-210

As hinted above, within the current economic system of perpetual growth, we risk being locked into a mode of development that is:

- destructive, in the long run, to the environment
- a contributing factor to poverty around the world
- a contributing factor to hunger amongst such immense wealth
- and numerous other social and ecological problems

Furthermore, as also hinted above, as consumption increases (in a wasteful way, which we shall see a bit later), the resource base has to expand to meet growth and related demands. If the resource base expands to other people's lands, then those people don't necessarily get to use those resources either.

II.CONSUMERISM

Consumerism is the belief that the standard of living is not just living above some absolute or relative threshold measure, but the idea that well being and happiness is centralized on individual spending of goods and services. In Modern Economics, Consumerism is seen as beneficial because the more spending individuals do in a society, the more the economy grows as a whole.

III.GLOBALIZATION AND CULTURE

Globalization has created the ability to purchase life changing goods for consumers. It has provided the flexibility of having many consumption alternatives at reasonable prices and created a slew of expectations moving forward. It has generated changes in societies and cultures across the world. Into the future, consumers and marketers can see an increase of the types of goods within existing markets or tiers, such as laptops and mp3 players.

These same consumers and marketers can expect to see the integration of similar products, such as a touch screen 14 tablet and laptop combination. International trade creates these opportunities but it also raises questions about the ethical issues facing global businesses. It requires an understanding of foreign exchange markets and requires analysis of the impact of such trade on consumers specifically, and residents of different countries in general. It also creates challenges for marketers, who must create advertisements for the same product, across different nations, that will appeal to various ethnic groups and cultures. Globalization is defined as the process by which cultures influence one another and become more alike through trade, immigration, and the exchange of information and ideas ("Culture and globalization,"). Culture (also referred to as the personality of a society) is defined as the total pattern of human behavior and its products embodied in speech, action, and artifacts and dependent upon man's capacity for learning and transmitting knowledge to succeeding generations (Solomon, 2011). Through globalization, one's culture may be easily influenced, and members of society are not always aware of how a nation's culture is being affected from without.

IV.MISUSE OF LAND AND RESOURCES:

How land is used to produce food etc. can have enormous impacts on the environment and its sustainability. (This can sometimes challenge assumptions on the instinct and common belief that we are overpopulated by sheer numbers and that this is the major cause of environmental degradation. While populations can burden the environment, the most populous regions in the world use far less resources than the wealthiest nations, and so the issue is more about how resources are used and for what purpose.) Take the following as an example:

Junk-food chains, including KFC and Pizza Hut, are under attack from major environmental groups in the United States and other developed countries because of their environmental impact. Intensive breeding of

livestock and poultry for such restaurants leads to deforestation, land degradation, and contamination of water sources and other natural resources. For every pound of red meat, poultry, eggs, and milk produced, farm fields lose about five pounds of irreplaceable top soil. The water necessary for meat breeding comes to about 190 gallons per animal per day, or ten times what a normal Indian family is supposed to use in one day, if it gets water at all.

Overall, animal farms use nearly 40 percent of the world's total grain production. In the United States, nearly 70 percent of grain production is fed to livestock.

Because industrial agriculture is using more monocultures, rather than a diversity of crops, the loss of biodiversity is leading to more resource usage, as described above. This as well as other political situations such as the motives for dumping surplus food on to developing countries to undersell the local farmers, leads to further hunger around the world. For more information on that aspect, refer to this web site's section on food dumping.

Consumption patterns in wealthier countries increases demand for various foods, flowers, textiles, coffee, etc. Combined with more harmful products such as tobacco and illicit drugs, and with input-intensive agricultural practices (including using herbicides and pesticides) the diversion of and misuse of land and the associated environmental damage in unsustainable methods adds up. For additional examples and information on misuse of land, refer to this web site's look at causes of hunger.

As land ownership has become more concentrated in the hands of fewer owners, larger companies, larger agribusinesses etc, and as things like food dumping, mentioned above, increases hunger and drives rural workers out of jobs, there is an increase in urban migration as people move to the cities in hope for a better chance. This then places additional stress on the larger cities to provide for more people. It also results in

more slum areas, health problems, increasing crime, overcrowding, and so on.

But cities aren't the only places that the landless move to. Some, being pushed off their own lands, will move to less arable land to hope to farm that, which may conflict with wildlife. In other cases, others may move into forested areas, clearing them with a hope to make a living from farming that cleared land. Destruction of old forests in particular can also mean loss of habitat for many wildlife. In yet other cases, many may try to immigrate to other parts of the world if they feel there is no choice left in their own country. In yet other situations, economic growth can also lead to more urban migration. Sometimes this growth of cities can go in hand with decline in the rural areas.

Due to these and a multitude of other complex socioeconomic and political factors, in different parts of the world, there are different proportions of people in urban and rural areas. For example, the World Bank reported in a 1999/2000 report that 74% of poor in Latin America and Caribbean lived in urban areas, while in Europe and Central Asia it was 67%. In the Middle East and North Africa it was 58%. In East Asia and Pacific, 33% while in Sub-Saharan Africa it was 32%. In South Asia it was 27%. (For more details see the World Bank's World Development Report 1999/2000, Table A.2. The World Bank didn't explicitly categorize North and Central America for some reason, which have approximately 76% and 50% urban populations, respectively. Full country breakdowns are available in the report.)

It is not always the case that, as commonly held, the poor are the ones that end up stripping natural resource to survive. Many communities described as poor (materially) have traditions and practices that encourage protection of their environment because they understand their mutual dependency. In addition, land ownership for the poor provides mechanisms to ensure sustainable and efficient use, because of the need to care for it for their survival, as detailed for example, by Vandana Shiva, in

her book *Stolen Harvest* (South End Press, 2000). Peter Rosset also shows that smaller farms are more efficient when it comes to ensuring a productive yet healthy ecosystem.

Economic policies of the wealthier nations and their consumption demands mean that more land is therefore used to grow cash crops (bananas, sugar, coffee, tea etc) for export to wealthier countries (primarily), while other land is diverted for non-productive uses (tobacco, flowers etc). Additional land is also cleared and used to grow things like cattle for beef exports. In the quantities that some of the products of these exports are consumed, it could be argued that a lot of this production is wasteful and unnecessary. The cost to the environment and local populations is borne not by the consumers of the products, but local people instead. [These economic policies that encourage this pattern are often imposed upon the poorer nations, through things like Structural Adjustment (SAPs) etc.]

And because food is a commodity, then it is those who can afford to pay, that will get food. The following is worth quoting at length (bulleting and spacing formatting is mine, text is original):

To understand why people go hungry you must stop thinking about food as something farmers grow for others to eat, and begin thinking about it as something companies produce for other people to buy.

- Food is a commodity. ...
- Much of the best agricultural land in the world is used to grow commodities such as cotton, sisal, tea, tobacco, sugar cane, and cocoa, items which are non-food products or are marginally nutritious, but for which there is a large market.
- Millions of acres of potentially productive farmland is used to pasture cattle, an extremely inefficient use of land, water and energy, but one for which there is a market in wealthy countries.
- More than half the grain grown in the United States (requiring half the water used in the U.S.) is fed to livestock, grain that would feed far more

people than would the livestock to which it is fed. ...

The problem, of course, is that people who don't have enough money to buy food (and more than one billion people earn less than \$1.00 a day), simply don't count in the food equation.

- In other words, if you don't have the money to buy food, no one is going to grow it for you.
- Put yet another way, you would not expect The Gap to manufacture clothes, Adidas to manufacture sneakers, or IBM to provide computers for those people earning \$1.00 a day or less; likewise, you would not expect ADM (Supermarket to the World) to produce food for them.

What this means is that ending hunger requires doing away with poverty, or, at the very least, ensuring that people have enough money or the means to acquire it, to buy, and hence create a market demand for food.

When the best agricultural land is used up to produce these cash crops, more marginal land is used for food and subsistence farming. This can also lead to clearing parts of rainforests, or other forms of encroachment on other ecosystems.

It's not just food crops. Other uses of the world's resources by the wealthier nations include metals and other raw minerals to produce automobiles, planes and so on. As nations such as China begin to rise, their appetite for these resources are quite large. However, while there is some concern raised at the amount of environmental resources such nations will eventually require, little is raised about how for decades richer nations have been consuming in further excess and waste. For more details on this, see Richard H. Robbins, as quoted above.

Many wonder why the poor cannot follow the example of the rich and get out of poverty themselves. Numerous mainstream commentators suggest that the poor should follow the example of the rich and that globalization (in its current form) provides the answer. Some may say this because they or their society has

followed this ideology to get out of poverty and it worked for them, so it should work for others. Yet, often missed is where the resource base to support the increase in wealth has typically come from. If it comes from other regions then it can (not always) mean that for one society's gain, others may not. This was apparent in imperial and colonial times where vast amounts of the world's wealth was plundered and accumulated in the imperial centers in Europe. Yet, the consumption inequalities of today and the regions of immense wealth and immense poverty, on a global scale shows a similar pattern to those of previous decades and centuries. The U.N. resource consumption statistic mentioned at the start of this section (of 86 percent of the world's resources being consumed by just the world's top 20 percent) is testimony to this.

Hence, the resource base, from which to get out of economic poverty is lacking and so the same process that may have made today's wealthy richer, is not necessarily the best way for all people.

Furthermore, if today's poor attempted to reclaim those resources for their own use and for sustainable development, it will naturally be seen as a threat to the way of life for those who currently use those resources. As described in the poverty section of this web site, wars throughout history have been because of this control of resources. World War II and the resulting Cold War were also such battles. Yet because in the mainstream this is not acknowledged it is easy to just see this as a threat and act on it, without really understanding why it has become a threat.

V.RESOURCE EXPLOITATION:

The wealthier consume precisely because others are poor — the rich consume at the expense of the poor. Such global inequality is very wasteful of resources, as further resources are expended maintaining this unequal balance of power (be it through military, political, social or other means). As Robbins was quoted above, someone has to pay for our consumption levels. (The causes of these imbalances are discussed throughout this web site,

as well as later on in this section on consumption and consumerism.)

VI.EXPORTING POLLUTION AND WASTE FROM RICH COUNTRIES TO POOR COUNTRIES:

Pollution is also related to increased consumption. That is, the consumption itself, plus the production and waste of products used in consumption. Automobiles are a clear example. Other examples include industrial waste (especially when just dumped into the rivers and oceans), waste from the tourist industry (including cruise liners, air travel, etc.), waste from industrial agriculture, consumer waste such as household waste, excessive product packaging, our throw-away culture, and so on.

While pollution is increasing in poorer countries as well, it is not solely due to rising populations, because, as the U.N. points out, and as mentioned earlier, 86% of the world's resources are consumed by the world's wealthiest 20%. Hence, even if pollution is occurring in poor countries, a large portion of it is to meet this consumer demand. In its September 2008 issue, the journal *Energy Policy* found that around 1/3rd of Chinese carbon dioxide emissions were due to the production of exports and that it is mostly the developed world consuming these.

And long before the fears that the Kyoto Climate Change protocol would encourage western businesses to move dirty industry to poorer countries that were exempt from emissions reduction targets, multinational businesses were already looking for places with lower standards.

In 1991, then Chief Economist for the World Bank Larry Summers, (and US Treasury Secretary, in the Clinton Administration, until George Bush and the Republican party came into power), had been a strong backer of IMF/World Bank Structural Adjustment Policies, which have proved to be so disastrous to the developing world. He wrote in an internal memo (leaked to the *Economist* in 1992) that is very revealing:

Just between you and me, shouldn't the World Bank be encouraging more migration of dirty industries to

the LDCs [less developed countries]?... The economic logic behind dumping a load of toxic waste in the lowest wage country is impeccable, and we should face up to that... Under-populated countries in Africa are vastly under-polluted; their air quality is probably vastly inefficiently low compared to Los Angeles or Mexico City... The concern over an agent that causes a one in a million change in the odds of prostate cancer is obviously going to be much higher in a country where people survive to get prostate cancer than in a country where under-five mortality is 200 per thousand..

Summers was talking about migrating industries. That is, moving them elsewhere, but to still serve their original purpose — produce for consumption by wealthier nations and people. So instead of expensive changes to factories to deal with environmental and other issues that the public and society demand, they have had the ability to move elsewhere and continue on without making these costly changes. As a result, we may see a relatively cleaner environment in the industrialized world, but it is not all explainable by using newer technologies, being more efficient, etc (which are no doubt certainly part of the explanations).

This is a partial explanation of why some of the wealthier countries have cleaner air, water and so on, compared to poorer countries that are facing more pollution, even though they consume a fraction of what wealthier nations consume. Consumption in richer countries can come at a high price for those in poorer countries as well then.

Another trend is to also export waste to other regions of the world. As one example, hazardous electronic waste, such as old computers, old computer monitors, etc primarily from wealthier nations, are also being exported to places like China, India and Pakistan, where they are processed in operations that are extremely harmful to human health and the environment. However, minimal or non-existent environmental and working standards and regulations, old technologies for recycling and processing, etc. is putting a lot of people and

surrounding environment at risk due to the sheer amount of waste to be processed.

Environmental News Service quotes Jim Puckett, coordinator of Basel Action Network, and one of the authors of a report titled *Exporting Harm: The High-Tech Trashing of Asia* :

They call this recycling, but it's really dumping by another name, added Puckett. Yet to our horror, we further discovered that rather than banning it, the United States government is actually encouraging this ugly trade in order to avoid finding real solutions to the massive tide of obsolete computer waste generated in the U.S. daily.

Puckett referred to the fact that the United States is the only developed country in the world that has failed to ratify the Basel Convention, a United Nations environmental treaty which has adopted a global ban on the export of hazardous wastes from the world's most developed countries to developing countries. The U.S. has exempted electronic wastes from the Resource Conservation and Recovery Act and the nation's export laws, because the material was claimed to be destined for recycling.

Poverty, land control and ownership, pollution and so on, are largely parts of economic and ideological systems too. As exemplified by the Lawrence Summers quote above, a value is placed on the environment, on life, on different cultures and so on.

This is so ingrained into the cultures of the wealthy nations, that the thought of massive adjustment of lifestyles and economic systems to a more sustainable consumption seems too much to consider. Instead the system is continued and maintained. Built into the system itself are mechanisms that encourage this, without realizing the costs.

For example, a population where health is generally getting worse may result in more sales of medicines or a growth in private healthcare and other knock-on industries. Instead of these always being seen as a cost, they are seen as providing more jobs and creating wealth, and as a result it counts towards GDP and other

indicators of economic health! It then looks like the economy is dealing with this fine, without realizing that even more resources are used to support these jobs and industries that may not be needed in as much intensity.

It is easy to blame consumers from wealthy countries as the sole cause of these problems elsewhere though. However, as mentioned in the initial pages on this section, much of this mass consumerism culture in the north has not been based solely on natural demand, but a created demand. That is, from large businesses and industry wanting to sell more products and make more profits. Politically this has also been encouraged as it helps create a more conforming populous satisfied by material needs. As an effect of this, as such businesses also strive to eliminate competition by becoming bigger and bigger, this has become more destructive than what we might actually realize, and on a wider scale.

Even as the United States began to feel the onset of a recession (due to crisis of overproduction) coming on in the middle of 2001, the economic and political leaders respond by attempting to encourage people to spend more.

VII. HOW GLOBALIZATION HAS CHANGED OUR LIVES

One result of the abundance of options available to consumers, thanks to globalization, is that consumers appear to automatically conduct more research on products generally looking for the best deal. Consistent with this notion is the result that when it comes to certain products, brand name is not always the primary determinant for consumer choice. Regarding televisions, size and price are usually the driving forces that ultimately cause the consumer to make a decision. When it comes to clothing however, the consumer may even want to purchase the product with the higher price tag, depending the way that price is interpreted and how that consumer's culture influences him or her.

VIII. 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 via; 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 Globalization, Mobility, Identity, and Consumerism.⁵¹ 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.

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