

GLOBALIZATION AND ITS GEOGRAPHICAL SPACES

Rezső MÉSZÁROS

Department of Economic and Social Geography
University of Szeged, Hungary
mrezso@geo.u-szeged.hu



A GLOBALIZÁCIÓ ÉS FÖLDRAJZI TEREI

Összefoglalás

Közismert, hogy a globalizáció rendkívül sokrétű folyamat. Maga a fogalom néhány évtizede használatos. A folyamatokat az információs és kommunikációs technika robbanásszerű fejlődése gyorsította fel és hozta a világ közvéleményéhez közel. A globalizáció legfontosabb hordozói a transznacionális vállalatok, amelyek ország- és régióhatároktól függetlenül építik ki terjedési területeiket, illetve vonzáskörzeteiket. Ily módon a világgazdaság térszerveződéseiben új formációkat ismerhetünk fel. Jellemző, hogy meghatározott kategóriává emelkedtek a világvárosok, a világvárosi hálózatok. De ebbe a folyamatba új szereplőként léptek be a regionális hálózatok is. Egyre integráltabb városrendszerek alakulnak ki, amelyek térbeli hatásai alkalmasak az új regionális folyamatok szervezésére, amelyeket a transznacionális vállalatok is generálnak. A kelet-közép-európai térségben például a megvalósult átmenet legsikeresebb települései és térségei a globális gazdaságba való beilleszkedés szerint indultak fejlődésnek, és így oldották meg korábbi válságaikat. Érzékelhető, hogy a merev határral rendelkező európai, illetve Európai Unió térszerkezeti egységei mellett, mozgékony, „szabálytalan” téralakzatok is jelen vannak. Ezek a terek a globalizáció regionális, vagy lokális következményei. Ezért felmerülhet a kérdés: vajon érdemes-e ragaszkodnunk megszokott tércategóriáinkhoz, vagy inkább nagyobb érzékenységet kellene mutatni az újfajta „szabálytalan” térszerveződések iránt, amelyeket a globalizáció működési mechanizmusa hozott létre?

Summary

Globalization is known to be a highly complex and versatile phenomenon. The concept itself is very, very young and has been in use only for a couple of decades. The process of globalization itself was accelerated by a burst-like evolution of information and communication technology and industry, making it a decisive factor in shaping the view of the general public as well. The most important agents of globalization are the multinational companies, which expand their areas and influences beyond the borders of regions and countries creating new spatial organizations and structures within global economy. Metropolises and the metropolitan networks have become a decisive category, as the headquarters of the most influential multinational companies are residing in these metropolises. Regional networks with a heavily increased role of the metropolitan areas have also entered the playground as a new character. As a result of this process, more and more integrated urban networks develop, their new spatial makeup rendering them suitable for the control of newly appearing regional processes generated by the activities of multinational companies. During the transitional phase in the economies of the East-Central European regions for example, the order of development of the individual regions and settlements was determined by their capacity of successfully solving their former problems via integration into the global economy ASAP. Therefore, besides the structural units of the geographical space, characterized by strict boundaries, like those of the EU there are more flexible „irregular” structural units present as well, which are the regional or local outcome of globalization. Considering these statements the following question seems even more adequate: Should we stick to our formerly established static spatial categories and structures in our future investigations? Or should the so-called irregular spatial organization processes and their resulting structures be more seriously considered as an existing outcome of the process of globalization?

If one acknowledges the fact that the starting impetus of the field of social geography derives from a social and economic setting, then we must also accept this fact to be true even today as well. In other words, we can not simply put our heads into the sand and neglect the geographical aspects of globalization. Globalization is known to be a highly complex and versatile phenomenon. The concept itself is very, very young and has been in use only for a couple of decades. The process of globalization itself was accelerated by a burst-like evolution of information and communication technology and industry, making it a decisive factor in shaping the view of the general public as well.

Iván T. BEREND in one of his public lectures given in 2004 gave an emphasis to the fact that the modern globalization era is characterized by enormous transformations observable in world economy, and cross-country and intercontinental relations. Particularly, in the trade and capital relations, the increasing number of subsidiary companies established in a foreign environment, the extreme rise in speculative monetary transactions, and the emergence of a brand new type of international division of labour. As András INOTAI postulated it right in 2001, when globalization is the subject of a discourse, in most of the cases only its economical consequences are discussed, and its cultural, social and political aspects are often omitted. However, globalization is not a primarily economic phenomenon. Inotai's presumption is very important, as this complexity of globalization among all influences the utilization of space as well.

According to Anthony GIDDENS (2000), globalization influences other than the primary situations alone. It is not just about what is going on far away from the individual. Conversely, globalization is a complex phenomenon influencing the personal aspects of an individual's life as well. One should interpret globalization as not a single process or phenomenon, but rather as a complex system of these, working through contradictions and counteractions. Many people picture globalization as a force depriving local communities and nations of their power. Although it may have such consequences, yet it has not been univocally proven. Globalization also has a counter-effect. It may open up new possibilities for local autonomy. What is more, as GIDDENS puts it, it has some side-wide effects as well, creating new economic and cultural belts within a single nation. Good examples might be the regions of Hong Kong, Northern Italy or the Silicon Valley in California.

Geographically speaking, the opinion of Ian HAMILTON (1999) on globalization is even more exciting, as it gives hints of a new type of space structural approach. According to HAMILTON, globalization should be interpreted as a series of processes, which entitles a wide array of participants of the global economy (global organizations, multinational companies, banks, consumers, etc.) to more easily and successfully express their interests by taking advantage of their views on the world as a uniform space in their global strategies. Nevertheless, this view of Hamilton also refers to another space expansion frontier of globalization. Namely, here internationalism is taken as a form of expansion of the activities happening within the framework of national or regional spaces beyond the borderlines; i.e. economic expansion without borders.

When we examine the structure, industrial makeup, and mode of operation of a globalized economy, the role of *trans- or multinational companies* as the most important agents of globalization is hardly questionable. These multinational companies have been present in several countries for over a century now. Yet they managed to gain a decisive role in the global economy only by the terminal part of the 20th century. In Western Europe during the period between 1960 and 1990, the ratio of trade between the local countries compared to the total rate of trade was doubled (Lajos KURTÁN 2005). Developed countries tend to relocate a major part of their industrial production, especially the labour-intensive branches and areas, to countries characterized by low wages. Moreover, branches of industrial production contributing to intensive environmental pollution are placed into third world countries with less strict environmental regulations. Conversely, the knowledge-intensive

areas, characterized by a high state of processing, remain in the developed countries. A highly important feature of multinational companies is their ultimate goal of achieving a monopolistic position on the market, disregarding the social, environmental, economic or spatial consequences of their acts.

From these aspects the spatial organization and distribution characteristics of the global economy are highly remarkable, their analysis and interpretation posing a major challenge for researchers of social and economic geography. Metropolises and the metropolitan networks have become a decisive category, as the headquarters of the most influential multinational companies are residing in these metropolises. Regional networks with a heavily increased role of the metropolitan areas, have also entered the playground as a new character. This must be attributed to the gradual emergence of a new stage of urbanization from the 1980s onwards, very often referred to as reurbanization. As a result of this process, more and more integrated urban networks develop, their new spatial makeup rendering them suitable for the control of newly appearing regional processes. The fate of a European mid-size city (e.g. Szeged in Hungary) is determined by how fast and well it can integrate into a system of production and distribution networks brought to life by these new regional processes.

No wonder that a part of economic experts calls for an urgent re-conceptualization of the regional policy of the EU, thanks to primarily the increasing liberalization of global trade. The intervention and control capacity of the state in economic and social restructuring will be surely moderated, parallel with a reinforcement of the role of international economic integration organizations. All this will by all means alter the traditional work and life styles, reshaping the historical spatial interrelations of the entire society. Most likely the innovation competition between the individual regions will be intensified, putting those cities into a prime position, which possess the qualities necessary for the optimization of economic processes based on international cooperation. The role of available time will gain prime importance in the diagnosis of the state of competition. What is more, one might seriously consider at this stage the resurrection of the field of temporal geography of Hågerstrand as well.

Furthermore, from what was briefly stated in the previous parts, one may also deduce that besides the structural units of the geographical space, characterized by strict boundaries like those of the EU (country borderlines, regions, counties, small regions, etc.), there are more flexible „irregular“ structural units present as well, not studied well enough by social geography so far. I have come across a highly fascinating study from the hands of Viktória SZIRMAY, Gabriella BARÁTH, Balázs MOLNÁR and Ákos SZÉPVÖLGYI published in the No. 3 volume of the 2003 edition of *Tér és Társadalom* (Space and Society). The title of this study was „Globalization and regional development“. The authors of this study come up with the idea that during the transitional phase in the economies of the East-Central European regions, the order of development of the individual regions and settlements was determined by their capacity of successfully solving their former problems via integration into the global economy ASAP. This study contains some very important remarks from the point of view of our work, worth citing. The authors refer to data available in the Hungarian literature, when bringing up the fact that the long-term presence of foreign companies has a decisive role in the future course and success of development of regional and urban economies, as it enhances the rapid integration of capital at the local and regional level, which on the other hand ensures the long-term positive development of Hungarian companies. This sort of impregnation of the foreign companies into the vein of the local economy also enables a strengthening of the effectiveness of the global and local economic processes, plus those of the economic and social forces. According to other thinkers, multinational companies tend to form individual „islands“ in the economic space of Hungary. This „island-like“ distribution of the multinational companies must be

attributed to the incompetence of a vast majority of Hungarian companies to act as long-term deliverers, and as such be a successful participant of the integration process. In other words, these companies are unable to successfully compete with other potential foreign deliverers on the long run. The only factor that might be beneficial in the competition is the presence of a local labour force. The authors suggested the development of an active, independent urban policy, where the individual cities work out their own global strategies on the sole basis of establishing a direct connection with the managers of the foreign companies. This suggestion is congruent with the modern European urban policies engaged in the EU, where one of the most important elements is the acknowledgement of outer relationships as possible agents of future network integration, and as such, the establishment of such relations should by all means be urged. The pilot area of the referred study was the region of Székesfehérvár, where the regional economic development policies were based on primarily foreign capital investments, rendering a dynamic evolution to the economies of the region, as the study found. Although the global interests were overwhelming the local ones in this economic development model, the economic relations were established in such a way, which was beneficial for the foreign companies, but by no means against the local interests. The study also notes that the existing relations between the multinational companies and local city governments had considerable influence on the process of economic integration. Similar studies with exciting new findings are now available for other areas in Hungary as well now, like the regions of Esztergom, Győr, Miskolc and Budapest. However, it would be highly beneficial to carry out such studies in those areas and major towns, where the structure and composition of foreign working capital is fundamentally different from the one of the previous studies. I am highly concerned that the outcome would be fundamentally different economic and social effects and regional developmental trajectories. Furthermore, similar irregular spatial organizations emerge as a result of the presence of consumer agglomerations of commercial multinational companies.

All these studies seem to imply the prevailing emergence of irregular spatial organization processes as a result of the local impacts of globalization. It reminds me of the times when about 20-25 years ago, nobody, including us, could interpret the spatial organization structures and processes which developed as a result of the activities of such companies that extended beyond the county borders.

At a continental scale, like that of Europe, we tend to draw „dynamic bananas, stars and crescents“ to delineate the developing, so-called core areas. At the same time, depression zones or peripheral areas are also assigned in the same way. However, the intermittent areas between these are very rarely examined, as these areas mostly cannot be adequately assessed quantitatively using statistical methods. Or if they can, we just try to put them into one of our previously established spatial categories. Nevertheless, the development of these intermittent spaces must also be attributed to the effects of globalization. Considering these statements the following question seems even more adequate. Should we stick to our formerly established static spatial categories and structures in our future investigations? Or should the so-called irregular spatial organization processes and their resulting structures be more seriously considered, as an existing outcome of the process of globalization? These latter categories try to grasp and classify the spaces, which develop as a result of the new operational mechanisms. I think the presence or absence of cooperation should by all means be addressed and investigated in these new spatial organizations. An even more important thing might be the question of whether or not there is interaction between these spatial units. And if there is, then what kind of?

One of the most important features of the phenomenon of globalization is that the rapid evolution of information and communication technology expanded it to the entire world. Meanwhile, the evolution of a new type of space which took place during the past few decades should not be neglected in our studies. This is the so-called cyberspace.

Surprisingly, the spatial organizations and units of globalization show up in the cyberspace as well. The age of informatics has contributed to well-known dramatic changes in several areas of our lives, so the question whether or not the outcome of this development the cyberspace will truly put an end to an old era seems quite appropriate. Will this new world completely displace the old one? It admits of no doubt that new phenomena are always warmly welcomed. Yet as shown by the general experiences, they by no means become exclusive, but rather integrate into the existing systems causing shifts in the proportions of existing space. The tangible, geographical space will not completely deteriorate, but will preserve its primary importance in such way that it shares of part with the cyberspace.

The concept of the cyberspace derives from William GIBSON, who applied this term to the digital, navigable world which existed within and is controlled by a network of computers. According to him, the cyberspace forms a special matrix of colourful, electronic, Cartesian data landscape, where the individual and the companies can easily get access to the stored information in an interactive way. What is more, this information is often the subject of trade as well. Perry BARLOW (1991) addresses this question from another viewpoint: the cyberspace is pictured by him as the motherland of the era of informatics, and a place where the citizens of the future are motivated to spend some of there time.

Several aspects of the cyberspace are geographical in nature opening up the possibility of applying social geographical methods and approaches in its investigations.

Ever since GIBSON's first nomination, various groups used the concept of cyberspace for achieving their own goals infilled with highly variable content suiting their needs. This refers to a rapid reshaping of the ways and modes of computer communication and virtual reality. Cyberspace generally turns up with an offer of new spaces where there is substantial demand to meet. In other words, the spaces and spatial units of cyberspace can be fully taken as social origin.

Cyberspace enhances the globalization efforts of multinational companies in restructuring the economy. Furthermore, it also offers an easy and rapid access to potential new marketing areas via facilitating the production and consumption of consumer goods. I just would like to bring up some examples for this process.

The continuous effort of employers to wander around the entire globe in order to increase their efficiency and profits is by no means a new phenomenon. The exploitation of the possibilities offered by the information and communication technology renders them a great deal of geographical mobility, enabling the rapid physical displacement of a widening array of tasks and information in the material world. Globalization, the relocation of administrative tasks into other countries, distant working, and the increasing value of information and information technology related services had fundamental effects on the organization and structure of the labour force. Several opponents come up with the presumption according to which the interrelationships of information and communication technology and employment cannot be simply interpreted as just a new form of creating jobs. Rather, a highly complicated system of interrelations exists between the quality and quantity of the newly available job opportunities. As a result, the increasing utilization of the tools and techniques of information and communication technology resulted in a rational restructuring of companies.

According to numerous analysts, the world has undergone a major restructuring process since the 1970s, the outcome of which was a transformation into a postindustrial form of capitalism, giving the foundation of the social system of the vast majority of the world. The appearance of information and communication technology was a central element of this process, giving an impetus for the emergence of a new social and technical order and era.

One of the most important strategies enhancing this worldwide economic restructuring was the mechanization of offices and the creation of back-offices (the relocation of administrative tasks into countries with a cheap labour force). In this case, the manual

operations of administrative work are completely displaced by computer-controlled operations. The exploitation of a manual labour force is kept in those areas, where the operational costs (wages, rental fees) are lower. This means that the individual files and folders are circled around the globe, positively exploiting the possibilities residing in the worldwide decentralized labour force readily available 24 hours a day. Certain industrial branches, consumer centres, telecommunication companies and companies solely based on distant market research and trading as well as implementing distant transactions (air ticket booking, banks, insurance companies, administrative employees) readily benefited from the possibilities opened up by these back-offices. Ireland for example is hosting many back-offices for various American and European companies, employing highly trained and qualified, relatively low cost labour force, which is free of the bond of unions. Hand input of data and other various administrative tasks requiring less expertise and qualifications, but a processing of enormous data and documentation are very often leased into other countries.

Decentralization potentials related to information and communication technology often encouraged certain companies to reconsider their views on the benefits offered by large-scale distant working, besides the creation of back-offices. Under the term distant working we refer to a special type of employment exploiting the services offered by telecommunication, and enabling the new potential employees to carry out their job assignments in their home. Distant working was gilded as a major outcome of the new information society, offering extreme flexibility to employers and employees alike. Conversely, several researchers pointed to the fact that the positive values of this type of work can be quickly outnumbered by such possible negative consequences as isolation, uncertainty, the collapse of worker solidarity, and the threat this new type of employment might mean to the trade unions. The positive and negative effects associated with distant working clearly represent the social partition of these employees.

The network of telecommunication houses, offices offering distant servicing are strongly tied to the appearance of distant working. Their ultimate goal is to link often isolated communities into the information superhighway. Several training centres building upon skills are established within them, creating ideal forms and possibilities of distant working. Electronic village houses were first established in Scandinavia with the aim of resolving the problem of isolation for people living in the countryside. Later on these were also established in an urban setting in order to develop and strengthen communal goals and relations, enhancing the evolution of a cyber-democracy. At the same time, they also enabled the modernization of the local economies by offering a cost-effective, minimal risk method for reaching a proficiency in remote informatics.

A much more sophisticated urban counterpart of telecommunication houses mainly established for small and medium companies are teleports. These are high-tech offices offering high-tech telecommunication possibilities via satellites and glass-fibre optics. This sort of centralization of the technical equipment offers ideal solution and great savings for those smaller individual users, who can not afford an internet connection in their homes. Teleports can be regarded as potential warehouses of the new information technology era, with similar roles as traditional ports used to play in times of regular maritime trade and navigation. Both the users and hosts of these teleports will benefit from the potential economic and competition advantages these places offer compared to other places.

Naturally, one must not forget about the potential role of cyberspace as the transmitting agent of globalized culture as well, which of course tend to have univocal social impact as well. Most people agree generally that the process of cultural globalization is more and more displaced into the cyberspace. Moreover, as a result of this a unique cyber culture also develops. The union of computer networks, multimedia and telecommunication opens up new information sources enabling interactive communication. József BAYER

(2002) describes the emergence of a universal world of mass media and communication right in front of us, where the industries of telecommunication, mass media and computers are concentrated into a single unit. Info-communicational industry is one of the most important and strongest pull factors of economic development even today as well. In the future the internet may become the primary source and agent of communication via the establishment of broadband carrier systems and lines. The possibilities of establishing broadband connections in communication have fundamentally transformed the general habits of computer use via increasing capacities of data transmission. The future trend of development is clearly visible in the appearance of online magazines, newspapers and commercial portals.

These connections observable in the cyberspace are important because the spatial organizations, structures and units presented in the first part of this paper also turn up in the cyberspace itself as well mostly with a marketing role (like job offers of a multinational company with existing job assignments). Nevertheless, the so-called „regular spaces and spatial units” like a virtual city, and virtual regions also turn up in the cyberspace, again mostly as an outcome of marketing. So there is every reason to believe that cyberspace will gain importance in the future both as a source of information and visual space.

Cyberspace is often popularized as a place of equality, a place of individual autonomy, a space everyone can freely enter. However, obviously not everyone enjoys free access to the cyberspace. The utility of the cyberspace, and the concomitant social, political, economic advantages and benefits are distributed in accordance with the distribution patterns observable in the traditional spaces and societies. In fact, the cyberspace will strengthen the dual economies presently emerging in certain countries, instead of creating equality in the future, as some researcher have already noted. This will result in greater inequalities between the developed and developing world, creating much more segregated societies. Presently, only users with the necessary technical background (computer and telephone line, internet provider contract) can enjoy an access to the cyberspace. Those who can afford to buy these machines and have the time to acquire general proficiency in their operations, plus have the time to do so. So the income status of the user is a decisive factor in accessibility. Today the cyberspace is used dominantly by those of an upper than medium income. The chance of getting access to a computer and the internet at a workplace, not to mention the homes is largely dependent on the social, economic status and income of the potential user.

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