

Local development in the context of globalization

Mercedes Alcañiz Moscardó

Universitat Jaume I, Castellón, Spain/ mercedes.alcaniz@fis.uji.es

Abstract: The main objective of this article is to expound the links between the globalisation process – the present and multidimensional characterisation of the capitalist system expansion worldwide – and local development. The latter is a perspective that emerged in the 80s of the 20th Century as a response to the inadequacies of the macroeconomic policies of development with a view to solving the problems related with job creation and improved social welfare from local and regional domains of development planning. To this end, agents, sectors and powers that interact within the limits of a given territory are involved.

Without losing sight of the global perspective, even though it may seem contradictory, local development in the era of globalisation is considered a fundamental tool to achieve a more human, sustainable development with equity that lasts and is based on a given territory.

Key words: Globalisation, development, human development, local development, new sources of employment.

Resumen: El presente artículo tiene como objetivo principal exponer las articulaciones entre el proceso de globalización, caracterización actual y multidimensional de la expansión del sistema capitalista en el planeta, y el desarrollo local, perspectiva surgida en la década de 1980 ante la insuficiencia de las políticas macroeconómicas de desarrollo para resolver problemas asociados con la creación de empleo y la mejora del bienestar social desde los ámbitos locales y regionales de la planificación del desarrollo, contando para ello con la participación de los agentes, sectores y fuerzas que interactúan dentro de los límites de un territorio determinado.

El desarrollo local, sin perder de vista la perspectiva global, se considera una herramienta fundamental para conseguir, en la era de la globalización, y pese a lo contradictorio que pueda parecer, un desarrollo más humano, sostenible, con equidad, duradero y asentado en un territorio.

Palabras clave: globalización, desarrollo, desarrollo humano, desarrollo local, nuevos yacimientos de empleo.

In *The global village*¹, last work before his death, Marshall McLuhan referred to the transformations in life and mass media in the world in the XXI century, with a clear reference to the globalization of the surroundings.

Ever since, the “globalization” term has become part of our academic and media terminological baggage, and even quotidian, of current society being characterized, according to the authors, by the “increment of their transnational links and spaces” (Beck, 1998) or as “a process which affects us all, in the same measure and in the same way” (Bauman, 1998) or as “a social process by means of which the geographic constraints on the social and cultural processes decrease and in which the individuals become more aware by the day of said reduction” (Waters 2002).

At the time this process takes place in most of the world, social sciences face an new epistemological challenge which questions the classical paradigm, founded on the reflection on national society and global society, which becomes a new explanatory paradigm of the whole reality where the individuals and classes, nations and nationalities, cultures and civilizations are inserted (Ianni, 1998).

In this context of expansion of globalization where the local becomes evident with cultural, ethnic, religious manifestations, or in relation to the sphere of development, considering that, in this case, from the local a better quality of life and economic welfare can be attained.

In the following pages we will expose, in the first place, the historical configuration of this process within the complexity that characterizes it; in the second place, we will refer to the dynamic concept from the earliest definitions related to economic growth to the most recent that also take into account human wellbeing, environmental sustainability; and as a response to the hegemonic process of globalization, we include the perspective of the local in development. To conclude, we will focus our attention on the articulation between said globalization process and local development, boosted from both the very local spheres and international organisms as a way to access development and employment, both

¹ Years later, Noam Chomsky and Heinz Dieterich published another “The Global Village”, with different contents.

mechanisms united in the pursue of reducing poverty, considered one of the most important objectives of the world nowadays and in included as Objective no. 1 in the Millennium Development Goals (MDG) of 2000.

The process of globalization: historical and analytic reference

Most of the social scientists and thinkers have reflected on the current society and the changes taking place in it. The process of globalization is one of these topics of reflection and on it, diverse authors have put forward different definitions of the concept.²

Prior theoretical proposals, such as the “Capitalist World-System” by Immanuel Wallerstein, which also referred to the expansion of the economic system of capitalist production all over the world has remained in the academic sphere; whereas the “globalization” term has become part of the quotidian and analytic language of the current society.

For the German sociologist, Ulrick Beck (1998), the singularity of the globalization process lies “in the diversification, density and stability of their reciprocal networks of regional-global relations, empirically provable, and their self-definition of the media, as well as in the social spaces and the aforementioned iconic trends in the cultural, political, economic, military and ecological spheres”.

This definition answers the conception of globalization as a multidimensional process that affects several layers of the system; being this, one of its identification signals.

Other authors, among who we find Joseph Stiglitz (2002), David Harvey (2007) or Ignacio Ramonet (1997, 2007), from different perspectives express criticisms against the process and ask for “a globalization with a more human view”.

Well now, this new “social fact” according to Durkheim (1973), has not taken place suddenly but has had an accelerated historical trajectory nowadays, because of a series of occurrences such as the expansion of the capitalist economic system after the fall of the Berlin Wall, as well as the

² Jan Aart Scholte distinguishes five different uses for the globalization term: internationalization, liberalization, universalization, occidentalization and de-territorialization (Scholte, 2005).

importance of the development and expansion of the communication and information technologies have had in such process as the necessary infrastructures for it to be produced.

Let us review the most transcendental occurrences in the configuration of globalization.³

Historical reference

With the (European) Modern Age the “discovery of the world” begins, and Europe crosses the seas in order to open new commercial routes and in the search for sources of wealth. Before this moment, the “world” was centered on the trade and contacts between Europe, Northern Africa and Asia. The so-called Silk Road marked for years the commerce between China and Europe.

In this epoch the constitution of the European Nation-States also began, a political model later followed by the rest of the planet and which, since its creation, has preserved an important relation with the expansion of capitalism.

As from the mid XX century, the Industrial Revolution accelerates its expansion across the European continent and slightly later across the American continent. New industrial centers appear in the largest cities or in places near the most used energy source by the time: coal. Undoubtedly, with the appearance of the industrialism, mankind witnessed a process of growth and development never seen before and which unleashed a series of changes in the ways of life and with a great transcendence for the future.

It is an epoch of movement and interchange, movement of merchandise, capitals and people fostered by advances in the means of transport and communication⁴, which contribute to bring territories and societies near.

We consider this epoch as the “takeoff”, in accordance with Rostow (1993), of the process of interconnection between different parts of the

³ Even if there is not an agreement on the beginning and the stages that have taken place in the globalization process.

⁴ In 1866 the transatlantic telegraph is established by means of wire, and in 1891 international telephonic communication between London and Paris.

planet, even if said interconnection was fundamentally referred to Europe and the American continent, and to a lesser extent Australia and the rest of the still-by-then European colonies around the world.

The process of worldwide expansion was brought to a halt with the beginning of the Great War and the consequential sinking of the European economy and the Wall Street *crack* in 1929. Both production and international trade suffered a setback, and with them arrived the protectionism of the States, and the unemployment with the consequential economic and social crisis, and the “turning back” in what was previously achieved.

Later on, the so-called in-between-wars period was of economic stagnation, in addition to the appearance of the European Fascisms, which led to the Second World War.

Once the war ended, with the victory of the allies, the United States, the USSR, Great Britain and France, a new international monetary systems was established in Bretton Woods (1945), being created in such gathering some of the main international institutions, the International Monetary Fund (IMF), the World Bank (WB) and the General Agreement on Tariffs and Trade (GATT),⁵ with clear objectives on the international economy and the capitalist growth in the world.

With this in mind, the development of diverse countries takes place in United Nations, an international political organism created in 1946 so as to become a sort of global government, Help to Development to support the process of development of those countries. UN are interested in supporting the process and in order to do so they create Decades of development and UNDP (Diez de Velasco, 2002: 311).

Sponsored by political and economic institutions, the process of interconnection between states and economies grows larger; hence, there was a surprising increment in production and international trade. Between 1950 and 1973 the production grew 3.6 times and trade 6 times as much.

The economies were opened to foreign capital, and the multinational enterprises (or transnational) expanded their territories and numbers.

⁵ Origin of WTO (World Trade Organization).

The process of globalization accelerated as from the last decade motivated, as I have previously stated, by the fall of the Berlin Wall and the disappearance of the USSR; and also because of the exponential expansion of the communication and information technologies (Castells, 2006: 88). As a consequence, the capitalist economy “conquers” the globe, thus the economic interchanges in production, trade, finances, culture and political relations are multiplied.

The Washington Consensus (1989)⁶ appears as a series of documents of economic directing lines in this new stage, advocating for more market and less State, to sum up, for neoliberalism⁷. On the implementation of said consensus in the States with lower levels of development, Stiglitz points out (2002: 39) that they were not the appropriate for the countries in the first stages of development of in the early transition phases.

The so-called New Industrialized Countries are notable because of their high rates of growth, always above the old industrialized countries, and the movement of many enterprises toward such countries takes place, the so-called de-localization, with lower wages and without the labor regulations of the occidental countries. De-localization, altogether with employment reduction, wages adjustment and the increment in production rhythms are the four main principles of the rationalization of enterprises (Ramonet, 2007); a process that affects the less qualified laborers in these countries, who are subject to a process of reconversion or unemployment.

Currently, inequalities between countries have not disappeared, and in spite it can be said that globalization brings wealth, it also brings a larger number of poor people⁸ and an increment in the inequalities between countries and inside them.

⁶ Expression coined by the economist from the Institute for International Economics, John Williamson in an article published under the title “What Washington means when it refers to reforms to economic policies” (Estefanía, 2003: 90).

⁷ Among said regulations we find: balance public budget reducing fiscal deficit, pinpoint the priorities of public expenditure, free trade, opening to foreign direct investment, plan of privatizations, labor de-regulations.

⁸ The objective of eliminating the poverty in the world is one of the goals included in the Objectives of the Millennium.

Analytical reference: the dimensions of globalization

The process of globalization has consequences in different dimensions of the social life, such as the economic, the political, the cultural and the ecological. It is, at the time, a new interpretative paradigm to explain the changes that occur in the current moment and/or through a factor of change that influences on all of the parts of the social system. In the following sections we will briefly describe how globalization affects the aforementioned dimensions.

Economy⁹

The process of globalization as for the economic aspect is clearly linked to the expansion of the capitalist system. As K. Marx pointed out in the XIX century when he developed his theory on the expansion of capitalism, the capitalist tries to break national borders, extending the means of transport and communication to the most inaccessible parts of the world, in an attempt to broaden the markets around the world and taking advantage of the needed workforce.

Let us see the main characteristics that define this process of economic globalization:

We consider the increment in international trade the most important factor of interdependence between countries as they relate producers and consumers, otherwise geographically distant. It might be said that as from the World War II, commercial expansion and foreign direct investments became the motors of the world's growth (Castells, 1997: 108) and progressively surpassed by far the contribution of GDP. Hence, between 1990 and 2000 the index of annual growth of the total volume of imports reached 6,8% percent before 2,3% of production (Guillochon, 2003: 10). This interchanges essentially affect the occidental world and Asia, Latin America to a lesser extent, being Africa and other countries with armed or structural conflicts in their economy left aside.

⁹ It is impossible to include in this text all of the aspects linked to economic globalization. I only underscore the most relevant in the process, including the bibliography necessary to obtain more detailed information.

This is to say, within the ongoing globalization process a process of regionalization is distinguished, the dominant triad includes: the European Union, North America and Asia Pacific; it is among them and from them where the most of interchanges are produced in production and finances.

As a consequence of this increment in global commerce, the international division of labor is established¹⁰, which includes a separation between central or metropolitan societies, characterized by an intensive production of capital and high added value, and the peripheral societies, defined by the intensive production of labor and low added value. Well now, this binary division is challenged with the conversion of some developing countries into new industrialized countries (NIC) and the movement of some multinational enterprises toward said countries, the so-called *de-localization*, altering the labor markets where they are located, as they not only demand productive labor force but also qualified personnel, thereby the appearance of an emerging middle class with access to a consumption similar to that of occidental countries.

Even if its true that most of production is currently carried out in Asian NIC and to a lesser extent in Latin American and some countries of the old Eastern Europe motivated by lower wages and labor regulations, the very dynamics of expansion of the capitalist system generates the formation of social classes similar to the occidental.

The instrument by means of which the process of globalization is carried out is the multinational corporation; according to UN estimations, in the early XXI century there were circa 63 thousand multinationals in the world with 690 thousand international branches, and the first hundred, in terms of foreign assets, carried out 16% of the total worldwide sales. The headquarters are normally located in developed countries and their action areas are usually electronic products, the automotive sector, oil and distribution. On the other side, the current trend of liberalization propitiated by WTO fosters the *de-localization* of the capital in the tertiary sector.¹¹

¹⁰ Already distinguished by social sciences in the XX century in respect to colonialism and imperialism.

¹¹ Bolkestein directive board

To sum up, the de-localization process of multinational corporations toward other emergent economies that offer superior profitability advantages, motivated by lower wages and harder labor conditions, with foreign direct investments¹² altogether and portfolios, which are carried out by enterprises or financial speculators¹³ who want to be benefited from the variations of the stock markets and from the fluctuations of the exchange rates between currencies are the keystones of the process of economic globalization.

Politics

The State as main political institution ever since the Peace of Westphalia (1648) is affected by globalization, even if it is still the principal form of political, government, and administration power in the current world.

D. Held (1997: 207-209; 2002), an enthusiast of the creation of a “world government”, states that the economic and cultural growing connections reduce the power and efficacy of the governments of the Nation-States, which stop controlling the flow of ideas and economic goods inside their borders, and also that many traditional aspects of State responsibility (defense, communications, economic administration, security, etc.) are coordinated on an international or intergovernmental base.

The process of cession or sharing the State sovereignty, with other organisms and institution of supra-State nature, started after WWII with the creation United Nations and organisms linked to them,¹⁴ the signing of Multilateral Treaties (NATO, SEATO, Warsaw Pact, OPEC), the constitution of international organisms with the obvious intention to “direct” the economy of the world (IMF, WB, WTO), the creation of supra-State figures such as the European Union, NAFTA, ASEAN, et cetera), and finally

¹² The countries recipient of FDI are: Chile, Argentina, Brazil, Malaysia, Mexico and Thailand.

¹³ James Tobin, Economics Nobel Prize in 1978, proposed the creation of a tax for transactions in stock exchange markets so as to make them stable and obtain resources for the international community. Tobin considered a rate between 0.01% and 0.025% of the invested capital. It has never been applied; save in Chile, in 1991, a system of obligatory deposit non remunerated for the capitals that entered in the country was put into practice (Estefanía, 2003: 350).

¹⁴ Among other: FAO, UNESCO, UNICEF, UNCTAD, UNDP, et cetera.

the progressive growth of Non-governmental Organizations. All of this supported by numerous summits and world conferences on diverse subjects of global interests, since, as Daniel Bell years ago said, “the Nation-State is becoming too small for the large problems of life and too large for the small ones”.

Waters (2002: 98) pinpoints that in the current circumstances of globalization, the principle of sovereignty is frequently violated under the reason that the inhabitants of the planet experience a set of common problems that can be stressed by individual actions of a Nation-State. Violations of sovereignty might refer to political aspects, here included the military attacks considered as “preemptive wars” in the purest style of Clausewitz (Iraq case) or economic, for instance when the global financial institutions enter into a country crushing the local competitors (Stiglitz, 2002: 55).

Let us see which those problems common to humanity are and how global political directions¹⁵ superpose political sovereignty, and on occasions, cultural, of the different States:

- In the political sphere we can distinguish the “imposition” of democracy as a political system and in the application of human rights as supreme norm¹⁶ that become an important symbol of legitimation, which allows the intervention of one or more States in domestic affairs of other States with a relative global support.
- The issue of development was introduced into the global agenda after WWII (Alcañiz, 2005: 5), so as to achieve an improvement in the levels of the people’s life; even if this objective is far from being attained is creating differences between different parts of the world leading to consider inequality as one of the most important problems. Poverty is the central topic in the current global agenda, thus expressed in the Objectives of the Millennium (2000) of UN.

¹⁵ Under occidental hegemony.

¹⁶ The Nuremberg Trials can be considered against Nazi war crimes. The tribunal in its final communication specified that when national laws disagree with international regulations in human rights observance, the individuals have to make a moral election and transgress national laws.

- Finally, we cannot obviate the subject of peace and security; the traditional armed conflicts between States are added to civil, ethnic or religious wars inside them, and international terrorism, daily “media star” and Achilles heel of the States, thus far the only users of legitimate violence, according to Weber.

The states are in the center of a fabric of new relations that extend from the local to the global sphere, thus sharing sovereignty with the new organisms, institutions and organizations in the political spheres and in reference to the economic sphere, competing in the process of globalization with multinational corporations and other Nation-States which compete to obtain a better economic position at international level.

Culture

Culture as the main identifying aspect of human society has experienced an unprecedented transformation because of the appearance of Communication and Information Technologies (CIT); besides supposing a change in what is called material culture of society, this change also means the expansion of contents, of symbols, which produces an interchange of cultural contents, referred to values, lifestyles, behaviors, et cetera, never seen before.

The possibilities CIT provide in relation to this expansion of cultural contents has permitted the creation of cultural industries, the conversion of culture into another more merchandise to be introduced in the market; well now, said industries favor homogenization and at the time pay attention, in an articulated manner, to sectoral and regional diversities (García Canclini, 2001: 24).

It is in the audiovisual industries, such as the film industry, television, music and computing circuits, where globalization is notorious as a reorganizing pattern. The economy of the world has in cultural industries much more than a resource to shape the imaginaries; it is one of the most profitable economic activities.

This is due to several reasons interrelated to the process of globalization and whose explanatory aspects we have previously pointed out:

- The creation of global markets of symbolic goods in relation to the application of CIT, computing, satellites and the Internet.

- The disappearance of the Cold-War ruling blocs.
- The appearance of free trade agreements and regional integration.
- The integration of multimedia that articulates in audiovisual commercialization packages films, videos, records, software, broadcasting rights, et cetera.
- The progressive centralization of the media, which leads to the monopoly of the diffusion of images and the consequential control and/or manipulation.

Hence, culture is not any longer controlled by the State, it is instead controlled by private companies. Ramonet (1998: 251) speaks on the desertion of the State in this sphere and wonders where the citizens' rights to informational pluralism are left, if the media are controlled by private groups of the cultural industries.

Well now, as García Canclini (2001: 76), cultural industries cannot root traditions for we know productions are, as many other things in the current economic moment, of ephemeral production, so if there is something to characterize the present, it is, indubitably, the mobility and the short-lived. The change becomes the central value in our society, which is reflected on the production and ephemeral duration of all the things, even relationships.

Other authors suggest that the globalization of culture mainly focused on the consumption industry, developed in the United States in the mid XX century and later spread to the rest of the world. In a culture of consumption the consumed objects take a symbolic value and not only material or of necessity. Publicity, another of the central aspects in our current society, linked to economic marketing, with art, but with a clear objective of manipulation so that the consumers long for more than what they need.

In a culture of consumption, this becomes the main form of self-affirmation and the most important source of identity; everything becomes merchandise, the culture experiences, according to Waters (1999: 134), a "hyper-merchandization", where the slightest of differences between products, mainly the brand of the design, can determine humongous variations in the price, and therefore become "label brands", only accessible for a few, thus they become stratification referents.

G Ritzer (1995) analyzes culture of consumption as an extension of the process of occidental rationalization, and refers to this process as “mcdonaldlization”, a term which for him means the reorganization of consumption and production, homogenization in views of rationality and entrepreneurial benefit.

In addition to the presence of CIT, the mass media and publicity we find some other indicators that show us the growing presence of a global culture, among other we could pinpoint: the importance of money as central value, means of transport, urban architecture, shopping centers, English language as the interchange language, global media shows, sports, the planet turned into merchandise by global tourism...

Well now, in spite of the unifying rhetoric, historical and local differences persist because the global powers are, thus far, insufficient for everyone, and because the local, the traditional is “globalized”, incorporating in the face of the homogeneity that is offered by the global economic logic, the particular, the different as an added value.

In the same way, as technologic logics facilitate the expansion of the dominant hegemonic culture, they also facilitate the relation between minority cultures and their presence on the Internet manifests their right to existence.

Environment

When the industrialization of Europe and North America began, with the consequential consumption of raw materials and pollution, the thinkers of the time only saw the sequels this change of production system had on humans; they did not consider the foreseeable consequences said process would have on the environment, on nature.

In the second half of the XX century, with the beginning of the boom of industrial growth beyond the European and North American borders, the problems this uncontrolled growth, which needs great amounts of raw materials to work, are now stated.

Thus, in 1972, the Club of Rome¹⁷ presents a report called “The limits of growth”; this report warned on the dangerous effects economic growth might have on the environment, as it would suppose the depletion of natural resources and the degradation of the environment within a certain time.

From this moment on a movement of awareness on the dangers of growth starts, it was also taken into account by international organisms, and in 1972 the United Nations Conference on Human Environment was held in Stockholm. In this conference the environmental problems were given a preponderant role in international negotiations, making the contradictions that may arise between development as a main objective and the preservation of the ecological balance evident.

This attempt to combine development with ecological balance becomes tangible on the Brundtland Report (1987), elaborated by the world Commission on Environment and Development (UN), where sustainable development is defined as: “that which satisfies the needs of the present generation without compromising the capability of future generations to satisfy their own needs”.

The awareness that ecological problems are fundamentally global appeared in the Earth Summit, held in Rio de Janeiro in 1992; in this world conference, the developed countries committed to increase help for developing countries, as long as that help was destined for the preservation of the environment. What is more, the industrialized States should stabilize their greenhouse effect gasses, so as to prevent their level from going above that of 1990 in the year 2000. On the contrary, the emergent countries were not subject to any condition on this topic, especially China, India and Brazil. The Agenda 21 program was also approved in this conference.

The next moment in the consideration of the environmental problem as a global issue, that affects the whole planet, is the approval of the Kyoto Protocol in 1997, where the regulations to reduce the emission of greenhouse effect gases between 1999 and 2008 for the most industrialized countries

¹⁷ The Club of Rome was founded in 1968 by Aurelio Peccei, entrepreneurial leader, altogether with Bruno Finetti and Pietro Ferraro, another leader. Both were in charge of publishing the report (Sartori and Mazzolenni, 2003: 177-178).

are established, even if the agreements on reduction visibly vary from one country to another.

The European Union has ratified the Protocol, however, the United States, responsible for a fourth part of the global emissions, has not.

The importance that global warming has in the international context was reflected on the Nobel Peace Prize granted to ex-vice president Al Gore and the Intergovernmental Panel Climate Change (IPCC) of UN and its president Rajendra Pachauri.

In all of the conferences on sustainable development the topic of the emission of greenhouse effect gasses is one of the most discussed. Said topic is directly linked to global warming,¹⁸ which might have especially hazardous consequences for the ecological balance of the planet.

Global warming is related to the emissions of gas from transports, industrial and household activities (CO₂, methane and nitrous oxide), and will cause an increment in the temperature of the planet of some degrees Celsius, which will produce violent climatic phenomena, such a hurricanes, droughts, storms, tsunamis,¹⁹ et cetera.

Another important consequence of global warming is the desertification of arable lands, to which we have to add deforestation and overexploitation of the soils, with very serious consequences for the populations of less developed and agricultural countries.

To close this point, we cannot forget that the process of globalization, in respect to the expansion of the capitalist production system, carries an uncontrolled consumption of non-renewable energy; in short, the control of the oil resources and natural gas might be, as a matter of fact is, the origin of future confrontations unless heavy investments are made on alternative energy sources. What is plain to see is that the current process of global economic growth needs energy to survive, and this, mainly in the

¹⁸ According to calculations by the International Panel on Climate Change (organism sponsored by UN) the increment of temperature for the century that has begun oscillates between 1.4 and 5.8 °C (Sartori, 2003: 65).

¹⁹ While finishing the present article we have heard of the deadly consequences of a cyclone in Malaysia.

most used forms such as oil²⁰ and gas, are in the first place finite, and secondly, have a concrete territorial localization in the planet which make those places strategic in the current geopolitical system.

On the other side, the expansion of capitalism in other parts of the world contributes to the creation of the urban middle class, consumer of products and energy, hence accelerating the demand for fuels and other finite products, and states the following question: how to conciliate the demands from economic expansion, equality among citizens before consumerism and the preservation of natural resources?

The dynamic concept of development

Contextualizing the concept of globalization we will go on to explore the meaning of local development and its articulation with globalization as a paradigm of reference in the present; in order to do so, we will briefly refer to the meaning of development in its dialectic relation with the changes that have occurred ever since it was included in international politics.

Development in global agenda

The idea of development, inherited from the European idea of progress, was included in the global agenda *setting* after WWII. The United States, hegemonic power at the time, started in 1947 the Marshall Plan to reconstruct the devastated Europe. Slightly later, the Pan-American Conferences were held in Bogota (Colombia), where the Latin American countries also claimed for economic help for their development, thus the so-called economic help to developing countries began.

Said concept of development proposed the industrialization as motor of growth, placing the technical issue on how poor countries would eventually become wealthy, which in the end meant: how poor countries would turn into the wealthy occidental countries.

UN takes on the consecution of this objective proclaiming the decades of development, organizing several international summits and concrete organisms such as UN Development Program, United Nations Conference

²⁰ On this topic I recommend reading *Vanguardia*, dossier num 18. A world without oil? (*¿Un mundo sin petróleo?*)

on Trade and Development (UNCTAD) and United Nations Industrial Development Organization (UNIDO) (Diez de Velasco, 2003).

Development is understood as a process of social change, nonetheless in a concrete direction, which is that of becoming one of the occidental societies as for industrialization and increment in the level of life of the inhabitants of a country or society. In order to do so an index called Per Capita Index was instituted, which refers to the average income each person in a country has in relation to its GDP and the total of population of the country. We see, therefore, the purely economic and qualitative character of the first meaning of development.

State planning, by means of implementing development plans, became the instrument to achieve this objective; said plans were centered on the creation of industries in the developing countries as a mechanism to make societies develop, through the application of macro-economic policies.

By the end of the 1970's decade the concept of development as it had been understood was challenged²¹; from here, a new definition of development rather centered on people than economic growth was defended, it was called Human Development, and a new index of measurement was established, the Human Development Index (HDI), which includes besides per capita income, life expectancy and literacy rate.

Amartya Sen, Nobel Prize in Economics, argues in favor of both the recognition of human qualities and "human capability" as expressions of freedom, this is to say, the capability people have to make use of the acquired qualities (Stein, 2003: 3).

Sen's thesis, in favor of broader view of development, is articulated in the definition of Human Development assumed by UNDP. This definition conceives development as a process by means of which the opportunities of the individuals are broadened, among them, a long and healthy life, access to education and indispensable resources for a worth life level (Stein, 2003: 11). Likewise, political, economic and social liberties, the probability of being creative and productive, self-respect and the enjoyment of human rights observance are given great importance.

²¹ In many an aspect there is some talk of "failure of development" (see Amin, 1999: 15).

When UNDP founded HDI, in 1990, enabled the awakening of global awareness, as it makes the multiple and complex dimensions of human capabilities evident, and points out that human development comes from a deliberate and effective public action to allow people to participate in the process of development and to be benefited from it.

On the other side, and as we have previously stated, the growing expansion of the industrial process causes a series of environmental impacts, related to the increment of CO₂, global warming, the ozone layer, the consumption of non-renewable energy sources, deforestation which mark the limits of growth, as well their global consequences. With this occurrences the concept of sustainable development is built, which was already defined in a previous section.

As for the dialectical relation between development and social changes, we can state that nowadays, and taking globalization as a theoretical paradigm of reference, it becomes a theory of development indubitably²², because among its postulations we can find that of fostering a greater industrialization in the world, that of integrating all the parts of the planet, affecting their social and political conditions in all of the countries.

From development to local development

The perspective of local development appears in the 1980's decade as a reaction to the process of globalization and before the insufficiency of the macro-economic policies of development to solve problems associated with the creation of employment and the improvement of well-being, it is centered on giving the local and regional levels greater presence in the planning of development.

Local development represents a different strategy for development in global society, as it is not an economic process exclusively, but socio-political process as well, where social, political and economic actors of the environment to be developed have a presence, even if as Pérez and Carrillo

²² The theory of globalization, in relation to other theories of development such as the theory of modernization and the theory of world systems, has in common with the former that both establish the guiding direction whereto societies should be directed (Occident), and with the latter, that the unit of analysis is global society rather than the category of Nation-State previously utilized.

(1999) point out, its objective is to reactivate the economy taking advantage of the existing endogenous resources.

In opposition to the previous phenomena of development that were explained from “top to bottom”, local development reverses such a tendency and proposes a strategy from “bottom to top”.

Let us present a definition of local development:

A process in which a local society, preserving its own identity and territory, generates and strengthens its economic, social and cultural dynamics facilitating the articulation of each one of these subsystems, achieving greater intervention and control between them. To undertake said process the participation of the agents, sectors and forces that interact within the limits of a determinate territory is fundamental, which must have a common project that combines: the generation of economic growth, equality, social and cultural change, ecologic sustainability, gender approach, as well as spatial and territorial quality and balance so as to rise the quality of life and wellbeing of its inhabitants (Casanova, 2004: 26).

Local development, in a similar manner to the general definition of development, has as an objective to improve the quality of life and wellbeing of the local population from which it appears; and as particular objectives, concrete, it includes: economic growth, employment fomentation, equity and ecologic sustainability.

Let us see in the next table the differences and/or similarities between development and global development:

Development	Local development
It refers to a development planned by the State from the “outside” and from the “top” by means of implementing public policies.	Strategies rather than policies, as proposals from the territories, from the “inside” and from the “bottom”; endogenous development.
Considers capital, technology and natural resources as the most important in its statements.	Besides those mentioned for development, the intangible actives, such as information and human re sources, are added.
Minimum dialogue process and participation of the local actors.	Social dialogue and the participation of the local representatives are indispensable.
Abstract and homogeneous concept of development equably applied everywhere.	Heterogeneous content of development, as it takes into account the cultural and physical differences and particularities of the territory where it is applied.
International State framework.	International global framework.

Source: own elaboration

Both are socially oriented and constructed processes; what makes them different is the orientation given, the partakers and the results.

From an international point of view, organisms such as UNDP and the International Labour Organization (ILO) have supported the strategy of local development with the creation of the program of Local Economic Development (LED; www.ilo.org/led).

The approach of LED consists in using local and external resources and local competitive advantages in the global context so as to create a decent job²³ and stimulate economic activities.

Characteristics of LED approach (Prieto, 2003: 3):

- It is a “bottom-to-top” approach that promotes participation and decision-making processes.
- It is a long-term approach that promotes the fact that the property of the process belongs to the local actors.
- It promotes public-private associationism.
- It gathers the actors around a table so as to build up reliability, foster innovation, promote the creation of social networks and contribute to solve conflicts.
- The activities are carried out in a territory defined by an administrative, economic historical and cultural limit.
- It is a means to achieve an efficacious mobilization of local resources to foster investments with high socioeconomic performance.
- LED initiatives use endogenous resources, maximizing at the same time, the competitive advantage of the territory to attract investments external to the territory.
- It foments and broadens networks between local, national and international groups, it facilitates the integration of local priorities and strategies of development in policies and national legislation.

²³ By descent employment, ILO understands: access to employment in conditions of liberty; the recognition of basic rights in labor that guarantee the absence of discrimination and harassment; economic income to satisfy basic economic and social needs and responsibilities both individual and familial; an adequate level of social security for the individual and their family; representation and voice in labor.

Recently, in 2004, there were two international events that demonstrate the importance the local has acquired in the current global society: *the World Commission on the Social Dimension of globalization*, organized by ILO, being this the first time that one of the UN agencies is centered on the local dimension as means to reach a globalization with opportunities for everyone; and in Paris the world movement of municipalities presented the organization *United Cities and Local Government (UCLG)*, in views of becoming the representative voice of local democratic governments all around the world.

ILO considers it relevant giving voice and “empowering” local communities in an attempt to return the authority and resources on the basis of subsidiary: referring to the fact that the authority must delegate at the level that is nearest to the citizens, for the link of policies and the people’s real necessities are thus reinforced. It is stated, additionally, the local economic capabilities might be strengthened if the local culture and identity are respected.

From here the importance of relying on processes of decentralization in the States, so that the local dimension in development can be efficaciously applied and effective in relation to the aforementioned processes.

In Europe, it was the White Book on growth, competitiveness and employment (Delors Report, 1993)²⁴ the starting point of the interest in local development, in the framework of the elaboration of the European Strategy of Employment (EEE), developed as a response to a specific situation: the improvement of the working conditions of the Europeans in a time of unemployment in the European Union.

Later on the Employment Territorial Treaties were elaborated, a process that has to be accompanied with institutional decentralization, necessary for said strategies to implement said strategies of employment creation at local level.

²⁴ Starting point of a systematic action to fight against unemployment and to create employment in Europe.

The articulation between local development and globalization

In the previous sections we stated, in the first place, globalization as a multi-dimensional term which refers to economic, technological, cultural, political and environmental issues, related to the fact that more often than not a more integrated and interrelated planet is being configured; and in the second place, we characterize local development as a development that occurs in a concrete territory and the actors inserted into it decide the strategies to attain it, yet not disregarding the existence of the “*global*”.

Let us see how this process of local development is articulated into the global context where we are currently in. To do so we show three prevailing theoretical stances before the fact of how local communities face the local-global issue (Boissier, 2005: 5; Gallichio, 2003: 6):

- As a threat that tends to eliminate local or regional autonomies and actors that present resistance to the global process.
- As an alternative to face the globalizing threat; the local actors are given great protagonism.
- As a possibility to articulate the local and the global conceiving globalization as an opportunity and a challenge to exploit in favor of local development.

The first of these answers would be defeatist, this is to say, it considers globalization as an overwhelming force against which there is very little that can be done.

The second would be that of denying the actual evidence of the global process, being enclosed into the local disregarding the previous sections.

The third one would be pragmatic, as it considers that globalization is there, the best it may be is an opportunity for local development, as it permits a broader access to global resources related to the earth, capital and markets, and at the time the endogenous resources would be revalued.

If we opt for this last proposition we have to be aware of the fact that there is not a unique way to insert the local in the global successfully, but such way is related to the characteristics proper to the territory, to the local actors and to the companies, to sum up *how* and *who by* is this being carried out.

Summarizing, we see antagonistic stances in this process of articulation between the local and the global: the first is taken by the advocates of globalization, who defend it as the director of the whole process, being based on the fact that an important amount of capitalism is concentrated and centered in a progressive manner so that the local communities, regions and countries are being redesigned according to the global economy and transnational companies.

The second would be represented by the advocates of the local, who defend the local as a reaction of consumption before the homogenization of goods and services in commerce, and as a response from the companies through flexible specialization, adaptation to the restless change and permanent innovation. This carries small production scales that are facilitated by geographical proximity, hence the revaluing of the territory.

The “glocal” term (Boisier, 2005: 8) adjusts to these characterizations, as in this context we refer to the global with two different meanings in function of what the affected territories or companies are: thus, for the company, we refer to the glocal with a meaning of “think global and act local”, and for the territory: “think local and act global”.

In this sense, local development inside globalization is a direct result of the actors’ capabilities and local society to be structured and mobilized, based on its potentialities and cultural matrix, to define, explore its priorities and specificities in the search for competitiveness in a context of fast and deep transformations, so it can be considered as an empowerment of the local society supported by a process of devolution of competences (OCDE, 2001) that train them to take part into their own processes of social change.

Well now, for this process of “empowerment” to occur it is necessary to train the people, so as to understand the new logics of the game, the only way to be subject, not object, of the globalization, the only possibility to transform, in an inclusive manner, a globalizing process, which thus far preferably shows its excluding face.

The challenge for local societies is stated in terms of entering into the global in a competitive way, capitalizing at the most their capabilities making use of the strategies of the different actors in the game (Casanova, 2004: 32).

It is a new way of looking and acting from the territory in the global context (Gallichio, 2003: 4). For this, it is important to have the following instruments to put this process of articulation between the local and the global to use:

1. Support the entrepreneurial dynamist process: attract and create competitive companies.

2. Employment fomentation: development of active policies of employment and strengthen the New Deposits of Employment.

3. Knowledge of the local society: undertake studies in order to approach society in aspects such as population, human resources, history, culture and relevant socioeconomic aspects.

4. Construction of social capital: social capital²⁵ is differenced from other factors of development in that it is the only relational. For a person or an organization to have social capital they should relate to another, since social capital does not belong to any of the actors who are benefited from it, as it only exists when one shares (Gallichio, 2003: 16). It refers to horizontal associations between people and social networks of civic commitment that have an effect on the productivity of the community. Its objective is that of making coordination and cooperation easy aimed for the mutual benefit of the members of the association.

In the articulation of the local and global, the municipalities will have to lead and be the new articulators of the local development, promoting the intangible factors of development such as making a diagnosis of the situation in the municipality, promote the participation to design the strategies of development, create the figure of agent of local development, bear in mind the current qualification of the human resources, all this without leaving aside social policies as well as active policies of employment in the municipality.

²⁵ Putnam has been one of the authors who have emphasized this aspect the most, stating that social networks possess a value and that social contacts affect the productivity of individuals and groups. Social capital has a relation with the links between the individuals, social networks and norms of reciprocity and reliance from them derived.

In order to do so the municipality must rely on the decentralization of competences and the approval of a municipal budget that enables it to accomplish these objectives.

Finally, we can act from the very university, insisting on the importance of development in our territorial surroundings, from the following aspects (Boisier, 2005:60):

- Formation: improve the locality's human capital and improve the labor insertion of the graduates, giving them a formation that fosters entrepreneurial vocation and which prepares them to contribute to the process of innovation.
- R&D: reinforce research, in quality and quantity, as well as the connection between innovation and enterprise.
- In relation to the structural change of economy: endorse the creation of enterprises with technologic base, and the technical improvement of the companies and the existing sectors by means of systematic programs of technology transference.
- Contribute to the local and regional strategies.

Well now, from my point of view, the crucial contribution from universities must become evident in their creation and diffusion of new cognitive frameworks, contemporary and pertinent to provide scientific support for the interventions of the very society on the processes of social change that territorial development implies.

Conclusions

In the previous pages I have referred to globalization as a contextual framework where nowadays we are. Globalization as a process implies the expansion of the capitalist system in the planet as hegemonic and dominant system, anti-democratic in its incorporation and destroyer of the natural resources. Creator of wealth for some and social improvement for others, it also brings forth poverty and exclusion.

“Development” as ideology, from the illustrated idea of progress, was incorporated into the international agenda *setting* after WWII, and ever since it has incorporated new meanings in its term; thus, becoming a dynamic and dialectical term as a continuous feedback with society is established.

In this concept, “local development” becomes the strategy of development that has some differences from the current sense of economic growth. The differences are to be found in the following aspects:

- From a political viewpoint, in LD the local government is considered the boosting agent, hence the importance granted to the decentralization of the State for the municipalities or regions to have greater autonomy. The leadership of the municipality in LD, *empowerment*, is indispensable as a catalyst, coordinator and facilitator of opportunities in the local sphere as well as fosterer of equity.
- From an economic point of view, the local businessmen make dynamic the local economy; their acting is focused on the continuation of previous entrepreneurial activities, preserving traditions, or on innovations in relation to the new economic and technologic contexts.
- From a social point of view, a smooth relationship with local society is favored and facilitated by means of the support from diverse civil society sectors (associations, NGO’s, unions...) with clear including objective and that provide social “capital”, an indispensable mechanism for LD to be complete. Participation is, then, the base for this new strategy of development.
- From the point of view of environmental sustainability, it is from the local sphere where a better preservation of the environment is controlled and secured; respect for the resources and promote a culture of conservation are fundamental if the objectives of sustainable development are to be fulfilled.

The strategy of local development is set off with the economic crisis and the crisis of the Nation-State in the context of the globalization of capitalist economy and new social claims linked to human improvement and care for the environment. Thus appears the “think global and act local” motto, even if in words by Borja and Castells (1997), it is not the first time this complementariness is produced, for in the XIV and XVI centuries the City-States became innovation and trade centers at worldwide scale.

Nowadays, with the accelerated expansion of globalization all around the planet, the articulation between this hegemonic process and local development is produced in the following aspects:

- Territorial variable: the process of globalization is not produced in a “void”, but upon physical bases, thereby the local becomes a management center of the global in the new techno-industrial system.
- Political variable: local leadership is needed to connect with the global unless decisions of the “disconnection” kind are preferable to be made. Globalization does need the local to “connect” its objectives.
- Social variable: all of the above would be nullified if there is not human and social capital. The formation of human resources, a global cognitive framework and participative local networks would help to dimension the global into LD.
- Economic variable: production, distribution and consumption are the characteristics of the capitalist system, besides the expansion toward new markets. For all of this, one has to count on the local society, its culture and power of decision.

All in all, local development in the current context of globalization might soften the perverse effects of a dominant process, carried out in a scanty democratic manner and unhearing the opinion of the people and the cultural particularities of societies. At the same time, it may even decide how it wants to undertake this development that would suppose democratic participation and not remain exposed, without possibility of acting whatsoever, to the decisions on the “world” made from the chambers, with visions exclusively centered on the economic benefit for a few and damage for the many.

It sounds utopian, nonetheless it might be real, and to finish with I close with the verses by Antonio Machado: “Caminante no hay camino, se hace camino al andar...”²⁶.

²⁶ TN: “Wayfarer there is no road, the road is made wayfaring...”

Bibliography

- Alcañiz, Mercedes (2004), "Genealogía del cambio social", in *Revista de Investigaciones Políticas y Sociológicas*, Spain: Universidad de Santiago de Compostela.
- Alcañiz, Mercedes (2005), "El desarrollo en la agenda global", in *Recerca*, Spain: Universitat Jaume I. Castellón.
- Bárcena, Iñaki et al. (2000), *Desarrollo sostenible: Un concepto polémico*, Bilbao, Spain: Universidad del País Vasco.
- Bauman, Zygmunt (1998), *Globalization. The Human Consequences*, Oxford, Great Britain: Polito press.
- Beck, Ulrich (1998), *¿Qué es la globalización?*, Madrid, Spain: Paidós.
- Boisier, Sergio (2005), "¿Hay espacio para el Desarrollo local en la globalización?", in *Revista de la CEPAL*, num. 86, Santiago de Chile.
- Borja, Jordi and Manuel Castells (1997), *Local y global. La gestión de las ciudades en la era de la información*, Barcelona, Spain: Taurus.
- Cachón, Lorenzo (1996), *Los Nuevos yacimientos de empleo en España*, Spain: Universidad Complutense de Madrid.
- Casanova, Fernando (2004), *Desarrollo local, tejidos productivos y formación*, Montevideo, Uruguay: Cinterfor, Organización Internacional del Trabajo (OIT).
- Castells, Manuel (1997), *La era de la información. La sociedad red, vol. I*, Madrid, Spain: Alianza.
- Chomsky, Noam and Heinz Dieterich (1997), *La aldea global*, Navarra, Spain: Txalaparta.
- Diez de Velasco, Manuel (2002), *Las organizaciones internacionales*, Madrid, Spain: Tecnos.
- Durkheim, Emile (1973), *Las reglas del método sociológico*, Buenos Aires, Argentina: Shapire.
- Estefanía, Joaquín (2003), *Diccionario de la Nueva Economía*, Barcelona, Spain: Círculo de Lectores.
- Gallichio, Enrique (2003), *El Desarrollo Económico Local. Estrategia Económica y de construcción de capital social*. Available at: <www.claeh.org.uy>.
- García Canclini, Néstor (2001), *La globalización imaginada*, Barcelona, Spain: Paidós.

- Guillochon, Bernard (2003), *La globalización ¿un futuro para todos?* Baumeles-Dames, France: Biblioteca Actual Larousse.
- Harvey, David (2007), *Breve historia del neoliberalismo*, Madrid, Spain: Akal.
- Held, David and Anthony McGrew (2002), *Globalización/ Antiglobalización*, Barcelona, Spain: Paidós.
- Held, David (1997), *La democracia y el orden global*, Barcelona, Spain: Paidós.
- Ianni, Octavio (1998), *Teorías de la Globalización*, Mexico: Siglo XXI.
- McLuhan, Marshall and Bruce Powers (1996), *La aldea global*, Barcelona, Spain: Gedisa.
- Muñoz, Benito and Geraldo Cortegiano (1998), “Desarrollo a escala local: los Nuevos Yacimientos de Empleo”, in *Revista Bibliográfica de Geografía y Ciencias Sociales*, num. 113, Barcelona, Spain: Universidad de Barcelona.
- Pérez Ramírez, Bartolomé and Emilio Carrillo (1999), *Desarrollo local. Manual de uso*, Sevilla, Spain: Esic. Junta de Andalucía.
- Prieto, María (2003), *El Programa DEL de la OIT*. Informe para el taller “Estrategias para el Desarrollo Económico Local”, Turin, Italy.
- Ramonet, Ignacio (1998), *Un mundo sin rumbo*. Barcelona, Spain: Círculo de Lectores.
- Ramonet, I. (2007), “Nuevo capitalismo”, in *Le Monde diplomatique*, Spanish language edition.
- Ritzer, George (1995), *La Mcdonalización del mundo*, Barcelona, Spain: Ariel Sociedad Económica.
- Rostow, Walter (1993), *Las etapas del crecimiento económico*, Madrid, Spain: MTAS.
- Sartori, Giovanni and Gianni Mazzoleni (2003), *La tierra explota. Superpoblación y desarrollo*, Madrid, Spain: Taurus.
- Stein, Rosa (2003), *Capital social, desarrollo y políticas públicas en la realidad latinoamericana*, Universidad de Brasilia, Brazil: Unidad de Políticas Comparadas (CSIC), Work document 03-05.
- Stiglitz, Joseph (2002), *El malestar en la globalización*, Barcelona, Spain: Círculo de Lectores.
- Tortosa, José María (1998), “El “desarrollo” desde el enfoque de los sistemas mundo”, in *Eutopía. Revista de Estudios sobre el Desarrollo*, ASA.

- Tortosa, José María (1999), “Aspectos sociales de la globalización”, in *Convergencia. Revista de Ciencias Sociales*, Toluca, Mexico: Universidad Autónoma del Estado de México.
- Various authors (2004), *Historia Universal, fin de siglo. Las claves del siglo XXI*, vol. 20, Madrid, Spain: El País, Salvat.
- Various authors (2006), “Un mundo sin petróleo?”, in *Vanguardia. Dossier*, num. 18, Barcelona, Spain: La Vanguardia.
- Vázquez Barquero, Antonio (2005), *Las nuevas fuerzas del desarrollo*, Barcelona, Spain: Antoni Bosch Editor.
- Waters, Malcom (2002), *Globalização*, Lisbon, Portugal: Celta Editora.

Mercedes Alcañiz Moscardó. Doctor in Political Sciences and Sociology in the Faculty of Human and Social Sciences of the University Jaume I in Castellón, Spain; member of the Inter-University Institute of Local Development of the Universities of Valencia and Castellón; her research lines are: development, globalization, gender studies. Recent publications: “Social change, risks and challenges in the XXI century” (*Cambio social, riesgos y desafíos en el siglo XXI*), in *Recerca. Revista de Pensament i Anàlisi*, 2007, Spain; *From the global economy to the local development (De la economía global al desarrollo local)* (coordinators: Ana María Fuertes and Leonardo Gatica), 2007, Spain; “Women’s contributions to the practice and discourse of peace” (*Aportaciones de las mujeres a la práctica y al discurso de la paz*), in *Feminismo/s*, 2007, Spain.

Sent to dictum: October 26th, 2007

Approval: November 3rd, 2007