

# Social Studies 10-1

## Unit 4: Economic Globalization and Sustainable Prosperity

To what extent does globalization contribute to sustainable prosperity for all people?

### Assignment 4.14: Battle in Seattle Film Study

In the 1990s, many leaders believed markets should operate with fewer barriers and less government interference. The 1999 “Battle in Seattle” marked a major public backlash against neoliberal globalization. Protesters argued that the World Trade Organization (WTO) and global trade rules prioritized corporate profits over workers’ rights and environmental protections, warning of a global “race to the bottom.”

Despite these concerns, Western governments and corporations strongly supported continued trade liberalization. This momentum culminated in China joining the WTO in 2001, which was widely seen as a way to expand markets, lower consumer prices, and encourage China’s political and economic liberalization through integration into the global system.

However, that optimism didn’t last. China’s rapid industrial rise led to what economists call the “China Shock.” China’s state-supported manufacturing sector grew extremely quickly, especially in industries like steel, textiles, and electronics. While consumers benefited from cheaper goods, many manufacturing regions in the United States and other Western countries experienced significant job losses and community decline. This period exposed the uneven winners and losers of globalization and intensified criticism of free trade policies.

By the late 2010s, the global consensus around free trade began to weaken. Critics of globalization in 1999 had called for reforming or weakening the WTO because it was seen as too powerful; however, by 2017, the United States itself (once the main architect of the system) began undermining parts of the WTO when it no longer aligned with its strategic interests.

Today, globalization is more fragmented. The world is shifting toward competing trade blocs, U.S.–China rivalry, and selective economic cooperation rather than universal free trade. This new system may increase national security and political control, but it also risks reducing economic efficiency and weakening international cooperation.



# POTENTIAL OPTIONS FOR THE FUTURE OF GLOBALIZATION (7 MODELS OPTIONS)

## **Option 1:** Neoliberal globalization (pre-China shock/free trade era)

Idea: Maximize global free trade with minimal government interference.

What it looks like:

- Very low tariffs and fewer trade barriers
- Rapid expansion of free trade agreements (like NAFTA, early WTO era)
- Companies move production to lowest-cost countries
- Heavy outsourcing and offshoring of manufacturing
- Strong belief that markets should be left to operate globally with little regulation

Goal: Maximum economic growth through free trade, efficiency, and global integration.

Problem:

- Job losses in manufacturing in some countries (especially after China's entry into global trade in the early 2000s)
- Rising inequality between and within countries
- Weak labor and environmental protections

## **Option 2:** Managed globalization (fix the system)

Keep global trade but make it fairer with stronger rules.

- Stronger worker and environmental protections
- Fair trade rules (stop dumping and unfair subsidies)
- Improve the World Trade Organization instead of replacing it
- More transparency in global supply chains

Goal: Fair globalization, not less globalization.

## **Option 3:** Strategic decoupling (security first)

Countries reduce dependence on rivals for key goods.

- Bring some factories back home
- Trade more with trusted allies ("friend-shoring")
- Limit sensitive technology exports
- Invest in key industries like chips and energy

Goal: National security and independence.

Problem: Higher costs, less efficiency, more tension.

#### **Option 4:** Regional blocs (regional globalization)

Trade happens mostly within regions instead of globally.

- Groups like EU and the USMCA
- Stronger trade inside regions
- Different rules in different regions

Goal: Stability through regional cooperation.

Problem: Some countries left out inequality between regions.

#### **Option 5:** Green globalization

Trade is used to fight climate change.

- Carbon taxes on polluting imports
- Clean energy supply chains
- Sharing green technology globally
- Climate agreements tied to trade

Goal: Make trade environmentally sustainable.

Problem: Can be unfair to developing countries, expensive transition.

#### **Option 6:** Economic nationalism/mercantilism (self-sufficiency first)

Idea: Countries prioritize their own economic power and reduce reliance on global trade as much as possible.

What it looks like:

- High tariffs and trade barriers to protect domestic industries
- Governments actively support “national champions” (key domestic companies)
- Policies to increase exports and reduce imports (“trade surplus mindset”)
- Bringing production back home (reshoring essential industries)
- Limits on foreign ownership of strategic sectors (energy, tech, resources)
- Strong focus on economic self-sufficiency, especially in crises or conflict

Goal: Strengthen national power, protect domestic jobs, and reduce dependence on other countries.

Problem:

- Higher prices for consumers
- Less competition can reduce innovation
- Trade wars and retaliation from other countries
- Inefficient production compared to global specialization

## **Option 7:** Radical anti-capitalist globalization (system replacement)

Globalization cannot be fixed because it is driven by capitalism. The solution is to replace capitalism with a system based on human need, not profit.

What it looks like:

- Major industries are owned collectively (workers or public ownership)
- Large corporations are replaced or heavily transformed into worker cooperatives
- Production is planned democratically or publicly, not driven by markets
- Essential goods (food, housing, healthcare, water, education) are de-commodified (not sold for profit)
- Global cooperation happens through worker alliances or public institutions, not corporations or competitive markets
- Trade exists only if it supports human needs and sustainability, not profit

Goal: To organize the economy around democratic control and collective ownership so that basic human needs like housing, healthcare, and food are guaranteed for everyone instead of being driven by profit.

Problem: Such systems can struggle with efficiency and decision-making because it is difficult to coordinate production and respond quickly to changing needs without market prices and competition.

Of the options listed above, which do you support the most? The least? Defend your position.