

UNIVERSITY OF THE
WITWATERSRAND,
JOHANNESBURG



The Political Economy of a Fractured World

Lumkile Mondli

Mapping global transformation

1. Rising multi-polarity
2. Anti-globalism
3. Transnational actors
4. Institutional pluralism
5. Deepening interdependence

Rising multi-polarity

- Emergence of new countries as major powers in the World.
- Extraordinary advance in human development
 - hundreds of millions of people escaping poverty and joining the global middle class.
- The rise of Brazil, China, India, and other emerging economies puts the traditional power balance between countries.
- Global power shift also creates frictions and risks, even the possibility of war.

Anti-globalism

- Resurgence of nationalist and populist politics.
- A reaction against globalization.
- Sceptical of elites and put their faith in the wisdom of the ordinary person.
- But, have an authoritarian slant and a belief in a strong leader who mobilizes and speaks for the masses.
- appeal to those who are worried about their status within their societies because of job loss, the arrival of new immigrants, and/or changing cultural mores.

Transnational actors

- Sovereignty remains central in world politics.
- However, various trends have brought a host of non-state and transnational actors.
 - E.g digitization has reduced communication costs in a way that allows businesses to organize themselves globally.
 - and permits even small civil society groups to connect across borders.
- Climate change, migration, or others give a wide range of actors previously concerned only with local concerns an incentive to engage with global governance.
- Corporations, non-governmental organizations (NGOs), cities and other sub-national governments, philanthropic organizations, and expert and professional societies.

Institutional pluralism

- An array of nesting, overlapping, and even competitive institutions of different types have emerged – UN, IMF and World Bank.
- World Trade Organization is at the centre of the global trade regime.
- The end of the Cold War has given countries alternative means of securing economic cooperation.
- The rise of regional credit-swap arrangements –IMF
- Companies, NGOs, and other private actors:
 - set regulatory standards, arbitrate disputes, and otherwise help to govern the global economy.

Deepening interdependence

- Globalisation - economic linkages like cross-border trade and investment, but also a myriad of social ties, shared communications, and shared risks like health epidemics or the global commons.
- Societies' abilities to create peace and prosperity for their citizens are increasingly shaped by decisions made elsewhere.
 - Bad mortgages in the US can lead workers in Iceland to lose their jobs;
 - carbon emissions anywhere affect the future climate everywhere

Thank You

The background features a dynamic, abstract design. It consists of several thick, curved lines in shades of blue and white that sweep across the frame from the bottom right towards the top left. At the bottom, there is a grid-like pattern of thin, dark lines that recedes into the distance, creating a sense of depth and perspective. The overall color palette is dominated by cool blues and whites, with a touch of yellow-green in the lower-left area.