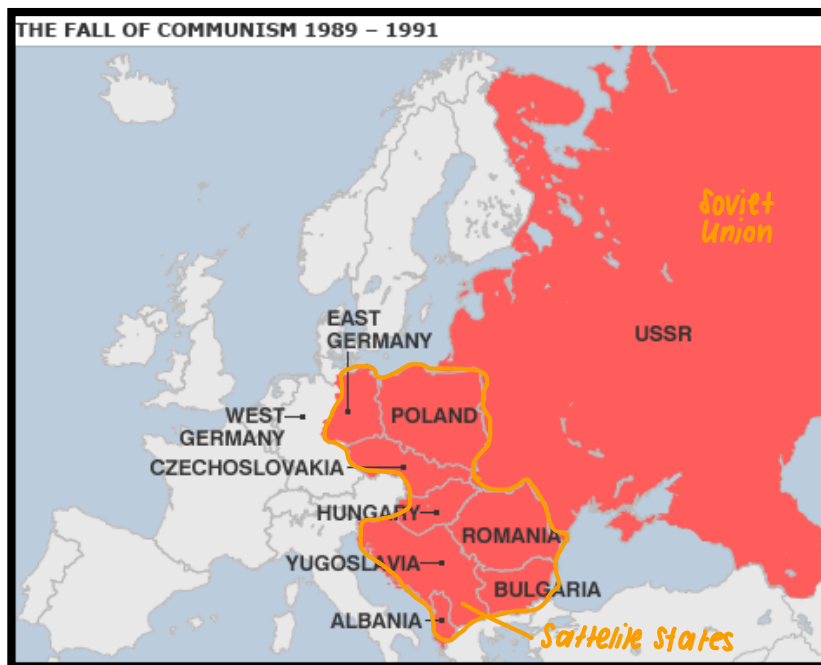


Theme 6: The End of the Cold War and a New World Order

– paper 1 theme
– not in paper 2

Part 1: The Collapse of the USSR

Background: The Cold War



The US pulled out of the Vietnam War in 1973, bruised from the long, expensive engagement. Despite the US opening ties with China, the USSR seemed as strong as ever: it was still the largest country in the world and had asserted total control over its satellite states in Eastern Europe.

After this, the US and USSR entered a period of

“détente” - a thaw in the Cold War when both sides talked to each other and began to try and limit the increase of nuclear arms. Despite this, proxy wars and the struggle for influence in the Third World continued. The USSR sent aid to socialist forces in South America and to the socialist government which took over newly independent Angola in Africa. The US opposed all Soviet influence in South America and supported South Africa’s invasion of Angola in 1975 to try and prevent a socialist government coming to power.

In 1979 “détente” ended completely when the USSR invaded Afghanistan. The US and its allies supported rebels in Afghanistan fighting the Soviets in a war that lasted 10 years and became the USSR’s “Vietnam War”. In 1980 Ronald Reagan was elected president of the US. He later identified the USSR as an “evil empire” and began to massively increase US military spending and support for anti-communist forces and countries. In 1981 he announced the “Strategic Defence Initiative”: a plan to develop a system to defend against nuclear attack. The USSR responded by increasing its own spending.

DE Q: to what extent was Gorbachev responsible for the collapse

- reforms played a part
- were other factors
- pre existing
- not responsible for

link: drains economy

1. What led to the collapse of the USSR?

1.1 Economic problems * nothing to do w Gorbachev

- The economy of the USSR was centrally planned with the state controlling all economic activities. **This had led to serious weaknesses:**
 - Collective agriculture was not productive. The USSR was importing grain and food to support her population. (mostly from the USA)
 - There had been no new thinking on how to develop the economy since Stalin's time. This meant that the economy had stagnated.
 - People were too scared to criticise how the economy was run and managers lied about what was happening in their factories to avoid punishment from the state.
 - The accent was always on quantity of good produced, which meant that goods were often of a very poor quality. Very few consumer items were available to improve the standard of living.
 - The Soviet system did not give workers any incentive to work harder or better. By 1991, the average Soviet worker produced a third of their American counterpart and earned a fifth of the wages.
 - Alcoholism was reaching chronic proportions, further contributing to a decline in productivity.
 - The government had overspent and was in debt to foreign banks.

FN Q: What led to war in Afghanistan

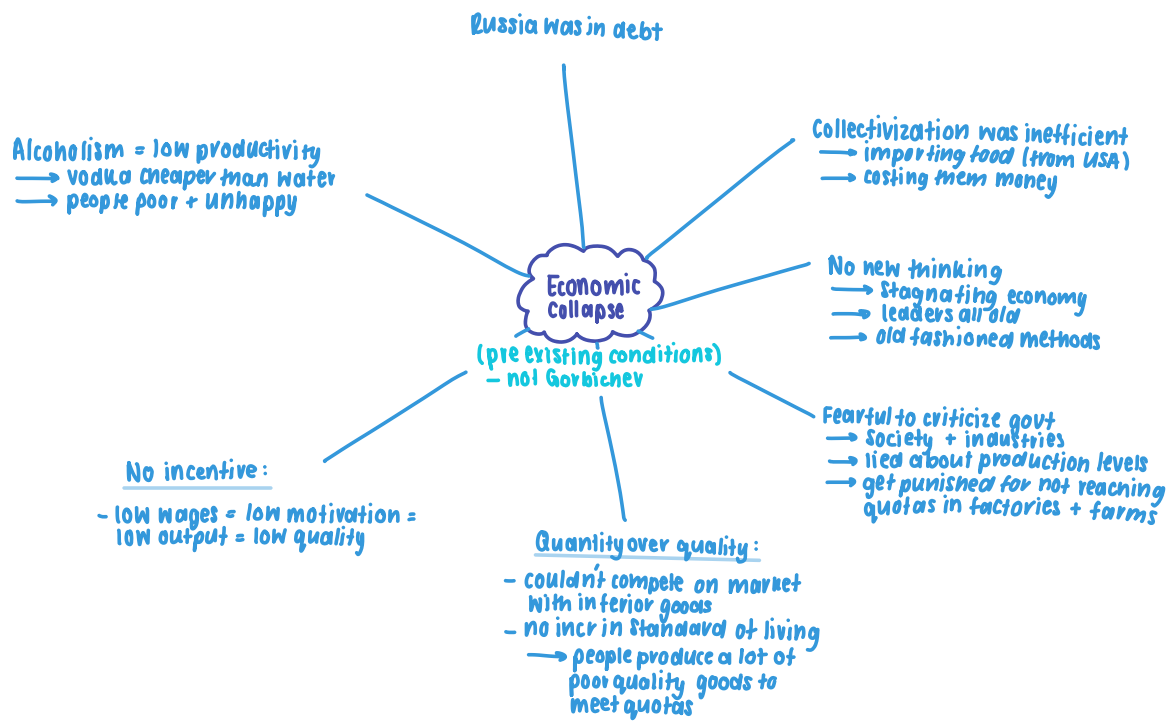
1.2 The invasion of Afghanistan (economic issue) - Gorbachev not in power yet

- Afghanistan was strategically important to the USSR as it lay on its border. The parts of the USSR near to it were also Islamic and included Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan and Turkmenistan
- The USSR feared that an Islamic revolution could spread from Iran through Afghanistan into the Islamic parts of the USSR.
- The Islamic republics were of considerable importance to the USSR as they supplied nearly a half of its armed forces.
- Afghan communists had taken control of the government in a coup d'etat in 1978. Pro-Islamic groups began to revolt against communist rule and the new government seemed unable to deal with them.

Muslim Soviet Republics / States:

- faith illegal
- Islam becomes force
- States want to align themselves w Islam
- Russia invades Afghanistan
- war drains their economy
- USA deliberately props Afghanistan up

- borders Soviet Union





- In December 1979, Soviet troops invaded Afghanistan, took control of the capital, Kabul, and installed a new pro-Soviet leader.
- The USA condemned the invasion, cut grain sales to the USSR, boycotted the 1980 Moscow Olympics and funded the *mujahidin* (Islamic militants) to the tune of a billion dollars a year. This meant that the *mujahidin* fought the Russians with the latest military equipment from the USA.
- Afghanistan became the USSR's 'Vietnam', further draining an already ailing economy. It was also demoralising for many Russians, particularly in the military as it became clear that they had become embroiled in a war they could not win.

Ronald Reagan

1.3 The Arms Race

- Conservative Republican, **Ronald Reagan**, became US president in 1980. He was determined to significantly **increase the USA's military capacity through the development of new military technology**. In his opinion, this was necessary because the USA lagged behind the USSR in terms of their weaponry. Reagan identified the USSR as an 'evil empire' and began to massively increase spending and support for anti-communist forces and countries.



- funds Mujahadeen

- Some of the new US military developments were:
 - The B1 'Stealth' bomber that was almost invisible to radar.
 - The Trident nuclear submarine with D5 missiles.
 - The Pershing intermediate-range cruise missiles that were also almost invisible to radar.
 - The MX inter-continental ballistic missiles with 10 nuclear warheads that could be fired independently.
 - *The Strategic Defence Initiative (SDI) or 'Star Wars'* which would send satellites into orbit with the capacity to shoot down incoming missiles with lasers. This was part of defending the US against a nuclear attack. *(can destroy nuclear warheads from space)*
- The USSR responded to this spending by increasing its own military spending. However, this new level of the arms race was beyond the capacity of the USSR to keep up with. They lacked the technology and attempts to match the US simply led to further economic crisis.

name some examples in EW

Issue of Arms Race

- not Gorbachev
- drains economy

1980: Ronald Reagan president:

- incr military spending
 - dramatic (huge focus)
 - new technology
- Catch up to Soviet Unions technology
- Support anti-communist countries
 - incr military funds + support
 - billion \$ per year (Afghan)

USSR response:

- incr military spending to catch up with USA
 - decision of old leaders
- Significantly drains economy



- Poor - Perestroika (restructuring)
- Gorbie - glasnost (openness)
- Didn't - demokratizatsiya (democratization)
- Do - détente
- Anything - abandonment of Brezhnev doctrine

republics

Sat States

Republics:

- within USSR
- USSR = joining of a no. of republics
- split
- Russia is a republic

Sat States:

- controlled by S union
- not in S union
- comm govt loyal to S union
- not colonies
- Warsaw pact
- become free

- bald spot
- big tufts of white hair
- birthmark

} Cartoon



2. The Role of Gorbachev (mindmap in powerpoint)

- Mikhail Gorbachev took over the leadership of the USSR in March 1985. The youngest member of the Politburo, he was convinced that far- (radical reforms) reaching reforms were necessary in order to save the communist system. His reforms were also aimed at strengthening the USSR and to keep it as a world power. He never suspected that the

changes he introduced would end communism in Eastern Europe and the USSR.

(some capitalist characteristics : wildly unpopular - not aiming to end comm, just stimulate production)

1. Economic Reforms:

economic reform

- **Perestroika** ('restructuring') which introduced extensive economic reforms including ^{some} private ownership and private trade. It encouraged foreign trade and investment. Wages were used as incentives to increase productivity and professional audits were introduced to try to combat corruption. Key ideas here from 1987 onwards were:

- Decentralising the state and giving some authority to the different Soviet Republics and local authorities - given some sense of power
- Allowing ^{small} farms and factories to sell anything they made beyond orders from the state for profit (don't have to give all profit to state = some people become more wealthy than others - problem)
- Allowing more worker rather than state control
- Letting western companies invest in joint ventures with Soviet companies
- People and businesses could buy and sell goods and services for profit
- In other words, state support was reduced as companies were expected to survive on profit
- Slowly people were allowed to increase private enterprise

economic reform

- **Glasnost** ('openness') was launched in 1986. which meant allowing greater freedom the speech and freedom of the press so that the system could be improved, and inefficiency and corruption could be exposed. - allows people to criticize govt, hoped ppl would use that to expose corruption (ppl lied abt production levels). The media was also allowed to criticize the government and officials travelled all over the country to hear people's complaints. Gorbachev saw this as a good way to get good ideas from ordinary people about how to reform the country. (What he got was a flood of criticism against the state and demands for freedom)

- only received criticism
- growing resentment
- still can't vote etc

- backfires
 - ppl silenced for decades
 - did not use for good of state
 - wave of criticism of govt

work together

level of democracy

2. **Demokratizatsiya** ('democratisation') In 1988 Gorbachev announced that political parties other than the Communist Party would be allowed to exist for the first time since 1917 and could campaign for election to a new parliament called the Congress of People's Deputies, although one third of seats were reserved for the Communist Party to guarantee control. The new Congress had a large majority of communists as expected, but the other parties represented did not sit quietly. Gorbachev and the Communist Party were not prepared for this. Once people found that they could criticise the state and even the KGB, the party's control began to slip away. Additionally, with more control given to local authorities, nationalist tendencies began to grow in the different Soviet republics.

➤ **Results of these reforms:**

Perestroika was popular at first, but did not improve the economy. There were several reasons for this.

Many Soviet state companies were so inefficient that they could not survive without state support (which was removed by **Perestroika**) and unemployment grew. While state support was removed, state control of the economy only slowly reduced. Therefore, Soviet businesses could not easily grow because of bureaucratic and legal restrictions.

Also, some officials obstructed **perestroika** because it threatened their power or beliefs, so the businesses that did best were the ones that were connected to officials or could bribe them - corruption increased.

Because of this, people were angry and took advantage of **glasnost** to criticise the government, its policies and especially its failing economic reforms. The Soviet state was unaccustomed to criticism and unsure of how to handle it. People began to look to local politicians for answers.

A degree of **Democratisation** then came, but still guaranteed the Communist Party would control government. Non-communists elected to the Congress of People's Deputies could not change government policy, so people began to look more and more to the governments elected for each of the republics rather than the Soviet government.

3. **Other Reforms:**

- **Detente** - first introduced by Khrushchev, this policy of improving east-west relations was taken much further. Gorbachev met with US President Reagan four times between 1985 and 1988 which effectively ended cold war tensions, reduced the risk of war, including a treaty to remove US and USSR missiles from Europe. This enabled him to cut down drastically on USSR military expenditure. He also withdrew the USSR from Afghanistan in 1988.

- ends Cold War tension
- bans nuclear weaponry

Agenda: USA vote in Gorb mindset
→ reduce tensions

reduce tension w USA
→ reduce military spending
→ bankrupt economy
→ (reduce threat = reduce spending + get out of Afghanistan)

(therefore reduce spending)

FW Q: - poland
- Germany

- **Abandoning Brezhnev Doctrine** - Students' Movement demonstrations spread to Eastern Europe in 1968, including Czechoslovakia. This is known as the "Prague Spring" The Czech government then introduced reforms which might have allowed opposition to the communist party. The USSR's leader at the time, **Leonid Brezhnev**, took the view that no communist country should abandon communism and that the USSR would act to prevent this. This is referred to as the **Brezhnev Doctrine**. The USSR invaded Czechoslovakia to end the reforms. After this all East European governments followed Moscow closely and **punished any resistance or criticism harshly**.
Examinable: Poland + Germany

In March 1989, Gorbachev made it clear that this no longer applied and the USSR would neither enforce it nor prop up unpopular regimes. This reform also helped the USSR's economy as he no longer would spend money maintaining power in Eastern Europe. As a result of this reform, **nationalist uprisings in satellite states increased** and the USSR did not/could not respond. **The Warsaw Pact collapsed and the USSR lost control.**

*- remove itself from Soviet Union
- Soviet Union no longer has buffer / protection from loyal govts*

The Consequences of Gorbachev's reforms



This is a map of the USSR showing the soviet republics that made up the USSR.
Identify the Russian Republic: Can you see both?
Identify the Muslim Republics:
Identify the Baltic States: Latvia, Lithuania, Estonia

RUSSIA VERSUS THE SOVIET UNION	
Russia is the largest country in the world and extends across northern Asia and eastern Europe.	The Soviet Union is a former federation of Communist republics comprised of 15 republics.
Russia's official name is Russian Federation.	The Soviet Union's official name is the Union of Soviet Socialist Republics.
Russia has a multi-party system.	The Soviet Union was a single-party state.
Russia has its own distinct identity, culture and traditions.	Since Soviet Union was a collection of states, there was a merging of ethnicities, culture and traditions.
Polina.com	

1. Within the USSR (leave out A - abandonment)

✓ [P
G
D
X D - Successful
X A - refer to Sat States

- Gorbachev began to lose control over the reform process. While hard-line communists felt that he had gone too far; reformers wanted him to go much further.
— communist hardliners
- Under Gorbachev's reforms each of the 15 Republics elected their own President in 1989

- **Boris Yeltsin** was elected President of the Russian Republic. (biggest republic)

— corruption incr

- The impact of perestroika created new economic problems as the USSR was not in a position to compete with the more advanced West. There were shortages of certain goods and rapidly rising inflation. GDP fell by 17% in 1990-1991; 19% in 1991-1992 and a further 11% in 1992-1993. Prices increased rapidly. People's standard of living dropped. Gorbachev became unpopular and glasnost meant that the criticism was open.
— never had freedom
— suddenly obtain freedom
— incr corr



— big head
— white hair } cartoon

- Independence movements sprang up throughout the USSR in response to the failure of Moscow's policies and the control the Communist Party held over the Soviet government. In Armenia and Azerbaijan, ethnic conflict flared up. In the Baltic states of Latvia, Lithuania and Estonia, which had been taken over by the USSR after World War 2, demonstrators demanded independence in 1990 and came into conflict with Soviet security police. All the time the economy got worse.

- In August of 1991, while Gorbachev was away on holiday, a group of hardliners in the Communist Party declared that they were taking over and Gorbachev was arrested in his holiday home in the Crimea. The army was sent into Moscow. The next day Boris Yeltsin led crowds of people to protest against the coup, and persuaded many soldiers to join the crowds. The coup leaders lost their nerve and gave up. The coup had failed after only two days and Gorbachev returned.

- But Yeltsin was the hero and Gorbachev looked weak. In December 1991, the 15 Soviet republics became independent countries. 12 formed a new loose alliance called the Commonwealth of Independent States (CIS). The

three Baltic states (Latvia, Lithuania and Estonia) refused even to join this organisation. **The Soviet Union, and communist rule, had ended.** As a result of this and the end of communism in Eastern Europe, the Cold War was over.

- *Russia, as the largest republic, remained a great nuclear power and took over the USSR's seat on the UN security council. However, for the next ten years its economy remained fragile and its military declined. **Vladimir Putin** became president in 2000 and began to bring in a more authoritarian form of government at the same time as Russia began to benefit from increasing prices for its oil and gas.*

2. In Eastern Europe

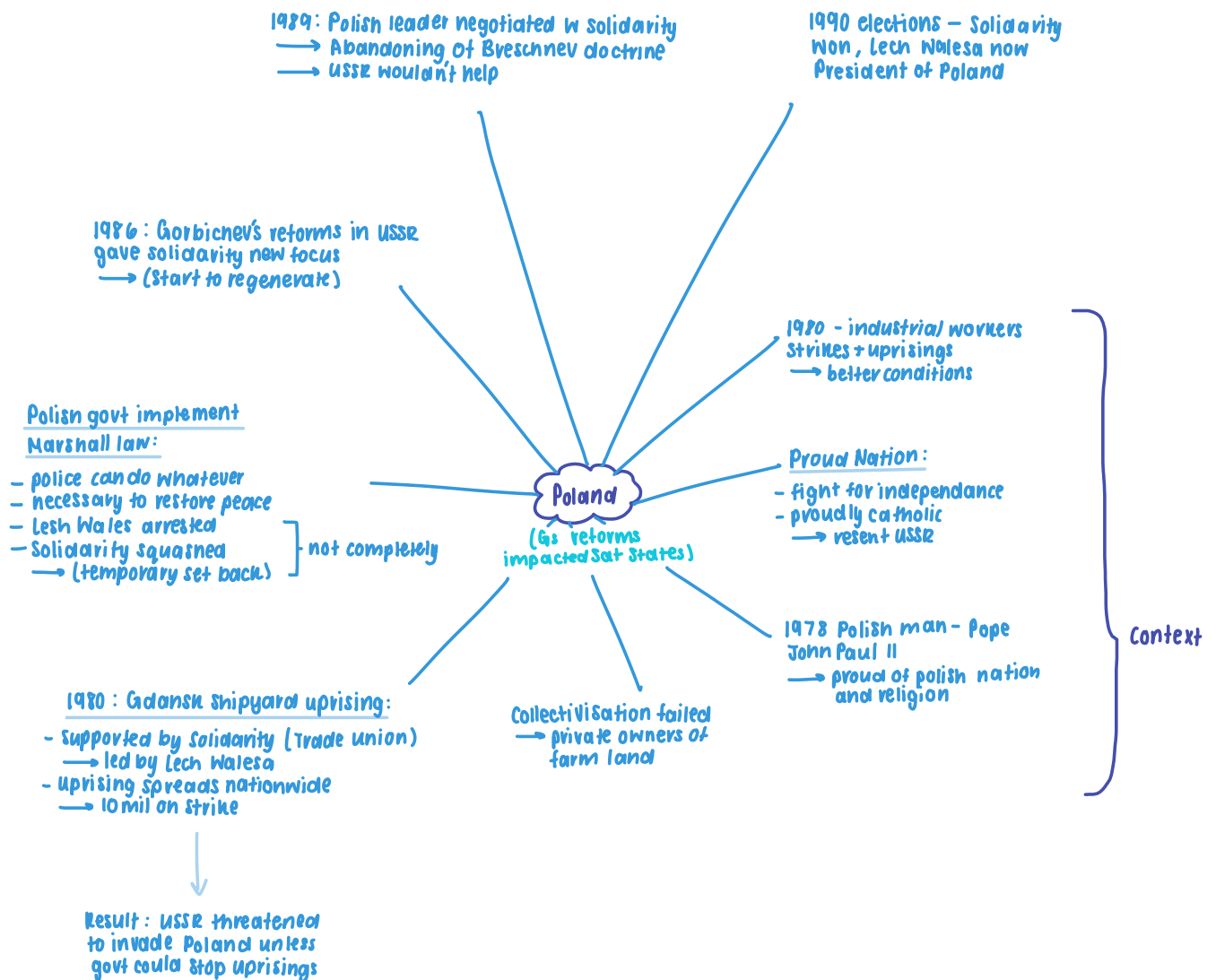
➤ Poland - Solidarity

Since 1980 the industrial workers of Poland had made it very difficult for their government to keep control.

- The Polish were a proud people with a long history of fighting for independence.
- Poland was a Catholic country that resented the anti-religious stance of the Soviet Union, and the Catholic Church held a strong anti-communist stance.
- In 1978 a Polish man, Karol Wojtyla, became pope John Paul II. The Catholic church supported opposition to communism in Poland which increased Polish resistance).
- Polish farmers had resisted collectivisation so fiercely that Poland was the only Communist country where the policy had failed - most Polish farms remained in private hands.
- In the mid 1970s, Polish workers started an unofficial trade union called "Solidarity" to campaign for better conditions.

In 1980 Solidarity started a strike at Gdansk shipyard, led by an electrician called **Lech Walesa**. The strike spread across the nation. The church supported the strikers and within months more than 10 million workers were on strike. In 1981 the government declared martial law to prevent the USSR from invading Poland. Lech Walesa was imprisoned but freed in 1982 and was awarded the Nobel Peace Prize in 1983. Solidarity was suppressed, but not crushed. From 1985, the reforms in the USSR and Gorbachev's ending of the Brezhnev Doctrine gave them new focus.

By early 1989 the Polish leader, General Jaruzelski, knew he had no choice but to negotiate with Solidarity and other opponents because the USSR would not help



him. The first meetings were held in February. In June, partially free elections were held. Although some seats were reserved for the Communist Party as in the USSR, in Poland Solidarity won the majority and formed the first non-communist government since 1945. Lech Walesa was elected as the first President of Poland in 1990.

➤ **Czechoslovakia, Romania, Hungary, Bulgaria** (non examinable)

The success of Solidarity and the failure of the USSR to stop them encouraged a wave of opposition movements throughout Eastern Europe in November and December of 1989.

- In Czechoslovakia the “velvet revolution” (because it was non-violent) was led by activists called *Charter 77*. The communist government fell in November and playwright Vaclav Havel became president.
- Communist governments in Hungary and Bulgaria tried to make concessions to stay in power, but also collapsed.
- The exception to peaceful change was Romania, where the dictator Nicolai Ceaucescu was determined to hold power in his poverty-stricken nation by any means. The *Securitate*, his huge secret police force, opened fire on demonstrators in November 1989. However, after several hundred people had been killed the army turned against Ceaucescu and he fled. He was arrested with his wife and executed on Christmas Day 1989.

By the end of 1989 communist governments had fallen or shared power throughout Eastern Europe, leading the way to more free elections in 1990. The new governments withdrew from the Warsaw Pact and told the USSR to close its bases and remove troops from their territory. The process of dismantling communism and introducing free market economies began. 45 years of communist rule had ended and the Warsaw Pact was gone.

➤ **Germany: the fall of the Berlin Wall.**

East Germany was highly important to the USSR. It was the frontline state where Warsaw Pact forces faced NATO and there were over 300,000 Soviet troops in the country. The East German army had access to the best Soviet equipment and was the most important after the Soviet Army itself.

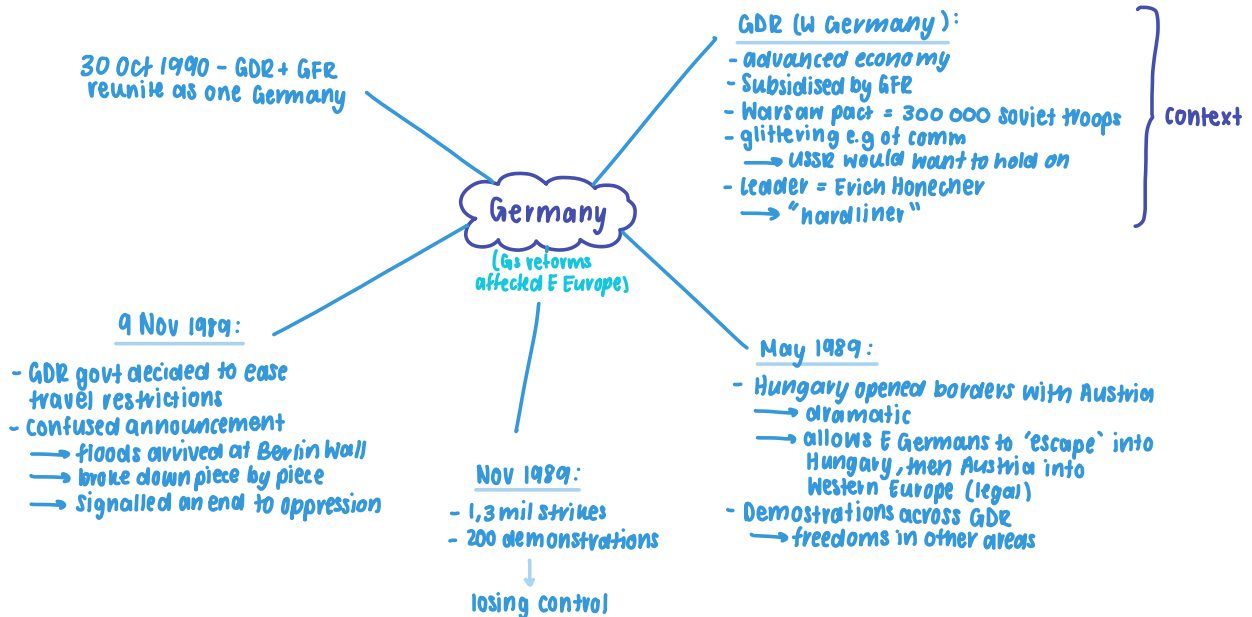
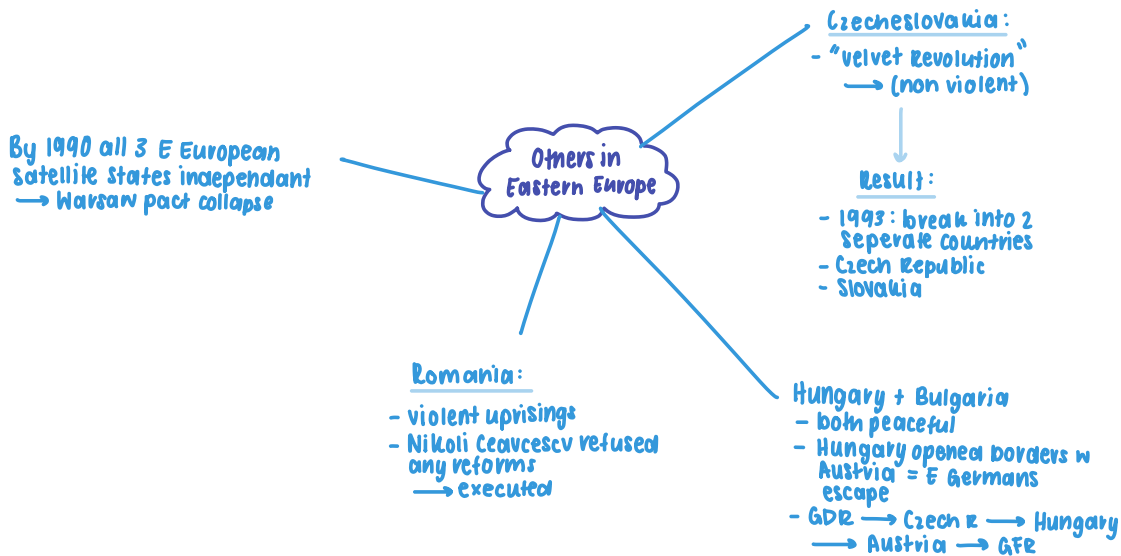
Satellite States

East Germany had the most advanced economy of the communist countries, its population enjoyed a higher standard of living than the rest of Eastern Europe. The government was committed to communism and its inflexible leader, Erich Honecker, even refused to introduce Gorbachev's limited reforms there. The secret police, the Stasi, had tens of thousands of members and spied on

German nationalism never vanished
→ F Germany funded by W Germany

GFR = East Germany
GDR = West Germany

Page 9 of 21



everybody. It was a shining example of communism and its economy was important to the Warsaw Pact.

However West German television was widely available in the East and it was clear to many East Germans that their economy did not match the west. Ironically, a large part of the East German economy was actually supported by grants from West Germany. The city of West Berlin, although cut off by the Berlin Wall, tempted some to escape despite the dangers.

Then in May of 1989, the Hungarian government opened its borders with Austria - a neutral country to the west - allowing Hungarians to travel. East Germans could get permission to travel to Hungary, from there to Austria, and from there to West Germany. Despite the East German government pressuring Hungary, thousands travelled to the west this way. By September there were demonstrations in East Germany for democracy and civil rights. Government-controlled media claimed these were riots by drunken agitators, but the truth could be seen on West German television. The ruling party forced Honecker to resign, hoping a younger leader would calm things through limited reforms. It was too late. By the first week of November, the **government was losing control** as 1.3 million people took part in 200 demonstrations and more than 50,000 people had fled the country.

Fall of the Berlin Wall



On the 9th of November, the government planned to ease travel restrictions to the west. A confusing announcement was made on television and thousands of people in Berlin went to the wall, demanding to be let through. Guards were also confused about the new regulations. At some gates they refused to let people pass, at others they allowed a slow trickle. Eventually,

somebody mistakenly ordered the gates to be opened to allow free access to West Berlin. Thousands of people, not waiting to get through the gates, began climbing the wall. A party atmosphere took hold. Some people began to chip at the wall with hammers. The guards did nothing and at that moment, the wall was finished and the end of East Germany was only a matter of time.

In March of 1990 East Germany held its first and only free election; the majority vote went to West Germany's ruling CDU party. After negotiations with the USSR, Poland, Britain France and the USA, East Germany united with the west on the 3rd of October 1990 - less than a year after the opening of the wall.

➤ **Yugoslavia** (*non examinable*)

The collapse of Communism also affected Yugoslavia, where the pressure of subject nationalities to break away from Serb rule saw the country break up. Although the Serbian government tried to force the various states not to break away, and three wars were fought between 1991 and 1995 with accompanying atrocities and acts of genocide, in the end Slovenia, Croatia, Macedonia and Bosnia-Herzegovina, ~~Macedonia~~, Serbia and Montenegro all became independent countries. Yugoslavia no longer existed.

- **Albania** held its first free elections in 1992 which were won by the Democratic Party.

3. On South Africa (*nuge*) FW Q: - impact on ANC
- impact on NP

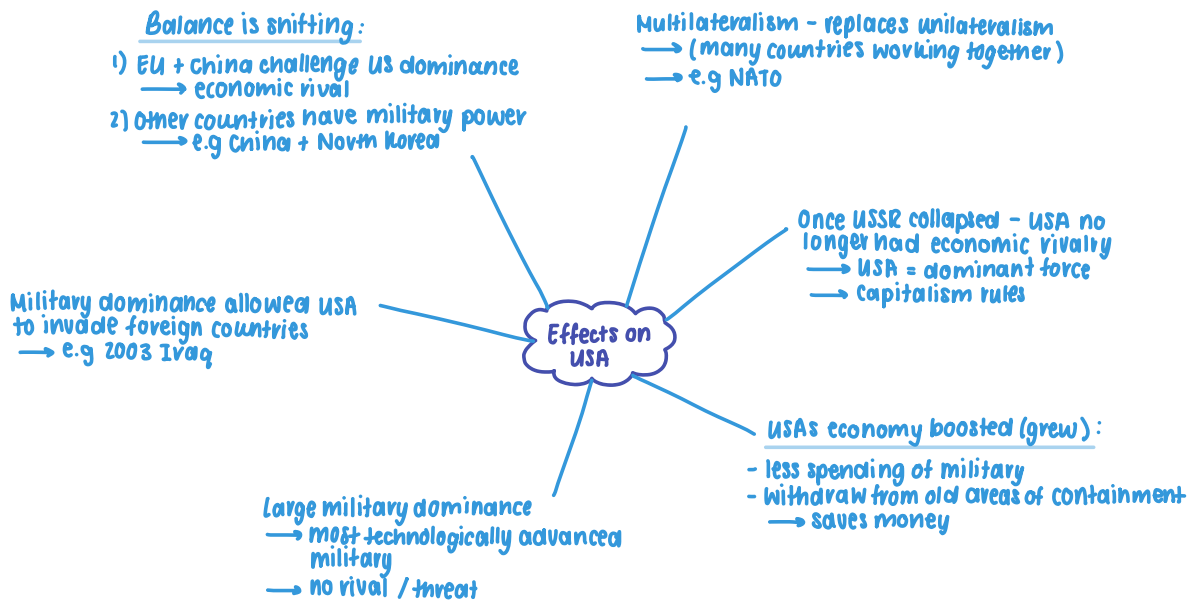
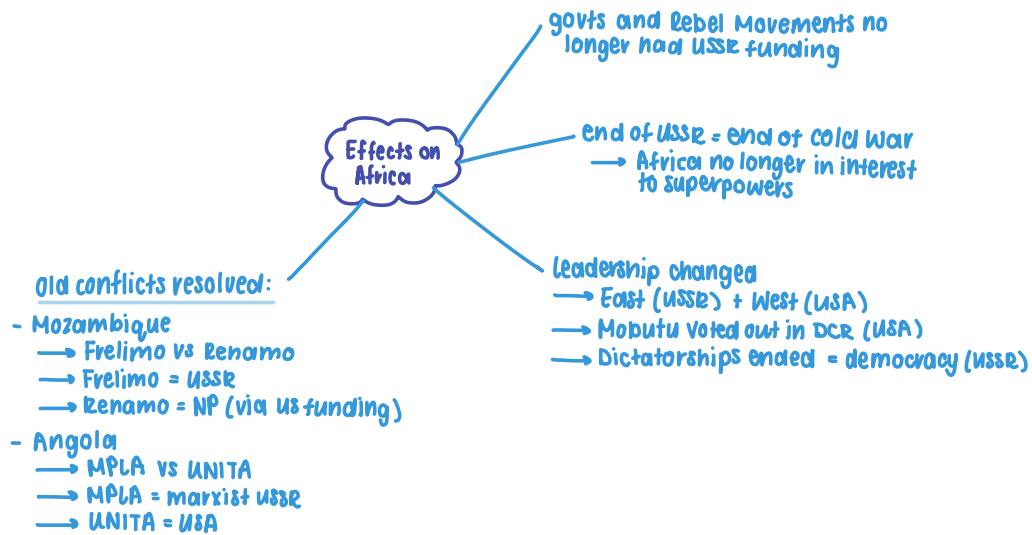
- The USSR and its Warsaw Pact Allies had provided the ANC with military training, funding and weapons. The collapse of the USSR therefore weakened the ANC's military capability. (*Soviet Union funded ANC*)
→ ends when SU collapses
- FW de Klerk realised that communism was no longer a threat and that this would make it easier to negotiate with the ANC. NP = happy
→ no threat of comm
→ more prepared to negotiate w ANC bc it was no longer comm aligned
- Apartheid South Africa lost its value as an anti-communist power in Africa, hence the USA and Britain no longer needed to support the apartheid government as part of their Cold War strategies. (*no longer an anti-comm ally*)
- All this meant that the collapse of the USSR the end of the Cold War was extremely important in bringing both the ANC and the NP to the negotiating table. (we will cover this in the section on the collapse of apartheid)
- Post-apartheid South Africa was also significantly influenced by the collapse of communism:
 - The new world order was dominated by the USA and was thus predominantly capitalist and democratic.
 - South Africa needed to position itself in the global economy in such a way as to attract foreign investment. - Nelson Mandela charms
- Stabilizes economy

- This meant that it needed to be politically stable, have a low inflation rate, low interest rates, low government spending, low national debt.
 - The ANC government therefore abandoned their more socialist programme in favour of 'mixed economy' and follow a more market-based programme in order to help the economy to grow and create jobs and wealth. (driven by ANC)
 - In 1996 the government introduced GEAR to make SA more competitive in the global economy and more attractive to foreign investment. Further details on GEAR can be found in the chapter on SA after 1994.
- In international affairs, SA has followed an independent foreign policy that has attempted to be neutral and to seek multi-lateral solutions to international problems. Had the USSR not collapsed, it is likely the ANC would have pursued a more pro-Soviet line.

4. On Africa

- Governments and rebel movements that had relied on the USSR for arms and funding were faced with the drying up of their support. USSR support had essentially been part of the Cold War, which ended abruptly with the collapse of the USSR as Africa was no longer "the playing field for global strategic power games."
- The transformation of authoritarian communist regimes in Eastern Europe influenced African states, a number of which also began to move away from dictatorships and military regimes in favour of democracy. Between the 1960s and 1990 hardly any African state had changed its government through elections. Between 1990 and 1996, however, 18 leaders were voted out of power.
- Other leaders were removed once their support from East or West ended. An example is Mobutu Sese Seko in Zaire (now DRC) who ruled as a dictator from 1965 to 1997. He was supported by the USA as a bastion against communism and to protect US mining interests. In 1997 he was ousted by a rebel army led by Laurent Kabila.
- The end of the Cold War and the removal of influence from both West and East meant that some old conflicts were resolved. These included:
 - FRELIMO and RENAMO in Mozambique which signed a peace agreement in 1990.

- funding dries up
- lost interest in Africa



- MPLA, and UNITA in Angola which ended their civil war in 1988. This also led to the withdrawal of South Africa from Namibia, which became independent in 1990.

5. On the USA

- The collapse of the USSR left the USA without a serious economic rival other than China, but the USA economy was still larger than China, Japan, Taiwan, South Korea and Thailand combined in the 1990s.
 - The fall of the USSR boosted the US economy as it no longer had to devote a large percentage of its income to defence expenditure.
 - Nevertheless, the Cold War left the USA with the second largest army in the world (China's is No. 1), the largest navy and aircraft carriers that can bring fire power to almost anywhere. It has great technological superiority. The USA has no serious military rival.
 - This superiority has possibly encouraged the USA to embark on foreign wars, notably in Iraq and Afghanistan which have strained its resources. The lack of a strong counter-balance has meant that the USA appears to have been more inclined to military action than it might have been had the USSR still been a powerful rival.
 - The balance is, however, shifting. The US share of world trade is declining. The economies of China and the EU are rapidly catching up. A number of states have nuclear weapons. The USA is discovering that it cannot act alone as it did in invading Iraq in 2003 against the decision of the UN. It increasingly needs to work through international bodies such as the UN and Nato. Multilateralism (many countries working together) is replacing unilateralism. → NATO
-

Part 2 - A New World Order

1. Defining globalisation
2. Balance of power and impact on Africa (economic divide)
3. Dominance of global western capitalism: USA, Bretton Woods, IMF and World Bank; World Trade Organisation, civil society resistance to global capitalism;
4. South Africa in the new world order - challenges of poverty and inequality, redress of past economic injustices (RDP and land claims); the developmental state as an attempt to solve these problems
5. Responses to globalisation - heralding an age of economic insecurity. Nationalism, localisation, extremism, environmental movements. **(not examinable)**

Prerequisites: Understand the end of the Cold War and the collapse of the Soviet Union. Remember the growth of capitalism in the USA during the 1920s and after WW2. Understand the concept of capitalism

Key concepts: Globalisation, Internet, global consumer culture, multinational corporations (corporations that have operations and do business in many countries)

1. How can globalisation be defined? – interact w each other easier – make mindmap

The end of the Cold War led to closer contact between different regions of the world. Local and national divisions gave way to international and global forces, and the whole world became linked in a global economy. (J Bottaro et al, In Search of History, 2007). There are many definitions of globalisation.

The term globalisation can be used to suggest that the world is becoming a more tightly-knit community where communication is instant. It is a process that transforms relationships across the borders of countries and continents. The terms **westernisation**, **internationalisation** and **Americanisation** are sometimes used as synonyms for globalisation.

Globalisation can also be defined as “a set of economic, social, technological, political and cultural structures and processes that form the basis for economic and political relations between countries of the world.” (S. Govender et al, New Generation History, 2007). It refers to the increasing integration of economies around the world, particularly through the movement of goods, services and capital across borders. There are also cultural, political and environmental dimensions to globalisation.

All the definitions refer to a process that is leading to integration of economic, cultural, political and social systems across the world.

The process has been sped up by technology.

There are four important features of globalisation:

1. The development of a common **consumer culture** that is ^{driven} dominated by American values and tastes, influenced by American TV, movies and music and the use of English as a main language. This is controversial, as many fear that smaller cultures and languages will decline. *(dominated by Western / American culture)*
2. The world has become a “**global village**”. Through the Internet, people can contact each other or do business without ever actually meeting. This communication can be instantaneous through satellite connections, computer connections and cell phones.
3. **Satellite TV and the Internet** allow news of important events to be broadcast throughout the world within minutes. News from everywhere can be available to anyone.
4. Globalisation through **rapid transport and instant communication** has led to huge growth in world trade and the rapid movement of money and investment between countries. *(corporations abuse workers)*
This has resulted in the growth of **multinational corporations (MNCs)**. Many of these are American, European or Japanese (Coca Cola, McDonalds, Nokia, Mercedes-Benz, Sony) but there increasing numbers from other countries in Asia (Samsung from Korea, Huawei and Lenovo from China) India (ArcelorMittal and Tata) and Africa (SAB-Miller from South Africa, SEACOM from Mauritius, Oando from Nigeria).

2. Balance of Power and Impact on Africa *(mindmap on gc)*

The end of the Cold War left one superpower: the USA. Francis Fukuyama, an American philosopher wrote an article called *The End of History?* In which he proposed that with the collapse of communism the final victory of western liberal democracy and capitalism had been achieved as it had no serious rivals. However this rosy view was challenged by Samuel Huntington in *The Clash of Civilisations and the Remaking of the World Order* in which he suggested that the end of the Cold War simply allowed the return of a much older, and more dangerous, contest between civilisations and religious beliefs such as between Christianity and Islam - which he identified as the greatest threat to the west.

There are a range of views between these two extremes.

What is certain is that with the end of the *bipolar* world, issues that were submerged by the Cold War have resurfaced. There has been an increase in the number of countries that have nuclear weapons and regional conflicts have caused

many deaths. The US and some European nations face a **threat of terrorism** on a level never seen before.

In Africa, the loss of Soviet support - and so also US interest - resulted in the **end of one-party states** in Benin and the Ivory Coast. Ghana allowed multi-party elections in 1992. Without the US to support him, Mobutu was overthrown after 30 years of power in the Congo by Joseph Kabila in 1997.

The Organisation of African Unity (OAU), long seen as ineffective, was replaced by the **African Union (AU)** in 2002. Through the **New Partnership for African Development (NEPAD)** the AU seeks investment for Africa. While political interest in Africa has faded, the continent's resources make it very attractive for trade and investment, particularly to multinational corporations, and to India and China which need a lot of resources. Between 1995 and 2010, Chinese trade with Africa went from almost nothing to \$120 billion per year.

US and European MNCs involved in oil (Exxon, Chevron, Royal Dutch Shell), mining and banks such as *Barclays* and *Bank of America* are heavily involved in Africa. While this investment is vital for Africa, merely exporting natural resources does not benefit the continent as much as processing and manufacturing within Africa would. Frequently, oil, iron, copper and other metals return to Africa as imported manufactured goods which have a far higher value than the raw materials which were exported. **Colonialism has never ended.** The risks of continuing the current kind of investment in Africa are: **(Neocolonialism)**

- Underdevelopment,
- High unemployment,
- Dependence on imports and so -
- High dependence on foreign aid.

Africa will remain poor under the current influence of exploitation.

This is one of the situations that has led to the world being regarded by some as no longer divided between east and west, but between the north - industrialised Europe and North America - and the south - South America, Africa and Asia. **In this relationship the north exploits the south for resources, cheap labour and as a market.**

Some see the north as trying to dominate the south politically and economically. For example, the large established nations began meeting as a group in the 1970s, known as the **G7** (Group of 7: France, West Germany, UK, USA, Italy, Japan and Canada). Russia joined to make the **G8** in 1997. There is a structure called the **G20**, which includes the G8 members plus countries like Mexico, Indonesia, Australia, South Korea, Brazil, China and others. **-groups where Africa has largely been abandoned**

Some countries of the south have created links to counter this with groups like **BRICS** (Brazil, Russia, India, China and South Africa)

3. Dominance of global Western capitalism

After WW2 the US economy went from strength to strength. The New York Stock Exchange is the largest in the world. Many of the largest MNCs in the world are based there (Apple, Microsoft, Walmart, Exxon Mobil) and there are over 30 million small businesses. With a population of over 312 million and large natural resources, it is still the world's largest economy. (However its productivity is declining and China is likely to overtake it in the coming decades).

Do you remember how WW2 finally ended the Great Depression in the US. How did the US avoid a return to depression after the war? Let us remind ourselves of New Deal theory.

Global Western cap dominates world

Bretton Woods institutions - the International Monetary Fund (IMF) and the World Bank.

aim: stabilise world economies to ensure another worldwide depression won't take place

In July of 1944 the representatives of 44 allied states met in Bretton Woods in the USA to discuss how to stabilise the world economy once the war was over. They aimed to: (post WW2)

- Rebuild war-damaged countries
- Lend money to countries with *balance of payments problems
- Prevent another Great Depression which many thought had helped Hitler come to power by encouraging free trade through lower tariffs

to even out

import

export

BUT: maybe kept Africa 'enslaved' by Western world

The Bretton Woods Agreement created two important institutions, the

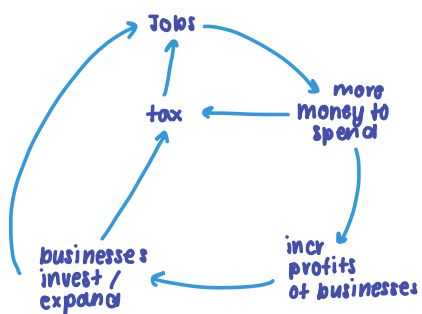
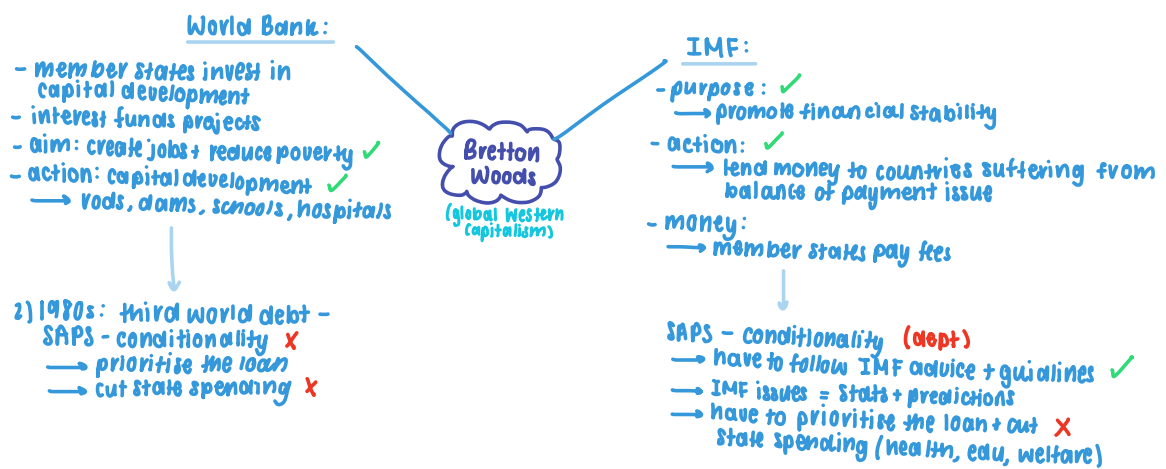
1. International Monetary Fund (IMF) and the
2. International Bank for Reconstruction and Development (now called the World Bank).

Both are based in Washington, DC but operate offices throughout the world. The president of the World Bank has always been an American, the president of the IMF always from another country. However as both organisations rely on the US and other western countries for most of their money, they are often seen as serving the interests of the US, the West and big corporations.

*the measure of the amount of money leaving a country against the amount coming in. Ideally a country wants to earn more than it spends.



aim: Stabilise ✓ - positive
 ✗ - negative



- **The International Monetary Fund (IMF)**

The IMF is funded by fees from member states.

Its purpose is: To promote international financial stability and to prevent sudden changes in exchange rates.

It does this by: **Lending money to governments to settle balance of payments** problems. These loans are subject to **conditionality**. These countries must follow IMF guidelines on financial and economic reforms. It also researches the economic performance of countries and issues statistics on productivity, employment levels, inflation and balance of payments.

In the 1980s many African countries had severe balance of payments problems and could only get loans from the IMF. In return they had to follow structural adjustment programmes (SAPs). This meant cutting spending on social services such as health, education and pensions - which affected many poorer people. They also had to privatise state companies. The new owners sought to maximise profitability by cutting jobs or closing unprofitable organisations. This increased unemployment and poverty.

- **The World Bank**

The World Bank's members invest funds, the income from these investments funds the bank's projects. Most of the money comes from the USA.

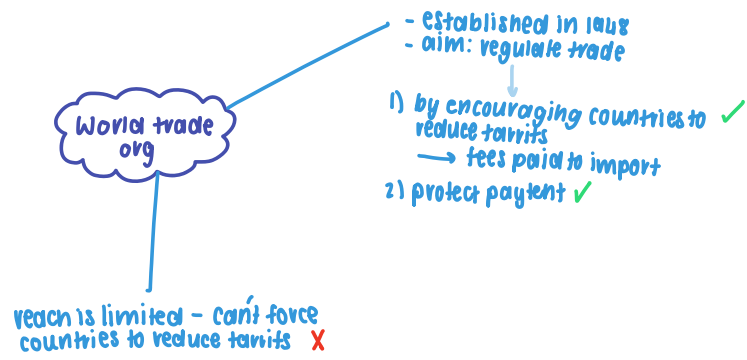
Its purpose is: To reduce poverty.

It does this by: **Lending money for capital development projects** such as dams, roads, seaports, power plants, schools and hospitals. It provides funds for relief after large natural disasters. However, during the 1980s it also lent money to service third-world debt. World Bank funds are also **subject to conditionality** like the IMF. The first condition is that repayment of the loan must be the priority.

The World Bank was sharply criticised by UNICEF in the late 1980s for structural adjustment programmes which "reduced health, nutritional and educational levels for tens of millions of children in Asia, Latin America, and Africa".

- **The World Trade Organisation (WTO)**

Established in 1948 to **regulate trade between countries** (originally called the General Agreement on Tariffs and Trade), the WTO has 153 members. It seeks to **promote trade by reducing tariffs**. For example, many developed countries have tariffs on agricultural imports, and so it is difficult for developing countries to sell to them. As developing countries rely on imports of expensive manufactured goods, this gives them a balance of payments problem. The WTO urges countries to reduce such tariffs.



The WTO also **protects patents** on inventions such as pharmaceuticals so that the original manufacturer can regain the cost of development. During this period, manufacturers charge enormous amounts for medicines which can make them unaffordable to poorer countries.

The WTO's influence is limited. It cannot force countries to follow its recommendations., it can only ask countries to apply pressure to others to create fairer trade conditions. It is often accused of serving the interests of its most powerful members.

The Information Technology revolution

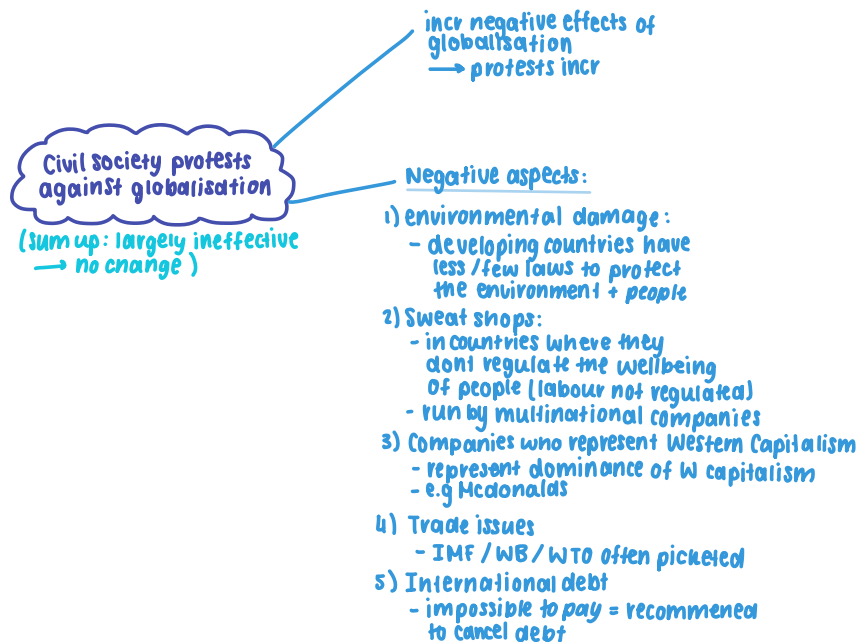
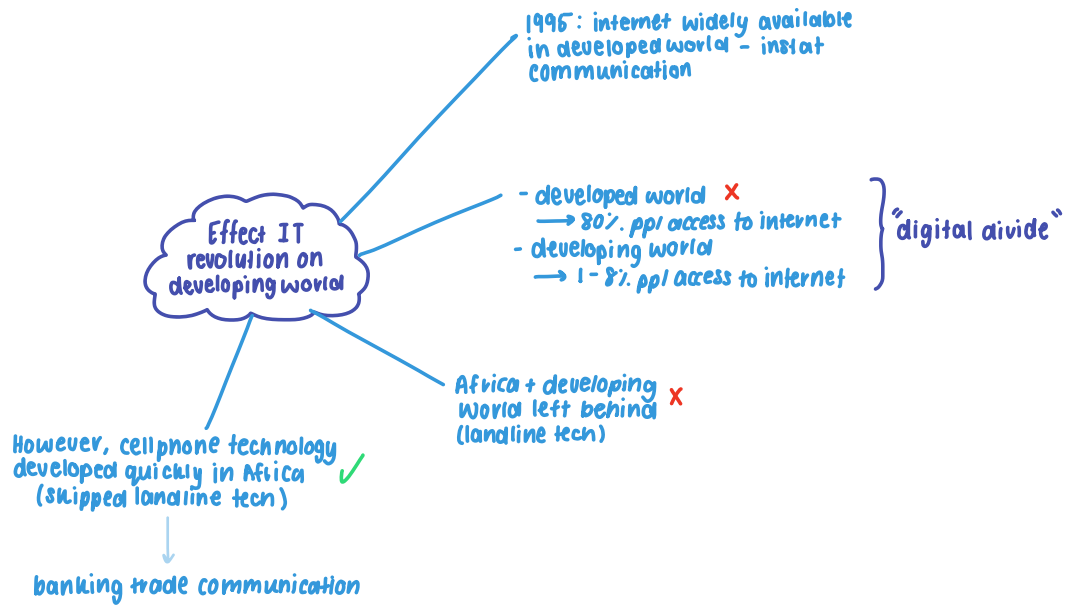
Since the 1995 when the internet became widely available to the public, **globalisation** has been accelerated by Information Technology (IT). Instant communication across computer networks has revolutionised how business is conducted and had a huge impact on social interaction between people. However while over 80% of people in developed countries such as the US and UK have access to the internet, in lesser developed countries like India only around 8% of the population can get online. In the DRC, less than 1% of the population is connected to the internet. This is known as the “**digital divide**”. The increasing availability of cellphone technology however has allowed communications even in lesser developed countries to be revolutionised. Many African countries have effectively skipped the development of landline telecommunications, with more and more people going directly to cellphones as their first means of telecommunications. The development of the internet in many developing nations may be tied to cellphone access in the future.

Civil Society resistance to global capitalism

The negative effects of globalisation has resulted in the growth of protest movements throughout the world. One example is the “**Occupy**” movement who protest for changes to make the world economy fairer. Protestors in the Occupy Movement camp out in places where they will achieve publicity - such as Wall Street in New York.

Some aspects that anti-globalisation protestors feel strongly about:

- Environmental damage caused by factories which companies build in countries that have few environmental protection laws.
- “Sweatshops” run by MNCs in developing countries where people work under harsh conditions for very low pay to make products for the western market
- The presence of companies seen as emblems of western cultural dominance, such as McDonalds



- Trade issues: meetings of the IMF, World Bank and WTO are often picketed by protestors who see them as enforcing policies which favour rich countries over poor ones.
- International Debt: the debt owed by Third World countries to richer countries or the World Bank is seen as unpayable, and the attempt to pay it seen as a factor in stopping the development of these countries. Protestors seek the cancelling of this debt.

4. South Africa in the New World Order *E writing question*

The challenges of poverty and inequality

After the first democratic elections and the TRC, South Africa still faced many challenges. The Government of National Unity and the Sunset Clause was an **attempt to reconcile** former freedom struggle parties with the former rulers of Apartheid South Africa. Mandela's meeting of the Springbok rugby team before the 1995 World Cup final was another such symbol of reconciliation. Another challenge that faces South Africa comes from the overwhelming majority given to the ANC by the electorate. *ANC control: 1994
→ inevitable bankrupt country (SA)*

Historically, **liberation movements have had great difficulty in making the transition to being a political party**. The temptations of power have often led such movements to refuse to give up power even when defeated in elections, to destroy the opposition and weaken the power of the legal system to challenge decisions of the liberation movement in power, and to use the power of government to enrich the rulers and their followers. These are also challenges that face the government of a democratic South Africa. *liberation movement → political party
- fell prey to greed + manipulate legal system*

True reconciliation and democratic nation-building would be an **ongoing project**, but the most pressing challenges were those of poverty and gross inequality. *true nation building = nearly impossible*

The first attempts to address these were **land restitution** through the Land Claims process and the development of housing and services in neglected areas through the **Reconstruction and Development Programme (RDP)**. The Land Claims Commission studied over 60,000 claims. **In urban areas such claims were settled quickly** either through return of property - such as in District Six in Cape Town - or alternatives such as the payment of compensation or provision of alternative land. **Rural land claims have taken far longer to settle** and many remain outstanding. This is because there has been difficulty in agreeing on terms that both the current holders of land and the former owners can agree to. There is also the element of bureaucratic failure on the part of government to process such claims. The RDP process has built thousands of houses and provided facilities such as water and electricity and paved roads to areas that were previously neglected.

One possible solution to the problems of inequality is the notion of the **'developmental state'** which comes from studies of east Asian countries such as Taiwan and South Korea. Although these countries were severely underdeveloped and **damaged after WW2**, they have become rich and developed. This model is also being applied to Brazil and India.

The attributes associated with a developmental state include:

- Close government involvement with the development of the economy
- Efficient and accountable government departments and civil services
- Low wages and high productivity
- Weak trade unions
- Innovative businesses which are internationally competitive
- Export-oriented economies
- Government focus on education and worker training

under 2011
on mindmap

South Africa has committed itself to becoming a developmental state and adopted the National Development Plan in 2011. This aims to reduce "red tape" to attract investment and employment, in order to create 20 million jobs by 2020 and to improve infrastructure while protecting the environment. - largely unsuccessful

5. Responses to globalisation (not examinable)

Globalisation has been a challenge to the identity and cultures of groups and individuals. Various regions in the world have seen a growth of nationalism - such as the breakup of Yugoslavia into separate countries in the 1990s. The growth of regional groupings such as BRICS is another response to globalisation. Environmental protests against the damage caused by MNCs is growing.

There has been a growth in religious and nationalist **extremism**. This is where people hold fanatical views and are prepared to commit acts of violence to achieve them. Extremism can be seen on both sides in the Arab-Israeli conflict, the actions of Boko Haram in Nigeria and the actions of nationalist extremists such as Serbians in Bosnia-Herzegovina in the 1993-5 Yugoslav civil war or Russian nationalists in Ukraine. Terrorist attacks such as the "9/11" attacks on the US in 2001 are another example of extremism. The world has also had to deal with Islamic extremism in the form of Isis over the last months in various parts of Europe like France and Turkey.

Environmental protests have themselves become globalised in organisation and the issues they address. The power of global warming and deforestation to affect the whole world has led to protests groups organising internationally against the causes of these processes. Local issues such as **fracking** for gas in South Africa draw lessons from the use of fracking technology - and protests against it - in other countries.

- Mostly failure
- Some successes

