

**EXAMINATION OF THE CULTURAL IMPACTS (BOTH  
POSITIVE AND NEGATIVE) OF IMPLEMENTING  
CAPITALIST SYSTEMS IN DEVELOPING COUNTRIES**

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**ABSTRACT**

The central objective of this study is an examination of the cultural effects (both positive and negative) of capitalist systems of production in the context of developing countries. To accomplish this objective, the study was guided by the following two research questions: 1) what is the definition of a capitalist system of production and how has the process of globalization promoted it? and 2) what are the cultural effects (positive and negative) of the capitalist mode of production being implemented in developing countries. Uncovering answers to these questions entailed the use of secondary data collected through East Central University's Linscheid Library, Google Scholar, and texts such as *How Europe Underdeveloped Africa* by Walter Rodney and *Global Politics* by Andrew Heywood.

The results of this study confirm that there are some positive impacts of capitalism and globalization in the developing world. The positive effects/impacts include free trade, the creation of non-governmental and intergovernmental organizations, the spread of democracy, global connectivity, and the minimization of wealth disparities. Conversely, the negative impacts are greater wealth and income inequalities and underdevelopment, a flattening world and borderless societies, disease and uncontrollable pandemics, cultural issues and divisions of tribes, and capitalism's roots in slav-

ery as well as racial capitalism. Overall, based on these findings, it is important to note that the negative impacts greatly outweigh the positives. An important policy suggestion made in the study is that the capitalist system of production ought to be highly regulated, especially in countries that do not have a strong system of checks and balances against economic exploitation.

## INTRODUCTION

Capitalism has grown and changed over the years since its inception in the 1500s. Jurgen Kocka in his book titled *Capitalism: A Short History* (2016) argues that capitalism as a theory is mostly used to denote an economic system that has far-reaching social, cultural, political, and economic consequences. For instance, by promoting market competition and rewarding innovation, capitalism through globalization has moved millions of people out of poverty and ensured consumers have access to new products from different regions of the world. Conversely, one can argue that capitalism is often seen as serving the interests of elites, large corporations, and businesses. It does not entirely serve the interest of the consumers or workers. Instead of benefiting common people, the market system prioritizes profits and contributes to social harms including income inequality and poor labor conditions— especially among the many who live in the developing world working in the mineral mines. Moreover, some scholars argue that capitalism is dependent on a culture of consumption. This, therefore, leads to unsustainable waste and a dilution of unique cultures around the globe. Consequently, the overarching objective of this study is to *examine how capitalism and globalization are two parts of the same whole, and the effects it imposes on different cultures, especially in the developing world*. More specifically, this study evaluates the cultural effects (positive and negative) of capitalist systems being implemented in developing countries. The study is guided by the following two research questions: 1) what is the definition of a capitalist system of production and how has the process of globalization promoted it? 2) what are the cultural effects (positive and negative) of the capitalist mode of production being implemented in developing countries?

This study is important because, first, it will make an original contribution to this topic. Based on the literature search, this study

will be among the few that examine literature from both practice-focused and critical academic perspectives. This literature has been synthesized to examine the cultural effects of the capitalist mode of production from the perspective of developing countries. Second, this study will provide an important foundation for future research and discussion surrounding what capitalism and globalization impact the developing world. Third, this study moves to propose a lens that has not been examined in great detail. This lens is the understanding that capitalism and globalization are positive in some ways but also can be disastrously detrimental to the lives of those residing in the developing world.

The study is divided into six sections. Section one begins with the methodological issues. This includes a description of how data were assembled for purposes of answering the two research questions. In section two, a review of different definitions of the term capitalism is presented. In section three, a discussion on different definitions of globalization is undertaken. Section four presents the positive and negative impacts of both capitalism and globalization. Section five is a discussion of the findings. The central issue raised here is an examination of the cultural impacts of implementing the capitalist mode of production in developing countries. Finally, section six consists of general conclusions, contributions to literature, study limitations, and suggestions for future research.

## METHODOLOGY

Secondary data was used in this study and a purposive sampling technique was employed while assembling information gathered from several sources. The sources included academic literature from East Central University's Linscheid Library, prominent databases such as Science Direct, Web of Science, Google Scholar, conference proceedings, and books i.e., *Global Politics* by Andrew Heywood, *Thinking Globally: A Global Studies Reader* by Mark Jurgensmeyer, and *How Europe Underdeveloped Africa* by

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Walter Rodney. For web-based sources, I completed a word search of the titles and abstracts using key terms under four broad categories including; “capitalism,” “globalization,” “the negative effects of capitalism on developing countries,” and “the positive effects of capitalism in developing countries,” “social responsibility in developing countries,” and in general, “the cultural effects of capitalism.”

The purposive sampling technique was employed to gather information because it enabled the study to focus on articles best suited for answering the two research questions. Subsequently, articles were chosen based on their relevance to the subject material, quality of the research, and their impact since publication. More consideration was given to scholarly textbooks and older sources that could clarify definitions that may otherwise have ambiguous interpretations such as what is capitalism, what is globalization, what is the relationship between globalization and capitalism, and what are the cultural effects of capitalism. The assumption was that the findings were going to demonstrate either the positive or negative effects of the capitalist system of production on developing countries’ cultural environment/development. Furthermore, it was presumed the authors of the literature sampled in this study used the best methods available to them to arrive at the findings posed in their studies, the findings of which were partially used to answer the research questions raised in this study.

Overall, this research is limited in its scope. It is a foundational step in discovering if capitalism hinders actual cultural and/or economic progress in developing countries. It is limited because only two research questions are asked and only a sample size of published secondary materials has been used to answer the aforementioned two research questions.

In the next section, the paper begins by providing a brief definition and overview of two important terms used throughout this study. These are the terms “capitalism” and “globalization.”

## CAPITALISM DEFINED

“Capitalism began when men began to exchange goods and services,” (Heath, 2015). Under the capitalist mode of production, the trading of goods is just as important as the production of them. In fact, “what destroys trade, destroys the system” (Heath, 2015). Capitalism is a creative system in which we can advance both our profits and our wellbeing; however, any restrictions that may be imposed can lead to a loss that both the individual and the community may have to absorb (Heath, 2015).

The official origins of Capitalism as a system can be traced back to the 17th century and be defined as “a system of generalized commodity production in which wealth is owned privately and economic life is organized according to the market principles” (Heywood, 2014 pg. 87). While this may be true, we often see that this wealth is not divided equally, illustrated by the lives of those performing the labor that leads to maximum profit creation. Consequently, the system of capitalism is fueled by the market which can be defined as “a system of commercial exchange shaped by the forces of supply and demand” (Heywood, 2014). Walter Rodney (1972) for instance, has argued that capitalism is a dying system, as it is no longer serving the majority of people, and in many cases, when not properly implemented and monitored, is perpetuating the development of underdevelopment in the periphery countries. Through the use of case studies, Rodney’s main focus with capitalism, as argued in his book, is that there is unequal exchange among the parties involved. In other words, one actor is seen as exploiting, the other party is exploited. In countries that have not developed, this exploitation can deprive the communities of their natural resources and their labor force (Rodney, 1972).

In the capitalist model of labor production, resources are commodified. These resources include labor, power, land, and exchange relations. Because of this commodification, people are easily able

to move around and integrate into different populations (Valiani, 2021). Capitalism allows for a uniform system where currency and wealth circulation are centralized. This centralization allows for the formation of nations (Valiani, 2021); however, Valiani (2021) addresses the work of Samir Amin and acknowledges that nations were formed even before the system of capitalism was conceived. Amin claims that while capitalism is by no means the largest mode of production, it is the driving force behind all other modes (Valiani, 2021). All other modes are therefore integrated into a uniform world system that is dominated by the capitalist mode (Valiani, 2021).

Several inferences are made about the capitalist mode of production. Tauesch (1935) discusses some of those. He states that many ask what capitalism is and have identified capitalism with “the ‘profit motive’ in business; others with the ‘competitive system.’ Especially the so-called ‘cut-throat’ variety.” Tauesch argues that these are rather superficial implications of the capitalist mode of production, but that they must be given some consideration since they have so readily influenced the impression of this system (Tauesch, 1935). Tauesch moves further to discuss the different, concrete definitions of capitalism that are amplified in the work of Max Weber and Ernst Troeltsch. Among these suggest that capitalism consists of the “calculated evaluation of anticipated periodic returns, in the form of dividends or interest payments, and the equation of those returns in terms of present lump-sum money” (Tauesch, 1935, pg. 222). This definition focuses primarily on the financial aspects of capitalism but does allow for further explanation through social interpretation of the exchanges that occur through the capitalist mode of production. Tauesch (1935) states that this view of capitalism is idealistic and relatively passive. Later in the article, Tauesch (1935) goes on to explain that Weber and Troeltsch’s interpretations of capitalism emphasize the pieces of this mode of production that are calculable. The focus is on the financial statement and the balance sheet. By default, “‘profit,’ in this sense, refers not to the sporadic gains on individual trans-

actions, but rather to the persistent incremental improvements in property values and through current gains, which can be ‘capitalized’” (Tuesch, 1935, pg. 224). This idea has led to the development of the corporation, and through this has led to some moral and ethical concerns regarding the role of the corporation in society. The invention of the corporation has “greatly increased the possibility of capitalistic abuses” (Tuesch, 1935, pg. 227).

Contrary to the relatively passive definition proposed above, Tuesch discusses the more pragmatic viewpoint set forth by scholars such as Adam Smith and Lujo Brentano. These scholars explain that capitalism “consists in the organization of productive or distributive agencies to create not only income but also increase original investment” (Tuesch, 1935, pg. 222). Within this definition, different societal roles are filled, i.e., the entrepreneur, inventor, discoverer, advertiser, business manager, etc. (Tuesch, 1935). This conception emphasizes that management plays a large role within the capitalist mode of production—that “periodical earnings and derivative capital values are results of managerial ability” (Tuesch, 1935, pg. 228). Under this view, there is recognition that the “creation of economic values” occurs through scientific and monetary means as well as through good marketing and business practices (Tuesch, 1935). With this, one can understand that capitalism is both an economic and social system.

There is a third interpretation of the capitalist mode of production. Tuesch (1935) discusses the work of Werner Sombart, who proposes that capitalism can be viewed as a historic event. Sombart’s work is very descriptive—it extends past a purely economic and financial definition. Sombart believes that capitalism is an “integral part of the complex fabric of modern civilization, including all of its humanistic patterns and colorations” (Tuesch, 1935, pg. 222).

Tuesch (1935) acknowledges that the capitalist mode of production can take on many different forms and that political govern-



ment plays a large role in determining the form that capitalism takes within a society. How businesses conduct operations also determines the social and economic evolution of a capitalist system. After examining the previously mentioned definitions of capitalism, Tauesch (1935) concludes his paper by stating, “it may easily be that ‘capitalism’ is not one but many.”

Conversely, Marxist-oriented scholars often view capitalism as an unnatural mode of production. They do not view it to be harmonious with our natural world (Empson, 2017). For instance, Marx defines capitalism as “... nature becomes purely an object for humankind, purely a matter of utility; ceases to be recognized as a power for itself; and the theoretical discovery of its autonomous laws appears merely as a ruse so as to subjugate it under human needs, whether as an object of consumption or as a means of production” (Foster as discussed in Marx’s *Grundrisse*, 2008). Capitalism, therefore, creates a new relationship with the natural world and can be defined by lust to create a profit from resources instead of just taking what one needs (Empson, 2017). There are threats to capitalism, especially capitalism as it is known in the United States. While there have been criticisms of the capitalist mode of production since its inception, since the Financial Crisis of 2008, the capitalist system has been under fire. Marxist Jean-Claude Delaunay argues that capitalism is in trouble not just financially, but also because the moral values that once upheld the system are diminishing (Delaunay, 2015). He posits that the historical role of capitalism being a private mode of production is coming to an end (Delaunay, 2015). Along the same vein, Wendy Brown observes that the major implication behind Karl Marx’s work is that the truth behind capitalism can be found in the production sphere. In other words, capitalism has both a “life drive” and a “death drive.” The life drive found in capitalism can be seen in the hunger to find and exploit labor. The death drive is found Marxist belief that the biggest threat to capitalism is the notion that this mode of production produces its own “grave-diggers.” People who were once driven by this system will now be dehumanized and overexploited

and turn against it (Brown 2015).

After an in-depth examination of work from several scholars, the proposed definition of capitalism for this thesis becomes “a system of exchange where wealth is mostly controlled by those who have previously owned capital and resources, natural resources and labor are heavily relied upon and often exploited, and there is easy movement and integration between communities that rely on the capitalist mode of production.” Based on this background and the proposed definition, the study moves forward to provide the definition of the term “globalization” and showcase how it’s closely intertwined and related to the capitalist mode of production and or orientation.

### **GLOBALIZATION DEFINED**

The term “globalization” gained currency among scholars in the 1990s (Barrow, 2021). Today, it remains a growing phenomenon within the international arena. An often-used definition of globalization is that it is “the emergence of a complex web of interconnectedness that means that our lives are increasingly shaped by events that occur, and decisions that are made, at a great distance from us” (Heywood, 2014, pg. 8). This shows that when a society becomes more globalized, there is less regard for national boundaries and individual states. There is a general reduction of sovereignty seen in the different nation-states worldwide, and a heavier reliance on all peoples in the world (Satkiewicz, 2012). Consequently, the concept of globalization entails an increasing “westernization” of most systems—including but not limited to: “economic, technological, and communicational patterns in the world” (Ferrara, 2015). With globalization, there is also the easier movement of goods and people across borders, thus making borders obsolete.

Jan Aart Scholte asserts that globalization makes relations among people *distance less and borderless*. This means that human

life can be conducted in a single global arena (Scholte, 1999). Therefore, globalization increases interactions among different groups of diverse people. In broadening this discussion, Nayef Al-Rodham proposes an all-inclusive definition of globalization. After reviewing hundreds of different scholars' interpretations of the topic, he concludes that "globalization is a process that encompasses the causes, course, and consequences of transnational and transcultural integration of human and non-human activities" (Al-Rodham, 2006, pg. 7). One can argue that Al-Rodham's view of globalization is consistently evolving and mutating and that globalization cannot be limited to one definition. Globalization, therefore, becomes multidimensional and is an evolutionary idea that consistently changes with the development of human society (Al-Rodham, 2006). Moreover, by drawing from the work of Andrew Young he illustrates that globalization is a process that "generates flows and connections" and because of this becomes "a historical process which engenders a significant shift in the spatial reach of networks and systems of social relations to transcontinental or interregional patterns of human organization, activity and the exercise of power." (Al-Rodham, 2006). The argument then becomes that globalization does not just occur between states, nations, and national boundaries, but instead impacts entire global regions and civilizations (McGrew, 2006).

Similarly, Immanuel Wallerstein of World System Theory, through case studies, states that "globalization represents the triumph of a capitalist world economy tied together by a global division of labor" (Wallerstein, 1974). Strong capitalist states such as the United States are often the proponents and driving forces behind the globalization process. With this, one can see that, generally, the driving force behind globalization is strong nation-states (Barrow, 2021). These states must "penetrate civil society" to institute norms. This is done through the implementation of laws or some other forms of coercion (Barrow, 2021). In response to this force towards uniformity pushed by superpower countries in the West, like the United States, there has been some resurgence in

traditional “ethnic, cultural, linguistic, and religious practices” (Trask, 2020). Other communities have responded by incorporating a hybrid of different cultures and practices into their communities. With this, we observe that globalization has contributed to the pluralization of identities (Trask, 2020). By the same token, globalization has increased choices by providing more access to different ideas, identities, and cultures. It has shown new representations of the different lifestyles and beliefs found in different locales worldwide (Trask, 2020).

On the other hand, some scholars argue that globalization is the resurgence of colonization defined in different terms. Martin Khor states that “Globalization is what we in the Third World have for several centuries called colonization” (Khor, 1999). Along the same vein, Jain Neeraj proposes that globalization is simply re-colonization in “new garb” (Neeraj, 2001). As the narrative goes, globalization is often pushed by developed countries. These nation-state field studies data tend to indicate that they are often very exploitative and have a colonist or “conqueror” approach to their relations in the global realm.

One of the central ideas found within globalization is the idea of core, semi-periphery, and periphery nation-states as showcased by the dependency theory proponents. The term periphery can be traced back to different words in Ancient Greek (Peeren et al, 2016). These words mean “arc of a circle” and also “to carry around” giving the notion that countries on the periphery are not fixed in location and that they carry some sort of burden that the nation-states in the core do not (Peeren et al, 2016). The periphery distinguishes what is inside versus what is outside, though geographically, the countries on the core and the periphery are not always set up this way. It is also important to note that even though these periphery countries serve as a distinguishing feature or strata between what is being exploited versus what is exploited. These periphery communities often are marginal and not of direct concern to the leaders of the developed world (Peeren et al, 2016).

Globalization can be directly attributed to setting up this divide.

While the core is in a substantially better position than the periphery countries, it is interesting to note that the periphery does not survive off of the core nation. Instead, the core lives on and profits off of the periphery states (Peeren, et al, 2016). This is a highly parasitic and exploitative relationship in which only the core nation-states thrive. Since the peripheral countries are on the outside, and they are not reliant upon the core (as the core is highly exploitative rather than beneficial), the peripheral theoretically is “which is most able to escape the center’s impact and thus potentially able of developing independently of it” (Peeren et al, 2016). The periphery can be regarded as a place of oppression and/or exploitation, or, with development, might be a place of potential individual freedom (Peeren et al, 2016). With the strong Western hand in globalization, however, we more often than not see the periphery being exploited and unable to develop independently of Western ideals. Other than the Western world being predominately much more developed, there is not much of a geographical component with regards to the differences between the core nations and the peripheral nations. The term periphery gives the implication of a center (Ferrara, 2015), but core countries like the US are not surrounded by the periphery countries which they consistently exploit.

After completing the literature review of the different interpretations and definitions of globalization, this study attempts to provide a working definition: “globalization is an ever-evolving term that refers to the movement of ideas— including cultural, social, economic, and political—across national borders. With technology and globalization, borders become less meaningful: therefore, norms and national identity have been diminished in societies now than in other points in humanity.”

As a result of these wider perceptions, it is thus difficult to develop a more comprehensive definition of either globalization or

capitalism—a definition that can encapsulate all these significant variables. Based on this foundation, the coming section, this study will attempt an evaluation of the specific cultural impacts of capitalism and globalization, including both their positive and negative effects.

**THE IMPACTS OF CAPITALISM AND  
GLOBALIZATION EXAMINED  
THE POSITIVE IMPACTS OF CAPITALISM AND  
GLOBALIZATION EXAMINED  
FREE TRADE: INCREASED PRODUCTIVITY,  
INNOVATION, AND INCLUSION**

Under the capitalist mode of production, efficiency is increased (Pevehouse & Goldstein, 2017, pg. 406). Capitalists seek to create development paths that tie the developing world into the world economy and trade. Even if these strategies defer equity, in the beginning, many capitalists argue that they maximize efficiency in the long run (Pevehouse & Goldstein, 2017, pg. 406). After a state has accumulated some wealth and is self-sustaining, it can redress the issues of poverty and inequity. The global North holds the accumulation of wealth for now; however, Pevehouse and Goldstein (2017) highlight that this unequal concentration creates rapid economic growth, which in turn will bring wealth and prosperity to the global South. Capitalism is a pillar of liberalism philosophy, which holds that market capitalism best allows for the most efficient allocation of scarce resources within a society (Burchill, 2013, pg. 57).

Globalization has eroded the states' power of regulating global markets. Capital, therefore, becomes more sovereign than the "interventionary behavior of the state and the collective power of the working people" (Burchill, 2013, pg. 75). Burchill (2013) presents the argument that liberals believe globalization is leading to a new era of capitalism, and that through this, national borders are not as relevant to the economic process. Because of this, capital is

liberated from constraints, both national and territorial. Burchill (2013) delves further into the theory of free trade by describing how commercial trade should be able to exchange goods and money without the overarching concern of national boundaries. Thus, free trade combines both the capitalist and globalization arguments—the movement of goods and services, of capital and wealth, should not be restricted by borders. Therefore, “only free trade will maximize economic growth and generate the competition that will promote the most efficient use of resources, people, and capital” (Burchill, 2013, pg. 76).

One of the most notable components of the free trade theory is the idea of comparative advantage. Scott Burchill (2013) defines this as nations relying not on self-sufficiency, but instead specializing in goods and services that they can produce at the cheapest cost. Instead of self-sufficiency, there becomes global efficiency. Burchill (2013) illuminates how wealth becomes maximized, and the global community is better off as a whole. “The self-interests of one becomes the general interest of all” (Burchill in *Theories of International Relations*, 2013, pg. 76). Within the free trade argument, there is also a discussion of the developing world. Burchill (2013) states that it creates a “trade profile” for communities that would have been excluded from the world of trade altogether. Free trade helps to integrate the developing world into the global economy. This combined pro-globalization and pro-capitalism effort promote more innovation, productivity, and efficiency for all who live in the world.

### **CREATION OF NONGOVERNMENTAL (NGOS) AND INTERGOVERNMENTAL ORGANIZATIONS (INGOS)**

In a world where there are complex arrangements regarding communications, trade, movement across borders, questions over laws, morals, and regulations develop. Perhaps one of the greater successes to emerge from the movement towards globalization and global interconnectedness is the creation of non-government-

tal and intergovernmental organizations. Some NGOs and INGOs promote global unity and work to implement and secure human rights for all citizens of the world—regardless of state citizenship. There are many different types of NGOs and INGOs. Much that goes on within the world depends on how much these two different types of institutions can influence people. Nongovernmental organizations, specifically, must be able to influence both people and governments. If they can influence the global community, their mission is often organized around the importance of alleviating human suffering through changing what is seen as internationally legitimate, i.e., internationally acceptable (Linklater in *Theories of International Relations*, 2013, pg. 102). An example of a strong NGO is the Human Rights Watch. This institution has been very successful in ensuring the protection of and diminishing atrocities against “women, indigenous people, and ethnic and religious minorities” (Darrian-Smith in *Thinking Globally*, 2014 pg. 383).

The United Nations (UN) has been a particularly successful Intergovernmental Organization. The UN models most democratic governments—there are parliamentary procedures, voting, and accountability that are used to make decisions for the body. Legal protections of citizens globally are promoted and debated. Burchill (2013) states, “The legal protection of civil rights within liberal democracies is extended to the promotion of human rights across the world” (Burchill in *Theories of International Relations*, 2013, pg. 85). The UN was founded in 1945, post-World War II. This was in response to the many horrific acts committed by Adolf Hitler and the Nazi Party. Because of this dire need to protect human rights, countries joined the UN and helped draft the Universal Declaration of Human Rights (Darrien-Smith in *Thinking Globally*, 2014, pg. 382). This declaration was an attempt to override state sovereignty when it comes to human rights. The idea is that people, regardless of physical location, should be ensured certain protections (Darrien-Smith in *Thinking Globally*, 2014). The UN Declaration sought to respect the “global ethic of dignity and respect towards all human beings” (Jurgensmeyer, 2014, pg. 374).



## EXAMINATION OF THE CULTURAL IMPACTS

While some INGOs may have been created for economic benefits, trade, etc., some have benefitted communities socially. A strong example of this is the North American Free Trade Agreement or NAFTA. NAFTA includes the United States, Canada, and now, Mexico. While NAFTA has undeniably helped Mexico become more economically viable in recent years, there has been another very positive social outcome from the agreement. Post-NAFTA Mexico has given Mexican women the chance to challenge traditional gender norms within their societies. They have been able to create feminist identities (True in *Theories of International Relations*, 2013, pg. 247). The UN has also been a promoter of women's rights and has even formed a women's empowerment agency, UN Women (True in *Theories of International Relations*, 2013, pg. 247).

Thus, it is apparent that through the creation and protection of nongovernmental and intergovernmental organizations, human rights are promoted and protected for people globally.

**SPREAD OF DEMOCRACY AND PEACE**

Capitalism and democracy often go hand in hand. Democracies often tend to be capitalist states, and by the same token, capitalism often requires the promotion of or movement towards democratic institutions to operate efficiently. Capitalist states tend to have very strong trade institutions that create a significant level of interdependence between the different nations. In democratic states, war would be very costly because it would disrupt the trade balance between the nations (Pevehouse & Goldstein, 2017, pg. 80). Francis Fukuyama, through collecting data in case studies, argues that capitalism sparks a movement towards cooperation between nations as democratic institutions and ideals must be upheld to maintain the system. While capitalist-democratic states do go to war, it is not with other capitalist-democratic states (Pevehouse, Goldstein, 2017, pg. 80). Thus, it can be noted that as more nations in the developing world move towards the capitalist mode of pro-

duction, democratic institutions are likely to follow.

Mueller (1989) contends that the world is already witnessing the obsolescence of war among the major powers. These powers are all democratic and often members of the developed world (Burchill in *Theories of International Relations*, 2013, pg. 63). War is seen as morally unacceptable, repulsive, immoral, and uncivilized (Mueller, 1989). Following the tradition of the capitalist mindset of costs versus benefits, democracies have to weigh the costs and benefits of choosing to disturb the peace and go to war with one another. “Because war brings about more costs than gains and is no longer seen as a romantic pursuit, it has become ‘rationally unthinkable’” (Burchill in *Theories of International Relations*, 2013, pg. 63).

Throughout history, war has occurred as a way of achieving wealth. Wealth is a source of power within the global arena. Many liberal scholars believe that war and the spirits of commerce are mutually incompatible (Burchill in *Theories of International Relations*, 2013, pg. 65). Free trade under the capitalist mode of production provides the grounds for more peaceful ways of achieving national wealth and power. Under the theory of comparative advantage, each nation is better off trading and cooperating than they would be solely pursuing their national interests and autarky (Burchill in *Theories of International Relations*, 2013, pg. 65). Free trade breaks down different barriers to unite people globally. Barriers that are artificially put up to free trade cause international tensions (Burchill in *Theories of International Relations*, 2013, pg. 65). Thus, it is extremely beneficial for states globally to engage with capitalism and free trade to assist in alleviating tensions between nations. Burchill (2013) discusses the work of John Stuart Mill and how he believed the end of war would be brought about by the implementation of free trade. Using war to resolve tensions and conflicts would hinder trade, which would result in harm to economic prosperity for different actors within the global arena. To conclude, it is unlikely that states engaging in the capitalist mode of production will wage war with one another. They are

more likely to be democratic and use diplomacy as a means to resolve conflict.

### GLOBAL INTERCONNECTIVITY

Global interconnectivity as promoted by globalization has contributed to large global changes. Through globalization, there have been surges in competition. While some worry that competition may be bad for the developing world, it has promoted growth and helped many of these countries improve their economic conditions (Shareia, 2015, pg. 84). Globalization theory shows us that communication is increasing daily—countries globally are finding it to be substantially easier to interact with each other. These relationships not only exist among developed countries but also in developing nations. This means that less economically developed communities now have more of a say in the global arena (Shareia, 2015, pg. 84). New technologies have been sparked by globalization. These developments allow even minor businesses to benefit as they can now participate in the evolving connected world. Technological developments ensure that minorities obtain the opportunity to use their voices in the “*modern pattern of communication*” (Shareia, 2015, pg. 84). While these minorities may still be marginalized in the context of the developed world, this chance is the first step to better representation in the modern world. Technological advances also lead to economic connectivity and can unify social and international groups (Shareia, 2015, pg. 84).

Globalization Theory promotes a unified universal system—the primary areas of focus are communication and economic relationships (Shareia, 2015, pg. 85). While the focus of the theory is centered on the aforementioned points, there is still an interconnection of cultural characteristics that follow. Thus, cultural links develop between the nations (Shareia, 2015, pg. 84). Shareia (2015) highlights an argument proposed by Reyes (2001): “it [globalization] underlines both the universal dynamic system of communication and current economic situations, specifically those of

highly active financial transactions and trade.” Thus, globalization followed by the improvement of technology and communication has provided better opportunities for local businesses (Shareia, 2015, pg. 85). Shareia (2015) later argues that globalization and unity are caused by the positive condition of global improvement in communication. Technology has become the vehicle and driving force of communication throughout the international environment. Nations are increasingly more unified in the global arena (Shareia, 2015, pg. 85).

These changes have largely impacted the way international relations are conducted. Developed and developing nations interact far more often than they did before globalization swept the globe (Shareia, 2015, pg. 86). Nations are now able to integrate their demands, interests and products past the normal confines of borders and other physical boundaries. They can unify regardless of governmental controls (Shareia, 2015, pg. 86). Globalization has sparked an increase in the ability to influence the developing countries of the world. Now, marginalized individuals can use technologies to “relate on a global scale” (Shareia, 2015, pg. 86). Shareia (2015) highlights the work of Intriligator (2004) and states: “They can unify with the global village and develop modern and contemporary universal interrelationships.” There becomes a social and economic unification and integration from different social sectors globally. Globalization thus promotes global interconnectivity that can be very beneficial for both the developed and marginalized communities of the world.

### **MINIMIZATION OF WEALTH DISPARITIES AND SOCIAL CAPITALISM**

The central idea within the social model of capitalism is what has been identified as the social market. The social market is “an attempt to marry the disciplines of market competition with the need for social cohesion and solidarity” (Heywood, 2014, pg. 89). There is an emphasis on long-term social investment as opposed

to short-term profitability—the latter of these which is often an emphasis and characteristic of more extreme forms of capitalism such as vulture capitalism. There have been many benefits that have resulted from social capitalism. An example of this is the transformation of war-torn Germany into one of Europe’s leading powers (Heywood, 2014). Germany was able to reap such large rewards because of capital investments paired with an emphasis on training and/or education within a variety of fields including vocational and craft skills (Heywood, 2014).

The social model of capitalism also known as the European model of capitalism is argued to be better than the liberal model, or what we currently observe within the United States (Bresser-Pereira, 2012). Many political forces within the United States keep the country from being able to move from liberal capitalism to social capitalism despite the many benefits that have been experienced within different European countries such as Germany. In the liberal form of capitalism, individualism is often held in the highest regard, which is ultimately detrimental to the national community. Within European countries, there is a willingness among members of the society to pay taxes, thus there is a more egalitarian form of consumption (Bresser-Pereira, 2012). This means that consumption is regarded as a collective endeavor and is achieved through the “provision of education, health care, and social security services free of charge or almost free of charge, financed by the state” (Bresser-Pereira, 2012). There is a minimization of wealth disparities—income is distributed more equally and social rights are guaranteed. European countries have far surpassed the United States when it comes to standards of living that are often valued by countries that also subscribe to the capitalist mode of production. Five of these standards include security, freedom, social justice, welfare, and environmental protection (Bresser-Pereira, 2012, pg. 29).

While this form of the capitalist mode of production has not been universally accepted, it certainly has led to economic and social

prosperity within different European countries. Similar to Germany, if implemented in other impoverished and war-torn communities, there would be a great opportunity for economic and social stability to come out of a dire situation.

**THE NEGATIVE CULTURAL IMPACTS OF  
CAPITALISM AND GLOBALIZATION EXAMINED  
GREATER WEALTH AND INCOME INEQUALITIES,  
EXPLOITATION, AND UNDERDEVELOPMENT**

On one hand, globalization and the spread of capitalism have led to many positive changes – as aforementioned— within different societies and the global community as a whole; however, it has also contributed to many problems that must be faced by global leaders today. The capitalist system has allowed for an accumulation of wealth. This wealth has not been attainable by everyone, and in many cases, capitalism can be noted to create a bigger gap between the impoverished and the wealthy tyrants. One of the issues with trying to implement the capitalist mode of production everywhere lies in the fact that the system cannot be identical everywhere (Bresser-Pereira, 2012, pg. 22). The model of capitalism found in the United States is much different than the model seen in European countries. Within the United States, the “liberal democratic model” is the functioning capitalist mode of production. Within this model, state intervention is as minimal as possible. There is a lack of state involvement in education, health care, social care, and social protections (Bresser-Pereira, 2012, pg. 25). While the people essentially buy into the system, there are relatively fewer social benefits remitted to them. As implemented in the United States, there are few universal rights and capitalism does not minimize income inequality (Bresser-Pereira, 2012, pg. 27).

For the developing countries to enter the capitalist system, a person must already have some sort of wealth or capital—there must be a prior process of generation of wealth or starting capital (Har-

riss-White, 2006, pg. 1241). Disadvantaged groups are consistently denied the ability to even enter the system. Inequality, at high and persistent rates, leads to inequality of opportunity (Murshed, 2020, pg. 3). Thomas Piketty (2015) argues in his book, *The Economics of Inequality*, that this inequality is present because of an unequal distribution of human capital. Murshed (2020) argues that this inequality has been accelerating in recent years due to the increase in globalization since the 1980s. This inequality is largely a result of less regulated labor markets and financial globalization. Financial globalization, along with the greater international mobility of capital, has led to increases in inequality because it lowers the “bargaining power” of the labor force rendered by the threat of moving all economic activities overseas (Murshed, 2020, pg. 4). Capital is much more concentrated—it falls into the hands of the super-wealthy as opposed to the much more prevalent labor class. The greatest beneficiaries have been the top 1%, but the lower middle class and the poor have suffered immensely, even in developed countries (Murshed, 2020, pg. 4). This rising inequality also changes the political situation. Money helps to ensure political success (Milanovic 2016, 2019), and national policies tend to reflect the interests of those who are owners of mobile capital and skills, etc. (Murshed, 2020, pg. 5).

Hyper globalization and increasing inequality in income can be linked to the increased rise in populism; though strangely, in many recent elections worldwide, the median voter voted to become poorer (Murshed, 2020, pg. 6). It appears that this willingness of the voter to *not* overcome economic inequality resides in the fact that they chose to identify with nationalist ideas over their economic interests. These ideologies were pushed forward by leaders such as Donald Trump and his “America First” rhetoric (Murshed, 2020, pg. 6). Many nationalist ideas stem from an irrational response to the idea that globalization is the only cause of the economic inequality that individuals face globally under the capitalist systems.

Since the capitalist system often operates without any sort of state regulation or intervention, capital can accumulate in the hands of a few. This prevents small firms and businesses from having a competitive opportunity within the system. When these small firms are able to be successful, it is an exception, rather than a norm (Harris-White, 2006, pg. 1242). Commercial capitalism, as a whole, then becomes managed by those who benefit most from the system. Harris-White (2006) argues that this regulation is determined by gender, religion, and race, and it is effective but also highly exclusive. While these regulatory factors may look unintentional, they often are developed because they are advantageous to the business and/or the state. This group, with few exceptions, reaps the rewards, while market and environmental risks are then put onto an unprotected class of workers (Harris-White, 2006, pg. 1242). Under this highly exploitative operation, new and old forms of low-cost labor are incorporated. This labor process is controlled through a variety of means, specifically the inability to form unions or exert some form of response to the dominance (Harris-White, 2006, pg.1242). Within this form of commercial capitalism, commercial firms control production. The producers within the system are unable to leave the exploitative system without the threat of becoming destitute (Harris-White, 2006, pg. 1242).

Murshed (2020) states that the capitalist mode of production will be durable and long lasting; it is very important to reexamine the positive aspects of the system. This would entail better public spending on social programs such as education, health care, social, protection, etc. (Murshed, 2020, pg. 6). In the last four decades, Murshed (2020) argues that the capitalist mode of production has created greater inequality. Ostry, Berg, and Tsangrides (2014) prove that the cross-sections between growth in developed and developing countries show that inequality has a negative effect on growth—that exploitation in favor of the rich does not lead to better investment in productive capital. Murshed (2020) states that “inequality [exploitation] is the mother of all forms of con-



flict, which demands amelioration.” Thus, it is important to fix the inequalities and inequities that taint the capitalist mode of production.

### FLATTENING WORLD AND UNIPOLARITY

Globalization has made it possible to share many ideas and experiment with different cultural ideologies without having to travel to a new country. This rapid spread of ideas—particularly from the Western world to the developing countries—has been positive in some instances. However, it has also been extremely detrimental to the traditional way of life within the different global communities. As mentioned in the previous section on globalization, through globalization there is a pluralization of identities (Trask, 2020, pg. 1). With this access to different identities, the idea of national identity and therefore sovereignty is challenged. In some respects, globalization has given individuals the ability to choose how they want to represent themselves outside of a prescribed national identity; it becomes critical to note that not all people can choose how they or their communities identify. Identities are given to them with different consequences (Trask, 2020, pg. 1).

With less stress being put on the borders of a country, there has been speculation that globalization might produce the end of the nation-state (Barrow, 2021, pg. 170). Barrow (2020) observes, “*The central theme in these eulogies was that the nation-states had lost control of their national economies, currencies, territorial boundaries and even their cultures and languages as macroscopic forms of power shifted from the nation-state to the global market, transnational corporations, and global media and communication networks*” ( why do this)(Barrow, 2021, pg. 170). Barrow (2021) goes on to argue that it is nation states that maintain the relations of unequal influence around the world. Along the same vein, Barrow (2021) discusses how states are not helpless when it comes to the process of globalization and that [powerful] nation-states are the agents of globalization. They guarantee that the political

and material conditions are properly suited for the accumulation of capital. Barrow states that the way globalization is currently implemented in society shows American dominance and hegemony and is a form of an American empire (Barrow, 2021, pg. 174).

Similarly, Steven Weber in *Thinking Globally* (2014) documents how America is the sole contributor to the problems the world experiences with globalization. Ironically, he discusses that the officials of the United States believe that the way to solve the problem is to combat the issues with the expansion of American power. This is sometimes done multilaterally, but more often is implemented unilaterally. In Weber's eyes, the United States is pushing for a "flat" globalized society—the rules and institutions controlled by a single superpower (Weber in *Thinking Globally*, 2014, pg. 23). Weber argues that globalization and unipolarity cannot be combined. Globalization then becomes a monopoly, which is deleterious for all members of the global community, including the monopolist. "Globalization under unipolarity" has many dangers (Weber in *Thinking Globally*, 2014, pg. 24). One can conclude that these dangers may be economic, political, or cultural.

### **DISEASE SPREAD AND UNCONTROLLABLE PANDEMICS**

In a society that is so greatly impacted by globalization, there is a large dissemination of ideas, sharing of economic principles, technological advances, and connectivity; however, with so much movement between different parts of the world also comes the great spread of disease. Disease cannot be contained by borders—especially not with the travel of large amounts of people and different goods from country to country (Weber in *Thinking Globally*, 2014). Weber (2014) argues that globalization is turning the world into an enormous "petri dish." He states "Humans cannot outsmart disease because it evolves too quickly. Bacteria can reproduce a new generation in less than 30 minutes, while it takes us decades to come up with a new generation of antibiotics" (Weber in *Think-*

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ing *Globally*, 2014, pg. 26). Solutions to these quick changes are only possible where and when people have the advantage. This is rarely the case in poor and developing countries, where people may live in proximity to farms and/or wild animals and have a substantially higher chance of contracting a zoonotic disease (Weber in *Thinking Globally*, 2014, pg. 26). Often, these countries that face the harshest realities concerning health crises are the same countries that are subjugated and threatened by American power (Weber, 2014, pg. 26). Many of these countries—due to the link between American predominance and globalization—now resist any intervention as they have come to understand that this means American interference. Weber (2014) argues that in the future, these communities may even resist the involvement of Western agencies such as the World Health Organization due to the negative ways that globalization has impacted the developing world. This is extremely dangerous. If there are wide outbreaks of infectious disease, but a resistance to work as a global community to fix the problem, there may be a dark future of unmanageable spreads of illness. Weber (2014) goes on to explain that the best way to resolve this pressing issue is to advance a counter balance to the global arena through the influence of another powerful country. He believes that this new power should have different ideological and cultural leanings—that they have the best interests in mind for the developing countries that may suffer from proportionally larger amounts of disease and disease spread (Weber in *Thinking Globally*, 2014, pg. 27).

There are many factors to consider with regards to what pandemics and the spread of disease in general, do to society. In times of crisis, such as a pandemic, income inequalities are highlighted and there is often a decline in a country's economic condition. This has been seen throughout history and was certainly highlighted again during the Covid-19 Pandemic. Murshed (2020) discusses how since the beginning of the Covid-19 Pandemic, there has been a steep global recession—the worst since the 1930s. He argues that the “consequence is the immiserization of vast swathes of hu-

manity, particularly endangering the lives and livelihoods of the marginalized and vulnerable across the globe” (Murshed, 2020, pg. 1). Once again, the global health crisis that spread so rapidly due in part to globalization disproportionately impacts the already economically downtrodden communities in the developing world. The developed world is much better equipped to respond and survive a pandemic such as Covid – 19.

### **THE REDRAWING OF BORDERS IN AFRICA: SOVEREIGNTY ISSUES, CULTURAL ISSUES, TRIBAL DIVISIONS**

One can argue that the process of globalization and the search for resources through the spread of capitalism immensely contributed to colonization. The European colonization and then decolonization of African territories was done arbitrarily and without any respect to the different African communities, tribes, and kingdoms. The colonization of these communities was done out of selfishness and desire for resources and a broader reach of control in the Southern Hemisphere. In comparison to other parts of the global community, Africa has experienced high levels of post-decolonization violence (Gleiditsch, 2002). This violence can be linked to the arbitrary borders and weak government institutions left behind by colonizers. These traits fuel conflict and can be linked to separatism within the African continent (Englebert & Hummel, 2005).

Herbst (1989) states that “The stability of boundaries in the world’s most partitioned continent, where few other political institutions have survived for very long, is often seen as particularly surprising because the borders were initially drawn without respect for social and linguistic groupings and because the colonial and post-colonial political authorities charged with maintaining the borders have been weak or absent.” Colonists came into the continent of Africa without respect for its traditions, tribes, different languages, etc., and forced new arbitrary boundaries to be maintained. Herbst (1989) argues that these boundaries are haphazard—that

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the creators of those boundaries, i.e., Western European countries, did not factor in a variety of things that are important when creating new borders. The first thing listed has to do with the adaptations to poor soil conditions. Large populations within Africa are often seminomadic due to this fact—there are waves of movement through different times to guarantee sufficient amounts of food. The second factor is that many people do not have allegiance to anything outside of their village, thus ethnic differences and identities did not provide adequate information regarding the creation of new boundaries (Herbst, 1989). This has led to numerous detrimental consequences. Often, people identify politically with a certain chief versus identifying ethnically, linguistically, or culturally (Ranger, 1985). The establishment of European boundaries divided groups that already had preexisting loyalties (Slinn, 1981).

Due to underdevelopment, African communities are now left hanging between in the local and international contexts (Deng, 1993). There are extreme amounts of marginalization, and even though the developed world arguably caused many of the issues facing the African community today, there is little done to help repair the conflicts and help dismantle corruption. Africans collectively have decided that the world does not regard their problems to be important them or the urgent issues at hand (Deng, 1993). There is also the reality that to reemerge in the global context, there must be some sort of reliance and interdependence on the current global system. Thus, there is a resistance to marginalization (Deng, 1993).

It is simply not fair that the problems and hardships created by the developed world is now having to be addressed by the countries already facing the consequences. The roots of this problem are much deeper than a political misjudgment and many of the reasons the African communities are still marginalized will be discussed in the following section.

## **CAPITALISM'S ROOTS: SLAVERY, COLONIALISM, AND RACISM**

Since its beginnings, capitalism has been linked to a variety of very negative social and cultural consequences. To be more specific, Andrew Linklater summarizes the work of Anderson (1974) and states, “In preceding centuries and millennia, coercion was central to the appropriation of wealth” (Linklater, 2013, pg. 132). Coercion refers to the capturing of different people and forcing them to become slaves and help to acquire wealth through forced labor. Many slaves were captured through war (Linklater, 2013, pg. 132). Modern industrial capitalism has propelled the world past the period of antebellum slavery; however, it is important to note that there are still many biases within the capitalist system and that the system is designed to serve the few who hold the majority of the capital within any given society (Harris-White, 2006).

Anievas and Nisancioglu (2018) argue that plantation slavery in the United States was not a “non-capitalist enterprise” but that it was a definitive part of the capitalist process. Slavery, at one point in time, had been integral to the functioning of capitalism (Anievas & Nisancioglu, 2018, pg. 186). They proceed to argue that many of the processes that are experienced within the system today—such as work regimes and methods of discipline—had their roots on plantations. Enslavement and exploitation of slave labor continue to be an aspect of the capitalist mode of production. Because of this, Anievas and Nisancioglu (2018) find that instead of transitioning from plantation slavery capitalism to industrial capitalism, there is a combination of those two elements that more accurately describes their relationship.

Within the umbrella of capitalism is Racial Capitalism -- another term that is growing to be more popular among scholars. It refers to the “mutually constitutive entanglements of racialized and colonial exploitation within the process of capital accumulation”

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(Edwards, 2021). The argument is that the system of capitalism became realized because of imperialism, colonialism, racial slavery, expropriation, and super-exploitation. This has led to a system of unequal exchange where the periphery is depleted by supplying the core with labor and other resources needed to fuel the capitalist model (Edwards, 2021). It is important to note the Western push toward capitalism was not the birth of racism. With this focus, it is impossible to understand the complicated relationship between racism and capitalism (Hanchard, 2019). While racism's roots did not stem from capitalism, it is important to examine how capitalism has promoted the proliferation of racist institutions (Hanchard, 2019).

As mentioned, capitalism is regulated by norms often outside of a government or system. These norms are not always just—they are arbitrary and incomplete—and are often instituted at the exclusion of large populations of people (Harris-White, 2006). These norms are upheld by those who they serve, even with the social consequences, and will not be changed without governmental or state involvement. It can be concluded that racism and capitalism are not mutually exclusive and that a system built off of the exploitation of certain peoples is not a system that has miraculously changed to serve them.

**Table 1:** Summary of the negative and positive impacts of capitalism and globalization

Positive Impacts	Negative Impacts
Free Trade: Increased production, innovation, productivity	Greater wealth and income inequalities, underdevelopment, and exploitation/colonization
Creation of non-governmental (NGO) and intergovernmental organizations (INGO)	Flattening world and borderless societies
Spread of democracy and development and perpetual peace	Disease spread/ Uncontrollable Pandemics
Global connectivity	Cultural issues/ divisions of tribes when borders have been redrawn
Minimization of wealth disparities/ social capitalism	Capitalism’s roots of slavery, colonialism, and now racial capitalism

### DISCUSSION OF FINDINGS

There are certainly some very positive things that both capitalism and globalization have brought to both the developed and the developing world. As illustrated, some positives include economic development, global interconnectedness, increased production and innovation, the spread of democracy and development, and the spread of intergovernmental organizations or non-governmental agencies. Each of these is designed to lift people worldwide out of dire situations. In other words, move people out of poverty and into better, more stable economic standings. The function of globalization is to provide the network for ideas—economic and cultural alike—to be accessible to all, regardless of the region of the world or the standing of their country regarding the global hi-



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erarchy. This is an optimistic set of conditions and in some cases has worked, but often, the developing periphery countries get left out of the equation. The capitalist system has been designed to serve the few who already have the resources and ability to develop them. While it has been marketed for years as a system that can help the masses through innovation, competition, etc., very rarely does that ever actually occur—at least for those who are in the developing world. Centuries of colonization, slavery, wars, and unequal access to opportunity do not just get rendered obsolete or too damaging to the world system through the institution of capitalism through means of globalization.

Globalization has been extremely beneficial to the developing world in some regards, but it has also hurt these countries gravely. There is often the idea that Western aid and influence are positive and will help developing countries. Piketty (2015) discusses that this is not the case and that this assistance ignores the fact that these countries are not the owners of their wealth. This spread of Western assistance and help has masked what is going on—the West is taking resources and labor unchecked (Piketty, 2015). Through the spread of Western ideas, there has been a loss of tribal and/or traditional cultures. In response to this, there has been a rise in nationalism in some communities, and dysfunction in others. In parts of Africa, where country borders have been redrawn to benefit the Western Colonizers, the response has been dire. Many tribes have been broken up by these borders, and there is a lack of national allegiance to the new boundaries, and still allegiance to the tribal members. This lack of allegiance to a new government and sovereign society has tended to lead to cycles of corruption within the political system. The citizens of these countries have borne the harms brought about by the negative impacts of globalization and capitalism. To survive in this system, the people must play by the system's rules, which often are in conflict with the traditional values of their communities. This is very distressing. The principles of globalization suggest the unity of the world and the sharing of different ideas globally; however, there is mostly just the spread

of ideas from the Western world to the developing countries and not the other way around. It seems there is a one-way channel for ideas—ideas from the West are directed downwards. Aside from resources and labor, little is brought from the developing world to the developed countries.

It is extremely important to note that while capitalism has been ex-effective in developed countries, it does not always have the same success in the developing world. The idea of developed countries implementing capitalist systems in the developing world more closely matches the principles of realism as opposed to assisting these communities in the process of moving on the path towards progress. As noted in the previous section, the relationship between the core and periphery countries is highly exploitative (Rodney, 1974). The core becomes the dictator of what goes on in the global arena, making it impossible for the periphery to have opportunities for substantive and meaningful input regarding both their domestic affairs as well as international relations. Even though the core relies heavily on the periphery, it highly disregards these marginalized communities. This means that these communities do not have much of an opportunity to grow past the level that the core keeps them at. The capitalistic core develops the periphery to the extent whereby the periphery can aid the core, but not to the point where these countries could develop to be a competitor in the international arena. The communities in the developing world are highly displaced, restructured, and exploited. While one might assume that the negative impacts of this would be offset by large economic or financial growth, this is often not the case, and these communities continue to exist under the undue influence of the parasitic core capitalist countries in the developed world.

There is also a strong tie between capitalism and poverty except for those who own the capital living in extreme wealth. To enter the capitalist system successfully, one must first have access to or have an accumulation of wealth. These institutional preconditions (Harris-White, 2006) make it next to impossible for those in the

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developing world to reap the same benefits that might be seen by the elite few even in countries like the United States. Often to enter the capitalist system, individuals must give up certain values. This exchange of values for promised better economic standing is most often empty. The capitalist system is not regulated by a governmental body, meaning that what happens is effectively determined by norms outside of a system (Harris-White, 2006). The system, therefore, continues to be oppressive and exploitative because it benefits those who are in positions of authority (Harris-White, 2006). Those who do not embody those positions of power are exploited. Not only do these people not have much of a say in the way that their society serves them, but they also have to absorb risks. These risks can be economic, environmental, etc. To conclude, to maximize the benefits afforded by the capitalist mode of production, one must have some wealth and fit the societal norm of who should hold power. In the developing world, most do not fit this description, and therefore, the capitalist system is not designed to serve them.

Globalization makes borders and other physical boundaries irrelevant when it comes to the spread of information. This openness also provides for the possibility of negative effects that are unchecked, as well. With a borderless society comes a rapid spread of disease. Large epidemics, which could once be contained to a community, now spread globally. Societies are almost toxically interdependent on one another. For example, in response to the threats of the Covid-19 virus, many countries shut down their borders. Through trade and necessary travel between borders, this disease spread. A virus pays no mind to physical barriers based on national identity, and it becomes impossible to contain when different countries are so reliant on each other to function (Rashkova, 2020). For obvious reasons, a pandemic is an extremely negative thing and hurts society at large. These pandemics are even more dangerous in the developing world. This is because these countries and communities do not have the resources they need to respond to such a rapid threat. In some particularly impoverished commu-

nities, there is no access to sterile equipment or personal protective equipment. This puts those who are in charge of health care at extreme risk. If they are unable to take care of the sick citizens, the threat becomes unmanageable. Developing countries also do not gain access to medications and vaccinations at the same rate or amounts that their counterparts in the developed world do. This is a serious disadvantage with the result leaving these regions and countries significantly behind in the process to overcome the health crises. While the Western world is returning to a sense of normalcy since the Covid-19 Pandemic has begun, the rest of the developing world will fall behind. This harms communities and prevents any other progress from occurring. Times of high amounts of disease also highlight income inequalities. This can be seen throughout history and currently in the day-to-day lives of many because of the Covid-19 Pandemic.

The general issue surrounding the spread of globalization and the implementation of the capitalist mode of production in developing countries lies not with the systems themselves, but how they are being implemented and monitored. There are certainly more responsible ways in which the developed West could bring these ideologies to the developing world.

### **CONCLUDING REMARKS**

Throughout the previous sections, this study has elaborated upon a review of the practice-focused and critical analytic literature on the positive and negative effects of capitalism and globalization on the social, political, and economic development in developing countries. In so doing, 1) the study has examined the definition of capitalism and globalization, and 2) the effects (positive and negative) of the capitalist mode of production being implemented in developing countries. Overall, the study has revealed the following;

First, capitalism as an economic theory has certainly evolved

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since its inception in the early 1500s. By promoting open markets and free trade, there has certainly been innovation, competition, and growth. Combined with globalization, the capitalist mode of production touches most communities worldwide and has brought about many changes to traditional ways of life. These changes are positive in some respects and incredibly debilitating in others. With these changes emerged issues such as colonization, slavery, the proliferation of racist ideas and systems, extreme income inequality, changes in traditional ways of life, the spread of uncontrollable disease, etc. These negative impacts harm those in the developing, or periphery, countries at a disproportionate level as compared to those in the core, Western, developed world. This is interesting to note given the fact that the leaders and large corporations in the West are the ones who are pushing forth these theories and systems.

Second, for these systems to operate effectively (that is capitalism and globalization) the study proposes that there must be a variety of large economic, social, governmental, technological, and therefore cultural changes that take place. The changes brought about can be beneficial, but often, due to how they are implemented and monitored, end up bringing about great societal consequences, specifically within countries in the developing world. As aforementioned, some of these consequences include greater wealth and income inequalities and underdevelopment, flattening world and borderless societies, disease spread and uncontrollable pandemics, cultural issues, divisions of tribes, and capitalism's roots in slavery as well as racial capitalism. Often, when the Western world implements these systems in developing countries, they are not properly managed, or they are implemented before a strong government structure is put into place. This leads to cycles of corruption where the elite few control the wealth and many other citizens end up in extreme poverty. Underdevelopment perpetuates this cycle. Systems are created without strong foundations and institutions, and because of this, many people in the developing world are left with conflicts to resolve but do not have the resour-

es to adequately do so. This is extremely harmful and impedes progress as well as prevents future development from occurring. For the capitalist mode of production to operate more efficiently, it would be suggested to first promote a strong democratic government with a sound and non-corrupt leader. From there, it should be ensured that wealth would not be kept in the hands of the elite few and that it would be distributed among those who are working within society. From this study, it is concluded that the issue is not with the systems of capitalism or globalization, but instead with how the developed world is choosing to implement them in the developing world. There is still hope for progress for these countries; however, the West must be more responsible with how they choose to aid these communities. The West must also be held accountable for its actions of colonialism and exploitation.

### STUDY LIMITATIONS

There are several limitations to this study, the first being that the research conducted only used secondary data such as books and academic journals. The second limitation is the means used to collect the research. The research was conducted through sources including academic literature from East Central University's Linscheid Library, databases such as Science Direct, Web of Science, Google Scholar, Ebscohost, conference proceedings, and books i.e. *Global Politics* by Andrew Heywood, *Thinking Globally: A Global Studies Reader* by Mark Jurgensmeyer, and *How Europe Underdeveloped Africa* by Walter Rodney, *Theories of International Relations* by Scott Burchill et al.

### AVENUES FOR FUTURE RESEARCH

Based on the findings from this thesis more studies that used primary rather than secondary data are needed to help in providing a deeper understanding of the effects of capitalism and globalization in the developing world. Such studies should specifically use primary data collected through interviews and anthropological meth-

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ods documenting the horrific living conditions of communities impacted by capitalism and globalization in the developing world.

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