**Spreading the Wealth** (Dollar and Kraay)

Globalization – promotes economic equality (for example see China and India)

- openness to foreign trade and investment explains the GDP growth of China and India as well as other nations
- higher growth rates mean higher incomes for the poor

**Threats to Globalization**

1) Protectionism
2) Corruption
3) Strict Border Controls

**Globalization** (Held)

Held notes several characteristics of globalization:

1) Stretching of activities across national borders
2) Interdependence
3) Increased speed of travel and information
4) Distant events can have a large impact in far away places

- all these points imply a connectedness between different regions of the world
- politics is no longer strictly based on the nation state

**The Backlash** (Friedman)

- For Friedman, “the backlash” represents attempts to remove or lessen the harsh set of conditions and changes that globalization places on developing nations
- This concept comes from his book *The Lexus and the Olive Tree*. In his somewhat muddled, oversimplified, and cheeky terminology, the Lexus represents “modernization” and “change” while the “olive tree” represents traditional values (e.g. religion, customs, tradition)
- In the first globalization (pre-WWI) the backlash was communism, socialism, and fascism. Today, Friedman does not believe that “the backlash” will have a coherent ideology
- He sees a “Fast World” and “Turtles”…the “turtles” are left behind because they cannot keep up with the pace of change. The “wounded gazelles” represent those nations that have tried globalization but who found it didn’t work.