

**From Philosophy of History to Political Philosophy: An Ideological
Investigation of Globalization**

Kuo-yang Tang
Department of Sociology
University of Missouri-Columbia
e-mail: kt46a@mizzou.edu

Paper prepared for First International Congress of Qualitative Inquiry
University of Illinois at Urbana-Champaign, IL
May 5-7, 2005

**From Philosophy of History to Political Philosophy: An Ideological
Investigation of Globalization**

One of the most momentous historical developments in the past two decades has been the crisis of global socialism. The fall of Berlin Wall, the collapse of former Soviet Union and the democratic movements of Eastern Europe Block, even though socialist countries such as China and Vietnam have to embrace liberal market economy. At the end of twentieth century, it seems that capitalism had announced total victory over

socialism and the long battle between them which began early twentieth century, was over. A variable army of politicians, academics, and journalists has proclaimed that socialism was destined to become the historical relic.

Many have argued that the irresistible trend of liberal democracy, one of the reasons, is resulted from the irreversible process of globalization. The logic assumes that globalization is not only an inseparable prerequisite to promote economic development but also the dynamics to transform political structure into liberalism in less democratic countries because economic development within countries creates new middle classes around the world, with their natural demands for more participation in decision and political pluralism. The logic seems sound. Especially given the facts that the end of the Cold War and the collapse of communism have discredited all models other than liberal democracy (Diamond & Plattner, 1995). Modernization theorist, Ronald Inglehart (2000) claims that “the economic development seems to bring gradual cultural changes that make mass publics increasingly likely to want democratic institutions and to be more supportive of them once they are in place.” (p.95) As many globalizers have claimed “There is one best way, and America has found it.” For example, Thomas Friedman's celebrated *The Lexus and the Olive Tree* is a celebration of the American way, of market capitalism and liberal democracy (Friedman, 2000). Bhagwati's strikingly successful defense of open markets in his recent book *In Defense of Globalization* (Bhagwati, 2004). Economist Martin Wolf in his *Why Globalization Works* argues that although trade openness alone may not always lead to sustained growth, the former is necessary for the latter (Wolf, 2004). The message of globalizers is quite clear that economic and technological forces impose near uniformity of political and economic forms and functions on states. Globalization, if it were realized, would mean a near uniformity

of conditions, not only politically and economically but also culturally and socially as well, across countries.

These ardent advocates not only show strong support to globalization, but also imply that the free market and liberal democracy are necessary institutions for the future world. Perhaps the most famous obituary for socialism has been advanced by Francis Fukuyama. In an article entitled “The End of History?” (Fukuyama, 1989) and in a 1992 book, *The End of History and the Last Man* (Fukuyama, 1992), Fukuyama has gone far beyond delivering an autopsy of the now-defunct socialist regimes. Obviously, some see globalization as the way of the future, bringing unprecedented prosperity to everyone, everywhere. However others opposed globalism fault globalization as the source of untold problems, from the destruction of native cultures to increasing poverty and immiseration (Stiglitz, 2002a). Furthermore, although many globalizers believe that the world is increasingly ruled by markets, “The hidden hand of the market will never work without a hidden fist”, as Thomas Friedman honestly put it (p.373). Looking at the state among states leads to a different conclusion about globalization (Waltz, 1999). Globalization is the “Great Transformation” or “Great Illusion”, I have no intention to repeat the old tune as many scholars had done, and done well. In this paper, rather, I want to sort out the different meanings of globalization and examine the ideological origin of globalization by inspecting Fukuyama’s theory of the “End of History”. Which I believe is the best illustration why globalization is believed to be an irreversible process for many of its ardent advocates. As Wolf (2004) firmly argues that “The problem today is not there is too much globalization, but that there is far too little”, and proclaims that “We can choose a better world – or a worse one.” (Wolf 2004: xvii) I argue globalizers are trapped into the “either-or” pattern which assumes that

there are only two possibilities in a situation, or only two choices. Often, however, there are really more than two.

Has history ended?

The End of History is a liberal celebration of the West's victory in the Cold War. Written from a consciously Hegelian perspective, its tightly constructed argument that political liberalism or more precisely, liberal democracy is the highest form of political life, which a state can achieve, and economic neo-liberalism is a practical necessary concomitant to political liberalism. Francis Fukuyama has argued that liberal capitalism is "the final form of human government," that there can be no viable alternative to capitalism, and that as far as ideological development is concerned, we have reached the "End of History" (pp. xi-xxiii). He bases his central arguments on his conviction that there exists a "Universal History" – "history understood as a single, coherent, evolutionary process" (p. xii) – in which mankind is moving progressively towards a destination, and when mankind has achieved that goal that is the end of "History". Since communism – the last major challenger to the supremacy of liberalism – is dead, the operation of liberalism in both the political and economic spheres has brought mankind to that endpoint. This is not to say that events will stop happening, or that liberalism will not be challenged and maybe even suffer setbacks. But he argues that there is going to be no further political or economic evolution beyond the modern liberal democratic state. In other words, his theory is that we are seeing the end of evolution of thought or principles governing political and social organizations. Liberal democracy is the winner of this struggle.

It is easy to see why he may have felt this way after the fall of the 'Wall'.

Moreover, Fukuyama's belief is not unique, early in the 1960s when modernization theory was popular in the West, this kind of directional history has already been

proposed by Western scholars concerning about the development of less developed countries (Lipset, 1959; Parsons, 1966). The difference is that Fukuyama cleverly covers this ethnocentrism with Hegel's philosophy as it implies that western system is some perfect theory that all people will eventually accept as their cultures and societies evolve into western obviously superior state. The leaders of the People's Republic of China have been racing to restore capitalism since the early 1980s. Gorbachev's embrace of capitalist markets and social democracy sounded the death-knell for socialism in the Soviet Union. Formerly socialist-oriented countries in the Third World have since been compelled, some more reluctantly than others, to seek accommodation with a newly resurgent global capitalism. The East Asia economic miracle promotes democratization in that area, although it is arguable. All these facts support Fukuyama's argument that the remarkable worldwide character of the current liberal revolution takes on special significance. He is full of confidence saying "it constitutes further evidence that there is a fundamental process at work that dictates a common evolutionary pattern for all human societies-in short, something like a Universal History of mankind in the direction of liberal democracy" (p. 48). He further demonstrates that liberal democracies worldwide in the 1960s consisted of only 36 countries and increased to 61 in the 1990 (p. 50) to support his argument. In his conclusion, he returns to the themes of *The End of History* with an argument that liberal democracy is the best vehicle for facilitating the flowering of productive sociability, and "we can therefore expect a long-term progressive evolution of human political institutions in the direction of liberal democracy" (pp. 280, 281).

Obviously, Fukuyama supposes that there was such a thing as single, coherent modernization process, but it did not lead to socialism or to a cultural-determined locations, but rather to liberal democracy and market-oriented economic as only

viable choices. Fukuyama's confidence in the supremacy of liberalism and the existence of a "Universal History" seems to reflect a mindset akin to faith, but *The End of History* is not a catechism. Rather, it is more like the medieval philosophy of Augustine and Thomas Aquinas, using philosophy to prove the existence of God, that is, defending faith with logic. According to Fukuyama, (and Hegel), the progress of mankind has been caused by two "Mechanisms" in social history. The first mechanism is a person's natural inclination to seek recognition and honor from fellow human beings. Fukuyama argues that humanity's progress from the Stone Age through agrarian society, feudalism, capitalism, etc. was driven primarily by the mechanism, rather than any more basic need like self-preservation. Indeed Fukuyama argues that the request for recognition (*thymos*) drives people to defy the instinct for self-preservation (p. xvii, pp. 162-165). This mechanism can easily become destructive if, for instance, the quest for *thymos* degenerates into nationalism, but liberalism – especially its economic manifestation as competitive capitalism – provides a myriad of productive and non-destructive outlets for this *megalothymia* through politics, business, professional advancement etc (pp. 328-338). Thus, liberalism has solved the problem of war.

The second mechanism is intrinsically cumulative character of knowledge of the natural sciences. Since a breakthrough of science cannot, in practice, be forgotten, and inventions cannot be uninvented, progress in the natural sciences anywhere sets a certification for progress. It seems that Fukuyama accepts a pre-Kuhnian conception of scientific knowledge and discovery (Kuhn, 1996 [1962]). Superior technology will give victory in battle and/or economics, creating a mechanism that ensures that no society can remain isolate from human progress after initial contact. Fukuyama firmly asserts that "this process guarantees an increasing homogenization of all

human societies, regardless of their historical origins or cultural inheritances” (p. xiv). Progress in the natural sciences is not necessarily related to political ideology at all, but Fukuyama argues that there is contingent link between modern natural science and liberalism because modern liberal societies are the best system for the delivery of the fruits of post-industrial age technology. Therefore, according to Fukuyama, “the logic of modern natural science would seem to dictate a universal evolution in the direction of capitalism” (p. xv). Since people in all societies aspire to material advancement, and since a society cannot achieve this without imitating liberal societies at least superficially, the globalization of the world economy will accelerate the spread of liberal democracy. According to this logic, globalization advance economic development, and economic development will promote liberal democracy. Therefore, globalization, economic development, and liberal democracy become the Trinity. Careful readers may find out immediately that Fukuyama’s theory has the resemblance of modernization theory that is full of the ideology of evolution developed by the West.

It is easy to criticize a book written a decade ago. But authors may change their stance after experiencing social change; however, Fukuyama seems not to alter his belief a decade after, even more firmly to defend his argument consistently exposed in *The End of History*. He answers his critics saying, “That empirical part queries whether there is something like the Hegelian-Marxist concept of History as a whole. The answer is yes, and lies in the phenomenon of economic modernization based on the directional unfolding of natural science” (Fukuyama, 1995). In 1997, Fukuyama gave an interview at the Merrill Lynch Forum when asked about the question “Are there aspects of globalization that lead to homogenization?” He replied, “In term of large economic and political institutions, cultures are becoming more homogeneous...

To be an advanced society, a country has to be a democracy, and it has to be connected to the global marketplace.” Moreover, he even without hesitation saying that, “America is the most advanced capitalist society in the world today, and so its institutions represent the logical development of market forces. Therefore, if market forces are what drive globalization, it is inevitable that Americanization will accompany globalization.” After September 11, his theory received more severe critiques; however, he still optimistically maintains, “The process of modernization was, moreover, a universal one that would sooner or later drag all societies in its train (Fukuyama, 2002). It is safe to say that Fukuyama has not change the ideas in *The End of History* at all.

Why is Fukuyama so optimistic about globalization? More precisely, why is he so confident about liberal democracy or the American system but not other possibilities? While this certainly makes for an interesting discussion, his thesis is flawed. It is important that we take the time to look at why this is.

What does metaphysics have to do with globalization?

Fukuyama’s optimism is based on, the philosophy of Hegel and the evidence he observes from the phenomenon of the historical development. These two mutually support each other and strengthen Fukuyama’s belief. Like Marx, Fukuyama shaped his own philosophy of history as Historicism, a directional and evolutionary historical development. Therefore, it is helpful to understand the origin of Fukuyama’s arguments and how his ideas have been governed by the underlying assumptions of an ideological worldview.

“Universal History” is Fukuyama’s main theme for his arguments. The concept came from Hegel’s philosophy, which constructed in *Phenomenology of Mind/Spirit (Geist)* and *Philosophy of History* (Hegel, 1956; 1967) as a most important part to

understand Hegel's metaphysics.

In Western philosophy, metaphysics is the study of the fundamental nature of all reality, visible and invisible. Hegel regarded everything about the world and its history as the development of something non-material, a historical process that culminated in the self-awareness. He looked at human nature in historical terms, which is in the form of master/slave. Hegel saw the reality was a process, always moving forward, never static to break the constraint of *Geist* (a process of *aufheben*). He called this the "dialectical process." What this whole process of historical change is seen as bring about is something that Hegel called, in German, *Geist*, a midway between mind and spirit. For Hegel, *Geist* is the very stuff of existence, the ultimate essence of being; the entire historical process that constitutes reality is the development of *Geist* toward self-awareness and self-knowledge. When this state is reached, all that exists will be harmoniously at one with itself. Hegel called this self-aware one-ness of everything "the Absolute." (Lauer, 1971) In western theistic philosophy, it refers to a First Cause of reality, thought identical with God.

The whole process has to go through three phases, starting with the phase of consciousness in general which is sensuous, perceiving and understanding. The second phase is the self-consciousness, which recognizes itself in other self-consciousness, and is identical with them as well as self-identical. The third phase involves reason, the highest union of consciousness and self-consciousness, or of the knowing of an object and of knowing of itself. For Hegel, because the process or change is a product of the operation of historical forces, the individual caught up in it has no real power to direct it. In other words, you cannot just jump out of history; that is to say, you cannot make yourself independent of the dialectical process (Magee, 1998).

The *Phenomenology* offered the solid metaphysical explanation to Hegel's directional philosophy of history. Historical process thus is not contingent but necessary and evolutionary. In any given process of the development the only thing that could put an end to this pattern of change, and in doing so give the individual his freedom, would be the emergence of conflict-free situation. If there were no further conflicts, there would be no further change. If what we are talking about is the historical development of society as a whole, this will happen when a conflict-free society is achieved. The ideal state of affairs will then have been reached, and further change will neither necessary nor desirable. The directional philosophy of history, in fact, did not begin with Hegel, but has its long tradition in the western culture.

The idea of "Universal History" is very different from ancient Greek and ancient Chinese philosophy, which regarded history as cyclical. According to the idea of "Universal History", the dynamics of history moving forward is so strong, it is unstoppable and its direction has been decided. One who tries to resist is only causing his/her own destruction. As we know, Marx's communism was nothing but the reinterpretation of Hegel's idea of "Universal History", generated the battle between communism and liberalism. The bloody battle, in fact, is the mutual slaughter between brothers. The dynamics of history comes from a certain desire of human beings, for Hegel it is "freedom", for Marx it is "emancipation". The conflicts of ideas only strengthen the dynamics of history and continue to provide the motive force for further dialectical change. Once the idea of "freedom" is reached, the "Universal History" has ended.

The end of history implies that there was a beginning. The philosophy of history with the notions of beginning and end embodied the idea of stages of human history. As a follower of Hegel, Karl Marx obviously evolved this kind of historicism to

justify his orthodoxy of the necessity of communism as the end of human history.

Fukuyama, not surprisingly, adapted the whole set of theories to justify his thesis as well. In this sense, Marx and Fukuyama are just like a twin but with different appearances. The wisdom of ancient Greek and Chinese put human life in the natural universe, within this cyclical universe; there is no beginning and end. The directional history full of the idea of evolution indeed is a product of western thought. So how the history, which with the notions of beginning and end, was began?

Christianity may give us an answer. The beginning is in the Genesis of the Old Testament. However, Genesis only mentioned the creation, without talking about the “End”. The anticipation of the “End” is shown in the Second Coming in the New Testament. Nevertheless, the New Testament does not point out the exact time when the “End” will come. The obvious anxieties of westerners thus come into view when the world reached its second Millennium. The questions whether the world had a beginning and will have an end are undecidable for rational thought. But for Christians, the belief that the world had a beginning, having been created by God, and will one day have an end is undeniable. Believing in God and believing the end of the world will come logically generate a dualism in Western thought. The struggle between the Dark and the Light, the good from evil; the opposition of the traditional and modern, the primitive and advance, the backward and progress, the matter and mind, etc. The dualistic thought that dominates the western world has a long history. It is not surprising that Western cultural tradition treated non-Western cultures as heathenish one and formed the opposition of us/them. However, this dichotomy will bring a very dangerous result.

The process of globalization functions to impose particular kind of culture, namely Western culture, on non-Western societies. The prevailing culture is

reproduced by the institutions in order to effectively carry out their work. The work cannot begin until “inferior” subject is created. The non-Western societies are persuaded that their cultures are fundamentally “inferior”. This construction of the opposition of inferior/superior is necessary in order to justify the superiority of Western culture. Therefore, non-Western societies should model the Western system to reach an equal, free society, or in their mind, a modern society. This mentality was not only the result of, as Edward Said suggested, the orientalism in the construction of Asia by Europeans and a problem in Euro-American modernity (Said, 1978), but also a result of “self-orientalism” (Dirlik, 1996). In effect, non-Western societies must first construct inferior subject, which are then converge into superior one. This mindset radically dismissed the fact that different cultural values are embedded in different societies. How is it possible to persuade non-Western societies that their cultural beliefs which sustaining in their societies are inferior? Resistance among non-Western societies is part of the process expected by globalizers, but it is assumed also to be worn down with time, punishment, and threats. Is it so? The point is, the resistance, not because of non-Western societies resist modernization but because of being coerced to accept homogenous culture (Barber, 1996). The standpoint of dichotomy is shaped partly because of lacking adequate knowledge of “them”, and partly because of the inveterate ideology. Radical response from Muslim societies, for example, is not surprising.

However, according to Fukuyama’s theory, these problems will eventually be solved by the process of globalization. His optimism comes from the strong belief of historicism. Yet, here come the problems with the historical determinism. Perhaps the most obvious problem with Hegel’s philosophy of history is that the “necessary” freedom that his system mandates can look a lot like unfreedom to anyone who

happens to disagree with its dictates. If history is decided and its end had being pointed out, then individual freedom of will should not exist. If there were an immanent final goal of history, then those who believe they know it and claim to promote its attainment would be legitimized in using all the others who do not know it as a mere means. The historicism is taking the risk to put people under the rule of totalitarianism, fascism and Stalinism. For historicism is not an open-end system, it excluded any other possibility of human development. Its closeness causes the threat to open society and becomes the enemy of open society (Popper, 1966). Popper already pointed out early in 1938 that the risk of historicism based on the law of evolution. The twentieth century has acquainted us in terrifying exquisite detail with what happens when people are treated as “moment” in an impersonal dialectic.

Fukuyama, the philosopher, impressively knowledgeable, deeply committed to neo-Hegelian view of the historical process. This Fukuyama seems to put greater stock in ideas than facts. Early on his book, he remarks that, “it is possible to speak of historical only if one knows where mankind is going” (p. xii). But is this so? Is it not rather that what one needs in order to discern progress is knowledge of where mankind has *been*, not where it is going? And in any case, whom should we trust to furnish us with accurate reports about where mankind is going? Is Hegel, for his genius, really a reliable guide? Is Karl Marx? Or is Fukuyama? History, an account of how man has lived and suffered, is what we require to declare progress, not prophecy.

Another problem of Fukuyama’s thesis is his historical method. Fukuyama observes the phenomenon of human history, giving evidence to support his theory. However, Fukuyama’s conclusion is inductive rather than explanatory. It is a fact that no historical discipline makes general statements. Such statements are, it is true,

made use of in historical work, but the hypotheses and laws established with their help are always singular. The object of historical science, namely human affairs, is so constituted that interest is centered on the individual rather than the general. As Bochenski (1968) pointed out in his book *The Method of Contemporary Thought*, “the historical sciences are *idiographic* disciplines (describing properties) not *nomothetic* (establishing laws), and induction is of no use of them” (p.122). Fukuyama tried to represent reality by using the phenomenon he observed with limited vision. He forgot Hegel’s view that phenomena are appearances (Lauer, 1971). Where is reality? In Hegel’s view, we can only know Reality when we have completely mastered the appearances, since the appearance (phenomena) partially hide and partially reveal Reality (noumena) in a particular manner. It reminds us of Plato’s parable of the shadows in the cave, where appearances were taken for reality. Yet, Fukuyama presents strong cases to show that liberal democracy has prevailed over socialism (pp. 25-28), regardless of the facts that a massive social disruption took place in the West between the 1960s and 1990s. How does Fukuyama justify himself? Since the system of the West is the final form of human politics and economics, there should be no conflict existing. What is the reality of the world? What is the truth of globalization, which Fukuyama enthusiastically advocates based on his belief that liberal democracy is the final form of governance, and on his understanding of “Universal History”? Let us turn to the issue of globalization.

Rethinking Globalization

In matter of fact, the philosophy of history is also political philosophy. Because the contemplation of history of mankind is also the contemplation of the world. The order of history can be seen as the order of the world because the existence of human beings in the political societies is the existence within history. A political theory, if

intent to be elevated to the status as principle, it has to be a historical theory at the same time. In other words, to talk about the philosophy of history is to ask the metaphysical meaning of history which represents a certain stance that approve or against a certain political philosophy. From Augustine to Hegel, the historical philosophy and political philosophy can both be viewed from this perspective. Although *The End of History* represents a claim of historical philosophy (historicism), in fact, the one that dominate this historical philosophy is the issue of political philosophy. In other words, Fukuyama is spreading the ‘order of history’ of the victor. The order of history is, namely, the democracy of liberal market.

Fukuyama, the political scientist, has established opinion already. He enthusiastically promotes globalization because through this mechanism, “societies have become increasingly linked with one another through global markets and the spread of a universal consumer culture” (p. xv). Further, he asserts that, “the logic of modern natural science would seem to dictate a universal evolution in the direction of capitalism” (p. xv). Fukuyama is optimistic for the world in the future, if, all societies can adapt the total system developed from the West (especially American), for the world of liberal capitalism is the best of all possible worlds.

I am not against the value of liberal democracy proposed by Fukuyama, what I am against is the logic behind Fukuyama’s theory that we should accept all western values otherwise we are in the way of historical development. Fukuyama’s theory actually, is a combination of modernization theory and cultural homogenization impose on the other societies. In other words, it is the renaissance of convergence theory. However, North (1991) pointed out that the adaption of the U.S. Constitution by South American countries did not lead to democracy, and Litwack (1991) pointed to the failure of “Western” organizational reforms in the Soviet Union to generate any

economic benefit. To expect that a beneficial organization of one society will yield the same results in another is always misleading (Grief, 1998). The conception of there exist a superior model which every society should adopt is certainly generating the problem of practice that I mentioned previously about the problem of “the end justifies the means”. The backlash from the less developed countries is not surprising. Because once adapting dualistic point of view of progress, the form of master/slave once again is present in the power relation between developed and less developed countries. In the Third World, the future of the establishment of capitalism is far from certain in most of these countries. Because the resentment of these countries toward the West, *thymos* (using one of Fukuyama’s words) will generate nationalism and never cease to exist. The anti-American movement in the Muslim countries is an example of this process (Barber, 1996).

Fukuyama’s argument that economic development drives the reform of political structure is also problematic. Consider Russia, for example. The form of socialism that existed there before 1991 certainly had many problems. But it did not collapse because of mass popular struggles for the restoration of capitalism. What happened was that Gorbachev and a section of the so-called “communist” leadership abandoned their ideological commitments, embraced capitalism and the western-style social democracy, and set in motion a chain of events which led not only to an authoritarian pro-capitalist government but also to the greatest peace-time economic and social disaster in recorded history (Åslund, 1991; McClellan, 1994). But Fukuyama, like most other Western observers, does not address the fact that there are millions of Russian workers who have joined socialist organizations and are dedicated to developing a second socialist revolution in their country. The long-term future of capitalism in Russia is highly uncertain. To Fukuyama, a shift in the economy was

“almost inevitable” because “virtually all political questions today revolve around economic one” (p. xiii). His view is too simplified and fails to see the whole picture (reality) but only see part of phenomenon as I previous mentioned. Consider China as another example. The pro-capitalist economic reform during the last two decades was not initiated because of popular pressure for the restoration of capitalism; they were initiated by a party-state bureaucracy represented by Deng Xiaoping, which abandoned its commitment to socialism represented by Mao Zedong, even as it clung to its authoritarian power (Dreyer, 1996). Now, it cannot be denied that these economic reforms have sparked significant economic growth and led to the enrichment of hundreds of thousands of new capitalists. Neither can it be denied that these developments have come at the price of the abolition of guarantee employment and other social protections for ordinary people. Nor can it be denied that hundreds of million Chinese peoples are now living in extreme poverty. Nor can it be denied that there is growing popular unrest over the escalation level of exploitation and social inequality in the country. The real effect of the economic reforms in the long run may well be that these developments are laying the basis for a second socialist revolution and the creation of a new and more democratic form of socialism. Fukuyama’s argument might be premature. The fact is that capitalist restoration in these two countries is far from certain, and capitalist restoration did not result from the majority of people choosing capitalism over socialism in the struggle of ideas, as Fukuyama claims.

In Third World countries, which are influenced by globalization, the situations are less satisfactory. Fukuyama believes that globalization is the engine for modernization in these areas. It is undeniable that transnational corporations that invested in the Third World countries created a certain degree of job opportunity.

However, capitalists take advantage of capital flows to escape regulation in their own countries. Capital flows to less-regulated, cheap-labor countries cause the problem of mass structural unemployment and further destroy the basis of social security in their home countries (First World). Globalization offers capitalists excellent opportunities to invest across the border. But their intention is not to help less developed countries, but to pursue profit. Globalization, in fact, helps capitalists escape their social obligation at home and create an era of “capitalism without work”. Thus, free trade and capital flows, in certain degree, represent a crisis for labor. Today, a factory is in Taiwan. Tomorrow it may be moved to China. Capital can flow and factories can move, but labor cannot. What happens is that trade liberalization, rather than moving workers from low-productivity jobs to high-productivity ones, moves them from low-productivity jobs to unemployment. Rather than enhanced growth, the effect is increased poverty (Stiglitz, 2002a). Workers become the victims of globalization. Mass structural unemployment means a high degree of unjust in the global economy (Sassen, 1999). The protests in Seattle were a message reflecting this. As Stiglitz (2002b) points out that

...globalization itself has been governed in ways that are undemocratic and have been disadvantageous to developing countries, especially the poor within those countries. The Seattle protestors pointed to the absence of democracy and of transparency, the governance of the international economic institutions by and for special corporate and financial interests, and the absence of countervailing democratic checks to ensure that these informal and public institutions serve a general interest.

According to Fukuyama’s theory, this will lead to another stage of conflict, which is the internal logical contradiction of his thesis.

The American society, which Fukuyama considers as the highest form of human society and the model of liberal democracy, also face its own internal instability due to inequality. The U.S. which vows to build the “new order of the world” and is the most important capitalist society, is itself divided by class and race. The wealth of the

capitalist class is created through the exploitation of the labor power of the working class majority. The U.S. and other advanced capitalist countries certainly have much higher levels of economic production and consumption than less developed countries. But describing the former countries as “affluent” has always been misleading, since the capitalist class has appropriated most of the wealth created by working people. The striking fact is that 80% of the wealth in the U.S. is owned by less than 20% of American (Shapiro & Greenstein, 1999). This “affluence” has thus been enjoyed primarily by big business owner, bankers, and landlords, with the spoils of exploitation being bountiful enough to also endow politicians, corporate lawyers, conservative intellectuals, and other loyal functionaries of the established order. Fukuyama’s confidence in liberal capitalism to provide adequate “recognition” of its citizens seems even more precarious. The widespread discontent and alienation generated in the capitalist societies which Fukuyama fails to address in his case for liberal capitalism as the “End of History”. As for the system of social democrats, it seems to be a pronounced blind spot for Fukuyama. In *The End of History*, he only spends one paragraph mentioning it, and then argues that social democracy (like European Christian Democracy) is merely a variant of liberalism (pp. 293-294). The “blind spot” is not only because of the limited vision created by his modernism that he only perceived partially the phenomenon of globalization, but also his established opinion that liberal democracy is the most superior system.

The history still goes on

Fukuyama obviously notices the problems of his argument. On the one hand, Fukuyama offers a sweeping celebration of the “triumph of the West” and proclaims that liberal capitalism is the “end point of mankind’s ideological evolution.” Yet, at certain points, Fukuyama seems to leave some doubts about his own conclusions.

While Fukuyama insists that liberal capitalist societies provides “recognition” of their citizens’ humanity and dignity, he also eventually concedes that these societies are inherently incapable of providing “equal recognition” for them (pp. 289-293). If the struggle for equal recognition and for equality turns out to be one of the main “engines” of historical development, then the future of capitalism appears quite questionable. The logical contradistinction in *The End of History* thus comes to the light. At the end of the book, Fukuyama grants that people of the advanced capitalist societies continue to be deeply divided over the question of equality, and then goes on to concede that “the ability of liberal democratic societies to establish and sustain themselves on a rational basis over the long term is open to some doubt” (p. 335). And in the concluding paragraph, stunningly, Fukuyama explicitly acknowledges that, over time, people may find liberal capitalism “inadequate” and “set their eyes on a new and more distant journey” (p. 339).

Does globalization necessary lead to liberal democracy as many globalizers claim? The answer is questionable. To a certain extend, globalization has meant different things in different places. To promote liberal democracy by the process of globalization may be perceived as a new form of the old colonialism for some countries. We should not forget that no matter how superior we think liberal democracy may be; it is perceived as inferior by some others. There are solid grounds for believing that a growing number of people around the world are indeed likely to find liberal capitalism “inadequate” in the years and decades ahead. The history may not so easily ended.

Reference

- Åslund, Anders. 1991. *Gorbachev's Struggle for Economic Reform*, rev. ed. Ithaca N.Y.: Cornell University Press.
- Barber, B. R. 1996. *Jihad vs. McWorld: How Globalism and Tribalism are reshaping the World*. New York: Ballantine Books.
- Bhagwati, J. 2004. *In Defense of Globalization*. New York: Oxford University Press.
- Bochenski, J. M. 1968. *The Method of Contemporary Thought*. New York: Harper & Row.
- Diamond, L. & Plattner, M 1995. ed. *Economic Reform and Democracy*. Baltimore: Johns Hopkins University Press.
- Dirlik, A. 1996. "Chinese History and the Question of Orientalism." *History and Theory* 35(4): 96-118.
- Dreyer, J. T. 1996. *China's Political System: Modernization and Tradition*. 2nd ed. Needham Heights, Massachusetts: Allyn & Bacon.
- Friedman, T. L. 2000. *The Lexus and the Olive Tree*. New York: Anchor Books.
- Fukuyama, F. 1989. "The End of History?" *The National Interest* 16 (summer): 3-18.
- _____. 1992. *The End of History and the Last Man*. New York: The Free Press.
- _____. 1995. "Reflection on the End of History, Five Years Later." *History and Theory*, Vol. 34, No. 2: (may) 27-43.

_____. 2002. (Winter) "Has History Started Again?" *Policy*. Retrieved March 23, 2003, from <http://www.cis.org.au/Policy/winter02>

Grief, A. 1998. "Cultural Beliefs and the Organization of Society: A Historical and Theoretical Reflection on Collectivist and Individualist Society." In *The New Institutionism in Sociology*, edited by Mary C. Brinton and Victor Nee. New York: Russell Sage Foundation.

Hegel, G. W. F. 1956. *The Philosophy of History*, trans. J. Sibree. New York: Dover Publications, Inc.

_____. 1967. *The Phenomenology of Mind*, trans. J. B. Baillie. New York: Harper and Row.

Inglehart, R. 2000. "Culture and Democracy." In *Culture Matters: How Values shape Human Progress*, edited by Lawrence E. Harrison and Samuel P. Huntington. New York: Basic Books.

Kuhn, T. 1996. *The Structure of Scientific Revolutions*. Chicago: University of Chicago Press.

Lauer, Q. 1971. *Hegel's Idea of Philosophy*. New York: Fordham University Press.

Lipset, S. M. 1959. "Some Social Requisites of Democracy: Economic Development and Political Legitimacy." *American Political Sciences Review* 53 (Mar.): 69-105

Litwack, J. M. 1991. "Legality and Market Reform in Soviet-Type Economies." *Journal of Economic Perspectives* 5 (fall): 77-89.

Magee, B. 1998. *The Story of Thought*. London: DK Publishing.

McClellan, W. 1994. *Russia: The Soviet Period and After*. 3rd ed. Englewood Cliffs, N.J.: Prentice-Hall.

Merrill Lynch Forum. 2001. Economic globalization and culture: A discussion with Dr. Francis Fukuyama. Retrieved March 15, 2003, from <http://www.ml.com/woml/forum>

North, D. 1991. "Institutions." *Journal of Economic Perspective* 5 (winter): 97-112

Parsons, T. 1966. *Societies: Evolutionary and Comparative Perspectives*. Englewood Cliffs, N.J.: Prentice-Hall.

Popper, K. R. 1966. *The Open Society and its Enemies*. Princeton, N.J.: Princeton University Press.

_____. 1983. "Historicism." In *A Pocket Popper*, edited by David Miller. Guilford, Surrey: Fontana Paperbacks.

- Said, E. W. 1978. *Orientalism*. New York: Pantheon Book.
- Sassen, S. 1999. *Globalization and Its Discontents: Essays on the new mobility of people and money*. New York: New Press.
- Shapiro, I. & Greenstein, R. 1999. *The Widening Income Gulf*. Washington, D.C.: Center on Budget and Policy Priorities.
- Stiglitz, J. 2002a. *Globalization and Its Discontents*. New York: W W Norton & Co Inc.
- _____. 2002b. "Globalism's Discontents." *The American Prospect Online*, Jan 1, 2002. Retrieved March 28, 2003, from <http://www.prospect.org/web/page.ww?section=root&name=ViewPrint&articleId=5992>
- Waltz, K. 1999. "Globalization and Governance." *PS: Political Science and Politics*, Vol. 32, No. 4.
- Wolf, M. 2004. *Why Globalization Works*. New Haven: Yale University Press.