

**Globalization and Its Discontents:  
Essays on the New Mobility  
of People and Money**

Sassen, Saskia. 1999. New  
York: The New Press, \$15.95.

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If the chapters of Saskia Sassen's newest book *Globalization and its Discontents* sound familiar, they may be: the book is a compendium of many of her previously published essays on topics surrounding the social effects of globalization. The ten essays were originally published between 1984 and 1998 in publications as diverse as the *Urban Technology Journal* and the *Yale Law Journal*. Sassen, a recognized expert in the field, takes on disparate and complex issues in each essay. The resulting chapters offer an original and meticulously argued approach for exploring the socio-political ramifications of globalization on the laws and boundaries of what Sassen calls "global cities." The book, however, is better at observation than solution, offering little insight into how better policies could help prevent or mitigate the myriad of problems identified.

The book continues the arguments of Sassen's 1993 work, *The Global City: New York, London, Tokyo*, in which she argues that strict socio-economic hierarchy emerges in cities with globalized economies. High-tech and service professionals (such as stock traders, attorneys, and computer programmers) who engage in conspicuous consumption create a heightened demand in the global city for low-wage laborers and service industry employees. The spatial concentration of these two deeply divided economic classes leads to increased social tension.

Sassen loosely defines global cities as "centers for the servicing and financing of international trade, investment, and headquarter operations." By leaving the definition flexible, Sassen allows room for a number of cities to fit it. She lists cities that match the characteristics: not only New York, London, and Tokyo, but also Buenos Aires, Bangkok, and Mexico City. She argues that new class alignments form in these global cities, and that such cities' politics are denationalized. These two transitions bring about four secondary changes in the order of global cities: changes in immigration policy, changes to the level of expression of the views of women and minorities, changes in employment markets, and changes in the relationship of digital space to

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physical space. *Globalization and Its Discontents* is divided into four sections, each dealing with one of these secondary changes.

The first section covers the globalization of immigration policies. Sassen argues that as high-tech global cities emerge and demand more low-wage labor, these cities will press for relaxation of their nation's immigration policies. She points to New York City Mayor Rudolph Giuliani as an example of this trend: Giuliani, an otherwise staunch Republican, has vehemently defended New York's illegal immigrant population from persecution by the federal government. Sassen's logic may be true for Giuliani, but she gives no reason why the opposite logic seems to prevail in California, where public opinion in cities with globalized economies and large supporting service sectors still views illegal immigrants as tax burdens.

The book's second section explores how the formation of the global city exacerbates the marginalization of women and minorities. The physical concentration of highly-paid service professionals with low-paid service laborers in global cities harms immigrants and minorities, who are most likely to be exploited and employed for low wages to serve high-tech professionals. Additionally, Sassen asserts that the presence of superprofitable enterprises, like finance and computer technology, in the center of global cities raises land values in global city centers and pushes out traditional commercial and manufacturing industries without the capacity for superprofits. These businesses then either leave the global city center, widening the gap between incomes there, or they go underground, re-establishing themselves in informal spaces such as basements or residential districts, or even buildings that do not meet codes. Sassen argues that, since women and recent immigrants are the predominant employees of these commercial and manufacturing industries, they are most likely to be harmed by informal practice.

The other argument of the second section of the book is that the globalization of businesses transfers power from traditional nation-states to a wider range of international actors. Finance and technology corporations supersede the power of nation-states when they act across borders. But this international business action arose quickly, taking by surprise the community of nation-state actors who typically determine international policy. Sassen argues that, in the period of uncertainty about who was to control policies in the new world order, other types of actors, like international human rights agencies and immigrants' rights groups, are able to effectively participate in international policy-making. The entrance of these groups into the international policy sphere can improve the voice of women and minorities.

### **Globalization and Its Discontents, Wendover**

The third section of the book covers the effects of a globalized economy on patterns of immigration. Here, Sassen proposes a bold, specific policy change. She calls upon the United States government to treat immigrants from countries who have been developed at the hands of U.S. companies with the same leniency that immigrants from Indo-China were treated after U.S. involvement in the Vietnam war. She says that American involvement in globalization affects both the supply of immigrants, through construction of factories and the export of Western goods, which make the distance to America seem shorter to prospective emigrants, and also the demand for immigrants to the U.S., by the rapid growth in demand for service sector employees. Sassen's argument has the face value of accepting responsibility for the capitalist development that the U.S. brought to developing nations. But the details of such an immigration policy are trickier than she lets on: first, it is unclear for which countries' immigrants the U.S. should be responsible. Unlike the Vietnam War, where American actions had direct and predictable consequences on a select number of countries, the effects of global capitalism are more difficult to measure. Is the U.S. not partly responsible for capitalistic development in all developing countries? That seems to be the logical—but unrealistic—conclusion to Sassen's argument. More importantly, the compensation that Sassen suggests the U.S. offer to emigrants of developing nations, open immigration, will eventually lead those immigrants into the commercial or manufacturing industries, where they will meet low wages, low job security, and the other harms of the informal practice of these industries that Sassen describes in Section Two. Her recommendation for changes to American immigration policy is unrealistic at best, and harmful at worst.

The final section of the book deals with how globalization is shaping the virtual space of the internet as well as physical space on earth. Sassen opens the section with a discussion of how technology corporations are re-shaping the virtual space of the internet, from creating web browsers through which users filter the internet, to controlling and charging for users' access to the internet and being able to charge for it. But some of her fears of this control are unwarranted. For instance, Sassen asserts that companies who firewall their internet sites so that only their own employees and clients can access it are appropriating a public good for private use. This assertion ignores the fact that virtual "space" on the internet, unlike real physical space on the earth, is infinitely expandable: these companies are in no way decreasing the space available to other users; we need only purchase the machines on which to store the expanded virtual "space." The last

section of the book is where Sassen finally offers realistic suggestions for controlling the negative effects of globalization on society. She points out that, while international finance and technology firms operate seemingly unregulated by nature of their multi-national bases of operation, no business operates wholly off the physical surface of the earth. And as long as these companies maintain some plants and buildings on the land controlled by nations and international regulating bodies, their operations are never totally out of regulatory control.

One of Sassen's key arguments is that the globally connected and oriented cities view their surrounding regions as being of little importance. These global cities re-define the traditional role of the hinterland as the production area of the region, and even question the more modern view of the hinterland as the labor supplier of the city's industries. Global cities, she says, are dependent only on a global client base and an extremely localized, urban supply of technical and professional support, and easily exploitable service labor to provide for the demands of those high-income professionals. These global cities act almost as autonomous platforms for their business capital, ignoring the impacts on their regions entirely.

*Globalization and Its Discontents* offers a serious, well-reasoned theory about how the mobilization of capital will affect our world. The flaws in the book, excepting a few minor technical misunderstandings, lie not in her tightly logical insights for understanding the effects of globalization, but in a lack of practical applicability of this theoretical knowledge. The very concept of a global city is so loosely defined that one might not know which cities qualify. And if one were able to recognize a global city, Sassen's book would offer little assistance in trying to cope with the problems she identifies in global cities.