

## [Self-sufficiency appeals to some, but the world gains by going global](#) [1]

Written by [George Layton](#) [2] | Thursday 8 August 2013



Calls ask us to "buy local," supporting domestic industry and cutting back on "food miles." The reasons advanced include saving fuel used in transportation, and not "exploiting cheap labour" in developing countries. Self-sufficiency is, however, an expensive delusion.

This morning few of us draw our own well water to wash in. Nor did we grow our own cotton and weave it into shirts. We did not grow even our own wheat and combine it with 'oaty goodness' to produce Cheerios. This is because we stick to what we can do, which is none of these things.

Specialization preceded globalization and is a major source of the world's wealth. It involves producers doing what they do well, and producing more goods more cheaply than people could manage themselves. Globalization extends it on a larger scale and to more peoples. It gives domestic firms access to increased demand across the world, and it enables them to obtain lower cost raw materials and thus become more competitive and create extra jobs. Consumers benefit, too, from lower prices that leave them more money to spend on other things.

Globalization means that firms can invest in overseas production, gaining the benefits of local skills for worldwide markets. The Nissan factory in Sunderland, for example, represents inward investment of over £3.5 billion. Meanwhile UK firms invest in production in developing countries, creating jobs there that raise the local standard of living.

Some blame globalization for the collapse of domestic industries, whereas what it did was to expose industries that were not viable without subsidies and protective tariffs. Uncompetitive industries have indeed closed, and been replaced by ones that can hold their own on a world stage and sustain jobs that did not exist before.

Other critics bemoan the 'over-standardization' of global products, with the majority using Microsoft PCs or Apple computers. It is true that globalization makes many standardized products widely available, but with economies of scale that keep them falling in price, and with access to improved communication achieved by using standard systems.

Nowhere are globalization's benefits more widespread than with food. Our supermarket shelves are stacked with choices because the world is able to sell us their produce. Many developing countries depend on food exports to improve the living standards of their people. And world hunger? In the UK we import

50% of our food, and we produce more and cheaper food with 3% working on the land than we did when it employed 90%. As modern farming methods spread and use land more efficiently, the world is producing more food and feeding more people. Globalization helps poorer countries most of all, and it provides a viable way to close the development gap. Self-sufficiency does not.

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