Globalization and Nation State

Mr.N.Sivakumar, Department of Political Science, University of Peradeniya, Sri Lanka
Email: yosivan@yahoo.com
Dr.S.Baskaran, Department of Political Science, University of Peradeniya
Email: sa_baskar@yahoo.com

Abstract

The article explains the impact of globalization on state sovereignty. The globalization is the dominant force which has shaped a new era of interaction and interdependence among nations. It has many dimensions such as economic, political, military, social and cultural dimension. It creates both opportunities and costs to the nation state. Sovereignty is the most essential element of the state. Globalization contributes to the change and reduction of the scope of state sovereignty. The scope of the inner sovereignty has legally narrowed to a large degree due to the international agreements including global financial flows, activities of International Organization and Multinational Corporation, Information communication technology and issues concerning human rights and in connection with already formed models and traditions of states' behavior. At the same time increasingly more states quite often give away some of their sovereign powers voluntarily for certain reason.

Key words: Globalization, Nation State, Sovereignty, Liberal Market Economy

01. Introduction

Globalization is a process many facets of which have been subjected to a discussion by the writers belonging to a wide spectrum of theoretical and political positions. International relations scholars are interested in debates about globalization and governance partly because of a deeper concern about change versus continuity in the international system (Simon Dalby 2003. p.35). Globalization is a buzzword that has no precise definition (Charles W. Kegley and Wittkopf 2006, p.289). Globalization may be described as increasing and intensified flows between countries of goods, services, capital, ideas, information and people, which produce cross-border integration of a number of economic, social and cultural activities. It creates both opportunities and costs (Guido Bertrucci and Adriana Alberi 2004:1). Sovereignty is the most essential element of the state. A sovereign state will have high levels of capacity, and external, internal and subjective autonomy. The twenty-first century under the impact of globalization is ushering in a major transformation in the political, social, economic and cultural spheres across the globe (Welch and Wong, 1998). In the era of globalization, geographical distances are waning away and territorial boundaries are no longer an impediment. States today are facing a challenge of losing both their monopoly on international affairs and parts of their sovereignty. The scope of the inner sovereignty has legally narrowed to a large degree.

02. Conceptualizing Globalization

Globalization is the dominant force which has shaped a new era of interaction and interdependence among nations in the twenty first century. Talk about 'globalization' is relatively new, dating back only to the late 1950s and early 1960s in languages such as English and French. But thinking globally is in fact much more

deeply rooted in the experience of European imperialism and the associated beginnings of the European state system in the sixteenth century. The period between the sixteenth and eighteenth centuries was the time when the entire earth first became the framing for world politics as we know it today (John Agnew 2003 & 2009). 'Globalization' has been variously used in both popular and academic literature to describe a process, a condition, a system, a force, and an age (Mnfred B.Steger 2009, p.8). The popularity of the word 'globalization' is partly due to its ambiguity and ability to assume different connotations depending on who is using it in which context (Mathias 2003:2). According to Brittan (1998, p.2) "globalization is a whirlwind of relentless and disruptive change which leaves governments helpless and leaves a trail of economic, social cultural and environmental problems in its wake." Held (2000) noted that, the 'globalization is best thought of as a multi-dimensional phenomenon involving domains of activity and integration that include the economic, political, technological, military, legal, cultural and environmental'. Anthony Giddens defines 'globalization can thus be defined as the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa'.

Globalization is an extension of the process of regionalization because of the fact that it leads to the diminishing of borders between countries and regional blocks. Kwadwo Prempeh (2004, p.581) argues that, "the process of globalization is part of an emerging neoliberal hegemonic discourse informed by a strong reliance on the market and in accordance with the logic of capital. A powerful transformative process in its own right, this globalizing logic of the market and capital has acquired hegemonic status as a result of its operative logic and ideological connotation, as well as its widening reach of networks of social activity and power. It is providing new opportunities to countries around the world through economic liberalization, foreign investments and capital flows, technological exchange as well as information flows (Joseph E. Stiglitz 2003:51).

Kacowicz articulates such a template to summarize the key points in the existing literature on globalization thus: Intensification of economic, political, social, and cultural relations across borders, the historical period launched since the end of the Cold War, The transformation of the world economy epitomized by the anarchy of the financial markets, The triumph of U.S. values, through the combined agenda of neo-liberalism in economics and political democracy, An ideology and an orthodoxy about the logical and inevitable culmination of the powerful tendencies of the market at work, A technological revolution, with social implications and The inability of nation-states to cope with global problems that require global solutions, such as demography, ecology, human rights, and nuclear proliferation (Osei Kwadwo Prempeh 2004, p.585).

02.1 Dimension of Globalization

Globalization is a multifaceted phenomenon. Globalization is not merely an economic process rather it covers all the aspects of modern life: the economic, the cultural, the political, the humanitarian, the social and the ecological (Das Gupta, Samin 2004, p.15). Globalization has three key dimensions such as Economic dimension, Political Dimension and Socio-cultural Dimension. Economic globalization can be defined as the set of processes leading to increasing levels of cross-border integration of factor, intermediate goods, and final products markets along with the increasing salience of multi-national enterprises' cross-border value chains (Aseem Prakash 2001:119). It *Economic globalization* involves production, distribution, management, trade and finance. Economic globalization is one of the most powerful forces to have shaped the post war world (Jeffrey Frankel 2007:309). Economic globalization, especially the activities of the multinational corporations (MNCs), massive international financial flows and growth of international trade challenges the state.
Political dimension of globalization refers to the intensification and expansion of political interrelations across the globe. *Political globalisation* is interpreted as "the shifting reach of political power, authority and forms of

rule" (David Held, A. McGrew (1998) cited in Nilüfer Karacasulu Göksel p.6). These processes raise an important set of political issues pertaining to the principle of state sovereignty, the growing impact of intergovernmental organizations, and the future prospects for regional and global governance (Manfred B. Steger 2009, p.58). Further the political dimension of globalization is evidenced when governments create international rules and institutions to deal with trade, human rights, and the environment related issues. Whether a government is to consciously open itself to cross-border links, is the central question of this aspect (http://martinfrost.ws/htmlfiles/globalization.html).

The military / security dimension of Globalization also crucial in the discourse with regards to impact of globalization on nation state and its sovereignty. Traditionally, national security is understood as "the acquisition, deployment and use of military force to achieve national goals". But Globalization widens the scope of security (Nilüfer p.6-7). International security includes environmental issues such as global warming, ozone depletion and acid rain. Globalization means that nation-states can no longer control their non-physical security requirements. States are becoming more sensitive to security and military developments in other regions due to increasing financial, trade and economic relations (Ibid).

03. Conceptualizing Sovereignty

A nation-state is a form of political organization born out of the Peace of Westphalia in 1648. A state is a territorial political community for which there is an independent organized Government. A nation state is a state whose primary loyalty is to a cultural self-identity, which we call a nation or nationality, and is now the predominant form of state organization. Nation states possess sovereignty and legitimacy (Anthony C.Pick). Sovereignty is a fundamental aspect of the nation-states. Sovereignty is a word with an ambiguous legacy. On one side it can stand for a claim to popular democratic legitimacy vested in a territorial state, while on the other it can represent the often violent origins of such statehood and the masking of its genesis in the necessity to defend a state and its territory against enemies both internal and external (John Agnew 2009, p.1).

Sovereignty is the most essential element of the state. The beginnings of the theory of sovereignty are found in Aristotle's *Politics*, and the classic body of the Roman Law (C. E. Merriam 2001). The philosophical background for the concept of state sovereignty was provided by Thomas Hobbes in his famous *Leviathan.* Among the Romans the idea of sovereignty found its clearest expression in the well-known sentence, "The will of the Prince has the force of law, since the people have transferred to him all their right and power." The sovereignty as conceived by Rousseau, stands out as absolute, infallible, indivisible, inalienable. Prominent Political thinkers Jean Bodin defines "Sovereignty is the supreme power of the state over the citizens and subjects under stained by law". To Grotius sovereignty signifies "that power whose acts are not subject to the control of another, so that they may be made void by the act of any other human will" (C. E. Merriam 2001). In political science sovereignty is usually defined as the most essential attribute of the state in the form of its complete self-sufficiency that is its supremacy in domestic policy and independence in the foreign one (Leonid E. Grinin 214).

There are two aspects of sovereignty: internal sovereignty and external sovereignty. Internal sovereignty means some persons, assembly of group of persons in every independent state have the final legal authority to command and enforce obedience. External sovereignty means that, the State is subject to no other authority and is independent of any compulsion on the part of other States. Every state is at liberty to determine its foreign policy (Agarwal 2003, p.156). Externally the sovereign state is assumed to enter the international arena on the basis of legal equality with other states (Joseph A. Camilleri and Jim Falk 1992, p.104).

The term "Sovereignty" is derived from a Latin word "superanus" implying "supreme power'. The origin and history of the concept of sovereignty are closely related to the nature and evolution of the state, and in particular

to the development of centralized authority in early-modern Europe (Joseph, Camilleri and Jim 1994, p.15). The conclusion of the wars of religion, and especially the Treaty of Westphalia (1648) which terminated the bloody Thirty Years War, recognized the religious stalemate in Europe and resolved that henceforth religious affiliation would be determined by the secular ruler, not an external authority (Joseph, Camilleri and Jim 1994, p.14).Within the Westphalian system of international relations the principles of state sovereignty gradually obtained a Europe-wide and later a universal appreciation.

Absoluteness, Permanence, Inalienability, Exclusiveness and Invisibility are the features of the Sovereignty. Sovereignty is absolute in nature. It is the supreme power of the state, over all people and organization within the state. Within the state, sovereign power is unquestionable in respect of its authority over all other organization and individuals. Outside the state it implies the freedom of the state from foreign control. Sovereignty is permanent and indestructible. It originates with the origin of the state. It continues as long as the state exists. Changes in the government cannot affect Sovereignty. But Sovereign power may disintegrate or cease to exist when degenerated due to the natural calamities, annexation by another state or war. Sovereignty is inalienable in nature. It is not transferable. Alienating Sovereignty means the elimination of state. Sovereignty is the exclusive possession of the state. The state alone possesses and enjoys Sovereignty.

04. State Sovereignty in Globalized World

Globalization" is one of the signposts of today's political analysis. It marks a wide range of phenomena, covering all major fields of social life. The world globalizes economically, technologically, politically, ecologically and in a number of other ways. National borders cannot stop the flow of information and other information technology developments. Globalization affects a lot of things. Among them is the status of the nation-state in the international system. Globalization has, in essence, effectively ended the nation-state's monopoly over internal sovereignty, which was formerly guaranteed by territory. In the era of globalization, geographical distances are waning away and territorial boundaries are no longer an impediment. The key attribute of a state was its sovereignty. States today are facing a challenge of losing both their monopoly on international affairs and parts of their sovereignty. States' domination over international relations rested upon the ability to control all vital spheres of cross-border interactions. The scope of the inner sovereignty has legally narrowed to a large degree due to the international agreements including issues concerning human rights and in connection with already formed models and traditions of states' behavior (Averyanov 1993: 368; Vincent 1986; Shinoda 2000 cited in Grininp.217).

A growing economic interdependence and the spill-over effects it produced gave way to a boom of non-state international actors. Transnational corporations have gradually become the symbols of new power centers in the international economy. These entities operate across state borders, while pursuing interests of their own, not the national interests of the states they formally belong to. The state, as a primary international actor, finds itself surrounded by competitors ready to offer alternative rules and norms for world politics. In the globalized world the states often have to 'give up' their right of imposing certain policies because of the actor and factor contributing to the globalization. United Nations Organizations and the so-called 'Britton wood Institutions' role in this regards is vital. The states often give up their economic sovereignty by removing trade barriers and tariffs from their global trade.

We are living in a new era popularized as a 'world without borders'. Globalization has been instrumental in changing the role and position of nation-states (Uma Medury 2005:14-15). It is noted that 'at least three ways that globalization has affected sovereignty. First, the rise of international trade and capital markets has interfered

with the ability of nation-states to control their domestic economies. Second, nation-states have responded by delegating authority to international organizations. Third, a "new" international law, generated in part by these organizations, has placed limitations on the independent conduct of domestic policies' (Julian Ku & John Yoop 2013, p.210).

In the globalized world system not least, changes to technology, often cutting across state boundaries and playing a central role in transforming the state's environment, are likely to exert a powerful influence, as much on the state's capacity as on its internal, external and subjective autonomy (Joseph A. Camilleri and Jim Falk 1992, p.106). In the globalized world non-state factors have virtually become stronger even in challenging the state both internally and externally. The role of international institutions is more extensive still. Even organizations that have no immediate or apparent stake in security issue are bound to influence the way these issue are interpreted and managed by the state (Ibid p.145).   States can no longer arrange world politics in way which suits them most. Along with losing monopoly in international affairs, states are also experiencing a weakening of their sovereignty. It is evidenced that states often complain that their sovereignty is under threat due to the intervene of the international community. It threatens state sovereignty by imposing laws and policies that haven't directly been created and passed by individual governments.

The process of globalization contributes to the change and reduction of the scope of state sovereign powers. At the same time more states have been willingly and consciously limiting their sovereign rights. Many countries quite often give away some of their sovereign powers voluntarily (Leonid E. Grinin 2012). There are several reasons for such voluntariness. (See Figure I). The voluntary reduction of sovereignty is more characteristic of Western countries. The transformation of sovereignty in other civilizations and countries with different cultural traditions proceeds with more difficulty and also is closely connected with the level of economic development. These countries are usually not post-industrial, but industrial or agrarian-industrial, that is they belong to the type of states tightly connected with sovereignty and the state regulations or protection (Ibid 223-224).

Figure I. State sovereignty transformation factors
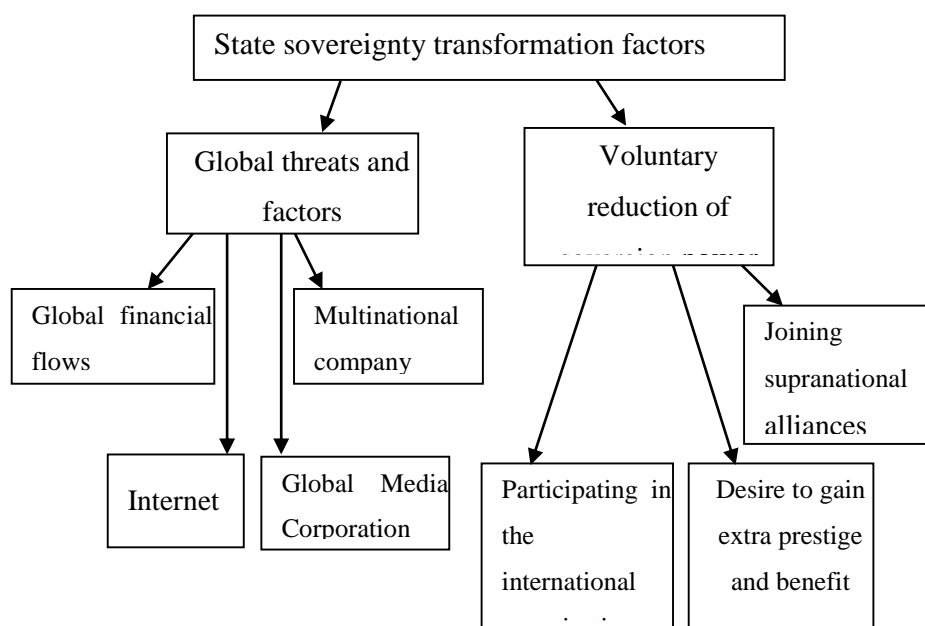
Source: Leonid E. Grinin 2012. *State Sovereignty in the Age of Globalization: Will it Survive?* p.218.

Hans Morgenthau noted that " Modern technology has rendered the nation state obsolete as a principle of political organization; for the nation state is no longer able to perform what is the

elementary function of any political organization: to protect the lives of its members and their way of life . . . The modern technologies of transportation, communications, and warfare, and the resultant feasibility of all-out atomic war, have completely destroyed this protective function of the nation state" (Jayantha Dhanapala 2001). The rapid development and diffusion and application of information technology alter the effective distance between individuals, communities, branches of corporations, political groups and nations (Joseph and Jim Falk 1992, p.5). Many people recommended globalization as a form of international public policy, because they believe that its consequences are basically good for humankind (Charles W. Kegley and Wittkopf 2006, p.288). Some observers concentrate their interpretation on the clear-cut advantages of globalization for creating wealth; other concentrate on the unequal benefits of globalization's effects and are understandably concerned about the failure of globalization to help at the same rate poor countries and poor people. Still a third set of observers construct their images around the problems that globalization presents to a global system that remains based on sovereign territorial states, and the failures that result from this tendency, which, without global rewarding direction (Charles W. Kegley and Wittkopf 2006, p.295).

Globalization constrains state sovereignty by increased economic integration and agreements (Murray Campbell Petrie 2009:11-12). Linda Weiss (1999, p.65) says; ''in the language of globalism, state powers are being diminished, challenged, compromised, severely constrained, and ultimately transformed. And this is allegedly because of the advance of global and transnational networks, ostensibly exerting pressure both from below, in the form of mobile capital, and from above, in the form of a growing web of international rules and economic institutions". The state powers (specifically the capacity to pursue 'national policy preferences') are being forced to stand aside by two forces of globalization such as Growth of economic integration and increase in political interdependence.

Some Hyper Globalists argue that globalization is bringing about the demise of the sovereign nation-state as global forces undermine the ability of governments to control their own economies and societies (Ohmae 1995; Scholte 2000 cited in Anthony mcgrew p.16). By contrast, the sceptics reject the idea of globalization as so much 'globaloney.' They argue that states and geopolitics remain the principal agents and forces shaping world order (Krasner 1999; Gilpin 2001 cited in Anthony mcgrew p.16). Hyperglobalizers suggests that political power is located in global social formations and expressed through global networks rather than through territorially-based state. In fact, they argue that nation-states already lost their dominant role in the global economy. As territorial divisions are becoming increasingly irrelevant, states are even less capable of determining the direction of social life within their borders. Further they think that, the globalization reduces the capacity of states to exercise political power over the territory in which private-sector and nonstate actors operate. This loss of control probably means that globalization has reduced the state's monopoly over internal sovereignty, which was formerly a territorial area of exclusive control (Charles W. Kegley and Wittkopf 2006, p.296).

John Agnew (2009) noted that, 'modern political theory tends to understand geography entirely as territorial. This is the reason why much of the speculation about "the decline of the state" or "sovereignty at bay" in the face of globalization is posed as the "end of geography". Yet the historical record suggests that there is no necessity for politics to be organized territorially. The conventional academic wisdom, therefore, both of those who continue to adhere to a state-centric world and those who see globalization as washing it away, is based on an either or logic to state sovereignty. In fact, political power is manifested in a range of different partialities, not simply territorially. Sovereignty, therefore, operates through a number of spatial modalities'.

05. Conclusion

Globalization is a term that has become very popular and used in many different contexts in the literature. The term "globalization" refers to the various processes of economic, social, cultural, and political integration across national borders. It is a process, which has affected many areas of human life. It contributes to the change and reduction of the scope of state sovereignty. Sovereignty is a fundamental aspect of the nation-states. It is not just an idea. It is a way of speaking about the world, a way of acting in the world. It is central to the language of politics but also to the politics of language (Joseph, Camilleri and Jim 1994, p.11). Globalization is a result of a very complicated alloy of political, social, economic, and civilizational and many other processes of the modern world. In the globalized world the list of threats to state sovereignty often includes global financial flows, International Organizations, multinational corporations, rapid development of the information communication technology etc. In present days the Westphalian system with its principles of international relations has fundamentally changed. The scope of the inner sovereignty has legally narrowed to a large degree due to the international agreements including issues concerning human rights and in connection with already formed models and traditions of states' behavior (Grininp.217). At the same time increasingly more states quite often give away some of their sovereign powers voluntarily for certain reason. Therefore in the globalized world it is very hard to practice the Westphalian sovereignty, which grants nations complete autonomy within their territories, and toward "popular sovereignty".

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