
UNIT 13 GLOBALISATION

Structure

- 13.1 Introduction
- 13.2 Towards Definition of Globalisation
- 13.3 Core Characteristics of Globalisation
- 13.4 Perceptions of the Protagonists
- 13.5 Perceptions of the Critics
 - 13.5.1 Compromise of National Economic Interest
 - 13.5.2 Curtailment of National Sovereignty
 - 13.5.3 Erosion of National Identity
- 13.6 International Relations Theory (IR) and Globalisation
- 13.7 Towards Formulation of IR Theory on "Globalised" State
- 13.8 Summary
- 13.9 Exercises

13.1 INTRODUCTION

The prime objective of this unit is to understand the term "globalisation" both in respect of its content and significance in order that it serves as a basis to apply it or appreciate it in the study of International Relations. For, after all, most current discourse on International Relations not only quite frequently use the term "globalisation" but some even point to the futility of studying contemporary international relations without reference to the ramifications of the phenomenon of "globalisation". It is said that the term "globalisation" was first used in French literature on International Relations dating back to the early 1950s. (The French term for globalisation is *mondialisation*). However, the usage of the term in International Relations literature has come about in very recent years especially in the wake of the so-called revolution in information and communication technology. Although the term "globalisation" is widely used yet there appears to be no agreement in terms of what this phenomenon represents. In that sense, it is as popular in current usage as it is contested in respect of what it signifies.

13.2 TOWARDS DEFINITION OF GLOBALISATION

Before outlining the ways in which globalisation has been described, what constitutes the character of globalisation needs to be identified. Definitions of the term globalisation are aplenty reflecting a seemingly interminable set of variations on the theme.

Some writers have given the broadest possible scope to the term. To them, globalisation is a "multi-faceted" phenomenon "impacting" on social, economic and political spheres of human experience. Others are of the view that globalisation is "a set" of phenomena that accompany one another with no aspect being more important or significant than others. According to them, numerous factors distinguish the globalisation process of today. These distinctions include more rapid communications, market liberalisation and global integration of the production of goods and services.

In other accounts, some writers distinguish one characteristic of globalisation as giving rise to others. In other words, they restrict the overall reference of the term "globalisation". Such

descriptions usually extend beyond communications technology to other areas such as economics and politics. Yet, they locate the root or the foundation of globalisation in the advance of global communication networks. For they argue that the communications revolution has made it possible for ideas, information and cultural values to transcend seamlessly beyond nation-state boundaries. In the process, these changes have triggered new political and social dynamics across the world.

There are others who emphasise solely the economic characteristic of the process of globalisation. To them, globalisation refers not to a fully "interconnected world market" but simply to the increasing "interconnections of markets" of different countries largely on account of the liberalisation of trade, capital investment and diffusion of services across the world. Contesting this approach of characterising globalisation as synonymous with "free-market capitalism", others argue that globalisation is two-dimensional—one, it serves as powerful vehicle that raises economic growth, spreads technology and contributes to better living standards in countries of both the developed and developing world; and two, it "assaults" the sovereign authority of the nation-state, "erodes" local culture and tradition and even "threatens" economic and social stability.

13.3 CORE CHARACTERISTICS OF GLOBALISATION

Admittedly, these different definitions reflect the variations in the range of phenomena encompassing the term "globalisation". Based on these variations in the characterisation of globalisation, it is possible to identify at least five distinct features of the term:

- 1) It is most usefully employed as a descriptive rather than a prescriptive term. It does not designate some desirable or undesirable end to be accepted or avoided. It merely reflects a set of social, political, economic and technological forces that have recently become distinctly pronounced.
- 2) The term in its usage is perhaps relatively new whereas the phenomenon/phenomena that it designates could by no means be treated as new. The past has also experienced the phenomena that the term "globalisation" entails.
- 3) The institutions that have emerged as a consequence of the globalisation process extend beyond the power and authority of nation-states. So much so, in the "globalising" international affairs, nation-states are no longer exclusive actors as in the past but besides there are other actors too which, among others, include non-government organisations (NGOs), environmental movements, transnational corporations, ethnic nationalities and multi-statal regional organisations.
- 4) In the "globalising" world, the role performance of the new actors encompasses a relatively large field because of the growing number of economic, political and communication networks. To that extent, these networks have made nation-state boundaries porous and permeable to the movement of people, goods, services, ideas and information.
- 5) The globalisation process has not only made international relations more expansive but also intensive because there are not only greater number of actors and networks influencing one another, but more importantly, the impact each one makes on the other is qualitatively greater than in the past. Global media networks, the products of transnational corporations and the large migration of people from one part of the world to the other have greatly influenced the social and cultural moorings of people across the world.

Of the afore-stated features of globalisation, the first and the second identify the process that demands a response. The third feature underlines that in a "globalising" international order, the nation-states share the world stage with other actors and, as a consequence international relations are becoming less nation-state-centric. The fourth and the fifth features point to the unsustainable character of the traditional distinction between domestic and international affairs.

13.4 PERCEPTIONS OF THE PROTAGONISTS

The differing perceptions as to what constitutes the inherent features of globalisation, has generated an intense debate as to the benefits and deficits that have arisen out the process of globalisation. These benefits and deficits that have direct bearing on the future direction of international relations admittedly merit mention.

The proposition that globalisation has narrowed down the distinction and the dividing line between the two spheres viz. the international and national, constituting the basis and rationale for the discipline of International Relations, is welcomed by some and rejected by others. Those who welcome globalisation argue that it, in turn, would promote and pave the way for world peace, human security and economic well-being. Whereas there are those who reject these claims and argue that the globalisation constitutes the principal threat to democracy: human freedom and identity.

Generally speaking, protagonists of globalisation claim that what is in the making is a "cosmopolitan democratic community" at the global level under an emerging new *inter-relational* pattern. Yet, even among them, there are some disagreements. For, some among them advocate globalisation without any reservation on grounds that many of the problems attributed to globalisation actually occur more as a result of not having fully accepted and embraced the increasingly "global" character of the world. To them, since its inception the nation-state as an institution has failed to deliver or guarantee world peace, human rights and well-being. Being so, transgressions against human rights, dignity and poverty are most effectively addressed through international institutions. To empower these institutions with necessary authority and power calls for a "world government" that may rely on national governments to administer policies but at the same time would hold authority over the states.

In support of their claims: they cite the futility of attempting to address problems such as resource management and environmental degradation by the nation-states and contrast them with the facility with which international or, rather the global institutions have dealt with these issues.

By contrast, there is a variation in the positive approach that accords only qualified support to globalisation. While it welcomes some of the developments that accompany globalisation, it rejects others. In other words: it makes a distinction between the desirable and undesirable outcome of globalisation. However, even in this line of advocacy there is no generally accepted set of features of globalisation that is desirable and which is not. On the one hand, industry and business organisations that embrace the opening of markets as increasing consumer choice and lowering of commodity prices, may also express reservations at the multilateral treaties subjecting their activities to international environmental standards. On the other hand, labour organisations that demand the recognition and adoption of international conventions on human rights as progressing social justice may deplore the global market's ability to take advantage of poor labour conditions.

There is yet another aspect that is of concern to those who advocate qualified support to globalisation. They are of the view that the process of globalisation should stop short of

uprooting the very foundations of the institution of nation-state. To them the nation-state is important in maintaining national interests. While underlining the importance of the nation-state, however, they argue that it should function in unison with other nation-states in addressing problems that occur on a global scale. Also, they believe that globalisation will result in the emergence of a *global* civil society, consisting of nation-states and NGOs that is held together by a framework of norms supported by international conventions and treaties.

13.5 PERCEPTIONS OF THE CRITICS

The protagonists as a whole, including those who advocate the process with some reservations claim that globalisation has unfolded new benefits and possibilities to national communities through the opening of markets and also by exerting the much-needed pressure upon nation-states to promote human security and well-being. Against them are those who voice their deep concern over the phenomenon of globalisation. In their view globalisation consists of a set of dangerous and potentially uncontrollable forces that dis-empower communities by disabling the nation-state's inherent power and authority to order its domestic economic and political arrangements as well as protect its established national identities. In effect, they are of the view that globalisation brings about the exactly the opposite of what the protagonists envisage. They identify three major areas of concern, which in their view threaten international relations: 1. Compromise of national economic interest; 2. Curtailment of nation-state sovereignty; and 3. Erosion of national identity.

13.5.1 Compromise of National Economic Interest

The present globalisation largely the consequence of the revolution in information and communication technology has made it possible for capital to move across national borders vesting the transnational corporations with the power to establish operations with multinational bases and also giving them the ability to transfer activities and resources across nation-state boundaries on a large scale. Such that the resulting economic globalisation has not only accentuated interdependence between domestic economics but also a greater degree of dependence of these economies on investment from transnational corporations. Economic interdependence does not merely entail increases in the volume of international exchanges between states. It involves the raising of capital in one or more countries to support production in others. Also, it involves the spreading of production of commodities across any number of countries.

The ease with which capital moves across national boundaries is as much a positive benefit as it is not. For, it opens the possibility that the benefits of investment will be lost if capital is withdrawn from one domestic economy to another, a more lucrative or promising economy. The resulting loss distorts the economy including causing loss of revenue to the national government. Under these circumstances, the national governments are encouraged to discard tariffs and implement economic regimes the objective of which would be to attract capital and investment—a situation that is called the 'race for the bottom'. The consequences are increasing unequal distribution of wealth between and within national communities.

Placed in such a bind, the nation-states are less able to represent and protect the economic interests of the national community. Besides, as national revenue declines so does the power of the nation-state to provide for the welfare in respect of education/skills and health for its citizenry. To that extent, efforts at human resource development suffer further.

13.5.2 Curtailment of National Sovereignty

Concerns about globalisation's threat to nation-state sovereignty relates to the increasing pressure on national governments to implement international treaties and conventions that satisfies the

international community. This increasingly subjects the national governments to demands and standards set out in multilateral treaties on a variety of issues. Also, the national governments are subjected to scrutiny by international institutions.

In traditional understanding of international relations, focusing upon treaties reinforced the centrality of the nation-states and national interests in international relations. Treaties were made between nation-states for their mutual benefit. They sought to secure peace between states rather than provide grounds for international scrutiny of nation-state's domestic arrangements. In the nation-state-centric world, treaties were means of protecting sovereignty. However, in recent years international treaties have proliferated impinging on the domestic jurisdiction of nation-states. Besides regulating the diplomatic relations, these treaties impose domestic political, economic and environmental obligations upon nation-states.

This changing character of international treaties, conventions and agreements is claimed to have been instrumental in the disruption of the distinction between domestic and international affairs. Upon such claims, it is argued that national communities suffer a democratic deficit. Claims of a democratic deficit charge the treaties with disrupting the chain of responsibility between democratically elected governments and their national communities by introducing powerful international communities of finance and diplomacy to which the national governments are also responsible. Yet, many international organisations such as the World Trade Organisation (WTO), the International Monetary Fund (IMF) to which national governments become obligated, are not, strictly speaking, democratic institutions as they are elected by or representative of national communities.

13.5.3 Erosion of National Identity

Two ways in which globalisation is claimed to generate pressures on national identity are the increased mobility of populations across the world and advances in the global communication networks. With movements of populations stimulated by an increase in the gap between the high living standards enjoyed in the countries of the 'North' (i.e. industrially and technologically more advanced countries of the West) and the low standards of living in the countries of the 'South' (i.e. the less developed countries elsewhere), the countries of 'North' are said to be faced with the problems of national identity as evidenced by the resurgence of xenophobia and racist violence. As a result, these countries that once possessed clear standards and accepted cultural practices and beliefs are now forced to accommodate ever-increasing numbers of people with diverse cultural beliefs and practices. Emerging wider civil societies in these countries are disrupted as individuals form associations that are closed to those who do not share common cultural identities.

Electronic revolution in communication technology also contributes to the erosion of cultural identity through a process of what is called the homogenisation. Such homogenisation cuts both ways in the sense its impact is adversely felt in the countries of the 'North' as well as in the South. So much so, critics from both sides voice concern over the impact of globalisation.

13.6 INTERNATIONAL RELATIONS THEORY AND GLOBALISATION

Any attempt to survey the massive literature on the phenomenon of globalisation suggests that there is no simple or agreed definition of what constitutes the phenomenon nor any consensus about how far the process has advanced, and in which areas. About all that can be said is that

it represents a major site of contestation. The contestation over it covers a whole range—its definitions and meanings, its historical novelty; its benefits and deficits; the extent to which it reveals a single coherent logic or multiple dissonant tendencies; and above all its impact on the efficacy and viability of the nation-state. Admittedly, it is difficult to reduce the multi-faceted phenomenon to a functional and analytical concept in the study of international relations. Yet, some order needs to be imposed to make intelligible the connections between globalisation and International Relations (IR) theory.

As a preliminary towards this task, what is required is to recognise that underlying the many specific areas of debate so far considered, globalisation is contested along some more general fault-lines. By their very nature, these fault-lines have a marked bearing on issues that traditionally have been debated throughout in IR theory.

One of these relates to whether the phenomenon of globalisation is to be distinguished merely as an idea or it represents a cognitive material factor. In other words, whether globalisation is triggered by material forces such as technology, communications and economic systems and is identifiable and quantifiable in that realm alone. Or, is it identified on the basis of the human understanding of these material changes. Some are of the view that such a differentiation is not possible. If that be so, i.e. that globalisation impinges both on the material and cognitive forces, then any theoretical account of it must incorporate both aspects. Based on such an approach, the Constructivist School of IR suggests that neither of these aspects can be discounted in the analysis of globalisation and international relations.

Another concern while discussing the phenomenon of globalisation in respect of IR theory is the relationship between the economic and political spheres. That is, whether the two are causally related i.e. either of them follow the other or *vice versa*. Because some are the view that the ongoing economic globalisation in its wake has unleashed political transformation whereas others view that political system should and does change preceding the economic process. A third view is that both are related oppositionally in so far as politics is thought to serve as a check to the potential economic globalisation. These characterisations are very relevant while relating globalisation to the IR theory. However, since both the protagonists and the critics of globalisation do little more than interpret the phenomenon within their preferred perception without arriving at a consensus, it makes any attempt to develop an integrated approach to studying the relationship between globalisation and the IR theory difficult.

Besides, there are other general issues regarding globalisation that makes it less useful in respect of IR theory. For, there are profound divergences of opinion even among the protagonists of globalisation about its relevance to the key developments within international relations itself. This is evident, for instance, in the competing understandings of its relationship to the end of super power Cold War. While some are of the view that globalisation is the consequence of the end of the Cold War, others view that it is the advent of globalisation that has caused the end of the Cold War. Such causal connections are appealing and even plausible because in one sense it is the termination of the Cold War that allowed the globalising forces to penetrate the hitherto closed societies. But at the same time, it is possible to reverse the proposition and argue that it was the penetration of the globalising forces that hastened and eroded the basis of Cold War.

To resolve the dilemma, some theorists take the view that globalisation is both the cause and effect of the Cold War. It is a cause to the extent that it has led to the abridgement of the role of the nation-state in the post-Cold War international order. It is an effect to the extent that it was the demise of the Cold War that paved the way for the rapid pace of globalisation. In their

view, globalisation was taking place simultaneously at the level of the nation-state and of the international system. So they argue that if the focus on the latter tends to emphasise post-Cold War discontinuity, the focus on the former underlines its continuity. Since both are realities of the post-Cold War, globalisation in their line argument, accommodates both continuity and change provided that its location in both the nation-state and the international system is borne in mind.

13.7 TOWARDS FORMULATION OF IR THEORY ON "GLOBALISED" STATE

In the current phase of globalisation largely catalysed by information technology with the emergence of a powerful global economy, the ability of the nation-state to manage a separate national economy independent of the global economy is no doubt seriously impaired. But this is not anything new. For, constraint on the autonomous functioning of the nation-state has always been the case as the Structuralist School contends. Also, it has been the constant refrain of the Marxists and *Dependencia* Schools of IR theory that in the case of the developing countries, placed as they are in the periphery of the global capitalist order, exercising state sovereignty has always remained a problem for them.

If that was the case, what then is the *raison d'être* for formulating a new theory of IR to encapsulate this new phenomenon called globalisation? It is here one has to differentiate the impact of globalisation from the effects of interdependence. For, the consequences of globalisation are recognizably different from those resulting from interdependence. Whereas the interdependent world system impinged solely upon the autonomy element of sovereignty, globalisation on the other hand, additionally unsettles the core element of sovereignty, namely the formal "authority". In this connection, some argue that not only is globalisation distinct from interdependence, it represents a much more fundamental assault on the traditional barricades of sovereignty. It entails a shift in both the domestic and international manifestation of sovereignty. Also, it produces a new realignment between its constituent elements such as authority and autonomy.

This is evident admittedly from the challenge that globalisation poses to the concept and content of sovereignty. Not only globalisation has impacted adversely on the territoriality element of sovereignty, but also more vitally it has impaired the "identity" and "authority" elements of sovereignty. These unsettling effects of globalisation have led to a new situation in which decisions and outcomes do not correspond to the choice of the sovereign states and also are not contained within the territorial confines of the state. National boundaries have become truly porous. The identity element of sovereignty is also compromised with the emergence of civil society thanks to which absolute authority reposed in the state has now become diluted.

Also, in its wake, the process of globalisation has given rise to new networks of authority such as importantly, the international regimes quite vocal and visible in the realm of global security in all its dimensions. Here, mention may be made of such of the recently conceived and crafted international regimes on issues relating to vital human security such as human rights, environmental protection and so on. The emergence of new norms encapsulated in these international regimes, it is argued, need be neither a constraint nor a signal of the decline of sovereignty. Rather, they represent an evolution of what sovereignty signifies. It may therefore be postulated that in terms of globalisation, sovereignty is undergoing a process of readjustment reflecting thereby the different terms of engagement between its external and internal dimensions.

Just as in the past, when sovereignty's formal and substantive elements repositioned themselves: in the present contest too it is being reconstituted as part of its engagement with globalisation.

In its reconstitution some shifts are apparent in its substantive elements too. If in the past, the "control/capacity" aspects tended to become variables and "authority" remained a constant, now in the currently globalising state, both have become variables. Thus as some analysts argue, sovereignty might be undergoing transformation rather than being undermined or becoming redundant.

What then are the indications of such transformation? They are to be found mainly in the new identities, and in the less territorialised and sometimes totally deterritorialised circumstances whereas, for much of its historical development, the nation-state forged a close link between its territoriality and its primary functions—economic, political and security—that link has become now more tenuous. Perhaps, in the future, it may be no longer necessary to the effective performance of these functions. Instead, the state through its exercise of sovereignty in the post-Cold War era is legitimated less by its relationship with a given piece of territory and more by its ability to ensure the political rights of its citizens.

As sovereign, the nation-state therefore seeks to remake and refashion itself in response to the conflict in domestic and international spheres by discarding some of its traditional capacities. While abdicating, it is also at the same time and by the same token acquiring new capacities. While it delegates some functions to the international and transnational bodies, yet it arrogates for itself, some authority to monitor the effective functioning of these bodies and regimes. In turn, such shifts in the delegation and arrogation of state capacities are likely to transform the content of the formal doctrine of sovereignty in the current phase of globalisation. By formulating a framework along the lines delineated, it may be possible to develop a theory of IR that could integrate into its fold the phenomenon of globalisation for analysis and understanding.

13.8 SUMMARY

Most current discourse in the discipline of International Relations frequently use the term "globalisation", and some even point to the futility of studying contemporary international relations without reference to the ramifications of the phenomenon of "globalisation".

Definitions of the term globalisation are aplenty. They reflect a seemingly interminable set of variations on the theme—ranging from defining it as a "multi-faceted" phenomenon "impacting" on social, economic and political spheres of human experience to emphasising the phenomenon solely by its manifest economic characteristics.

These differing perceptions as to what constitutes the core elements of globalisation, have generated an intense debate as to the benefits and deficits that have arisen out of globalisation. The proposition that globalisation has narrowed down the dividing line between the two spheres viz. the international and national, which distinction is what constitutes the basis and rationale for the discipline of International Relations, is welcomed by some and rejected by others. Those who welcome globalisation argue that it would promote world peace, human security and economic well-being. Whereas there are those who reject these claims and argue that the globalisation constitutes the principal threat to democracy, human freedom and identity.

Again, there are those who welcome some of the developments that accompany globalisation and reject others making a distinction between the desirable and undesirable outcome of globalisation. To them the nation-state is important in maintaining national interests. While underlining the importance of the nation-state, however, they argue that it should function in unison with other nation-states in addressing problems that occur on a global scale. Also, they believe that globalisation will result in the emergence of a *global* civil society, consisting of

nation-states and NGOs that is held together by a framework of norms supported by international conventions and treaties.

Notwithstanding these contestations regarding the meaning and dimensions of globalisation, for applying it as a concept for analysis in IR some order needs to be evolved. That would *make* intelligible the connection between globalisation and International Relations (IR) theory. To do so, not only calls for a redefinition of state sovereignty but also on that basis a **reformulation** of an analytical framework for the study of globalisation in international relations.

13.9 EXERCISES

- 1) On the basis of your study examine critically the various definitions of the term "globalisation"
- 2) What in your assessment are the salient characteristics of the current phase of globalisation?
- 3) Critically examine the contrasting perceptions of the protagonists and the critics of globalisation.
- 4) Can the phenomenon of globalisation be analysed on the basis of the traditional theories of IR?