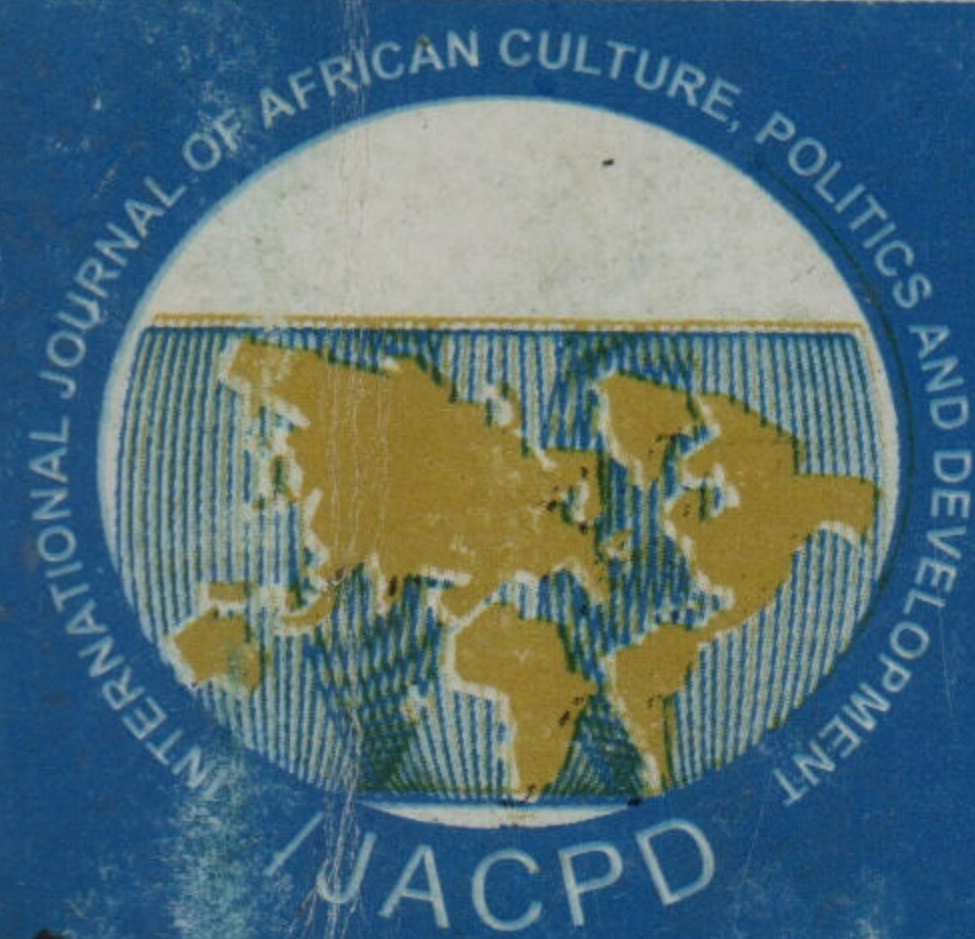


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GLOBALIZATION AND THE NATION STATE; A CRITICAL ASSESSMENT OF THE EFFECT OF GLOBALIZATION ON SOVEREIGN STATES

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Abstract

The world today is characterized by interdependence and interconnection in which events in one part of the globe are instantly felt in other parts. As a result, this interdependence is posing serious challenges to the role of states and governments in the international affairs. With the unending integration of states and their markets into the global capitalist system, the globe is witnessing a total submission of states (especially the developing ones) to the operations and supremacy of market principles at the global level which is controlled by the developed nations of the West. This paper adopts the descriptive method of research using basically data from secondary sources. The paper submits that developed countries have used their rapid advancement in science and technology to suppress the developing ones, thereby making them to become appendages to the global economy. Accordingly, this paper recommends that global institutions such as the IMF, World Bank and WTO should be properly reorganized to effectively cater for the interest of all members, rather than the interest of the western countries. Developing nations, should as a matter of urgency re-assess their socio-cultural, economic and technological status, and strive to strengthen their regional blocs to establish a strong and effective common market to take care of their exports. Similarly, the industrialized nations should, on their part, show good understanding in the unabating level of disparity existing between them and the developing nations, among others. This study therefore presents a critical assessment of the effect of globalization on sovereign states.

Introduction

Globalization is not a new phenomenon, even though the coinage is a recent one. It came into popular usage in the 1980s to describe the increased movement of people, knowledge, ideas, goods and money across national borders and has led to increased

interconnectedness among the world's populations, economically, politically, socially and culturally. Although globalization is often thought of in economic terms (The global market place), this process has many social and political implications as well. Many in local communities associate globalization with modernization (the transformation of traditional societies into "Western" industrialized ones). At the global level, globalization is thought of in terms of the challenges it poses to the role of states and governments in international affairs and the global economy.

Conceptualizing Globalization

The term globalization is used to describe the current world system – a process of the internationalization of capital or the continuous expansion of the global economy. The concept is synonymous with the unfettered expansion of the global market place thereby assuming the status of an ideology which orients the future action and expectations of groups within the corporate world. It is the victory of markets over states, and thus, the likely reconfiguration of the political map of the world based economic regions (MacOgonor, 2000;4). Ake (1995) defines globalization as the "March of capital" all over the world in search of profit, a process reflected in the reach and search of power of the multinational corporations. From its victory over markets and economic regions, globalization now transcends a contemporary process of increasing intense interconnectedness/interaction/interdependence/integration across borders, states and communities (local/national) in different spheres of human life – economic/financial/technological/social/cultural and political. It is a process that leads to the emergence of one world – a global society. Wallerstein (1989) locates the driving force/cause of this in the central nature of the capitalist global economy.

Globalization is viewed differently by different societies. For example, in the west where human rights, the rule of law and the relationship between the private sector, citizens and the state are well understood, this hyper global reach is already taking place and booming. For the third world nations, globalization is an extreme form of capitalism - politically, socially and economically dangerous. As these regions become arena of intense international economic competition, conflict becomes inevitable. Anarchy, therefore, prevails because of the inability of the government to cope with the nature of the crisis. For globalization to achieve its purpose of interdependence and interconnectedness, it must be backed by the states. This brings to mind the theory of realism as the sovereign state is bound by with the use of force. Let us now take a look at globalization and the nation state from the point of view of realism.

The Realist Theory

In a nut shell, the realist theory derives its impulse from the view that the nature of man is aggressive and conflictual. It posits that political theory must flow from observation of history and experience of people and of states and that these show a pattern of violence, aggressive behavior (Morgenthau 1978, 29 - 38). In this environment, the highest moral duty of the state is her own preservation.

To accomplish this, the state must utilize power. The interest of the state, defined in terms of power, is the primary moral guide by which policies are developed, but prudence in pursuing that interest is the primary ethical guide for policy makers and is what is called the supreme virtues of politics (MacOgonor, 2004:30). The goals of state have come to include, the search for ways to acquire and keep power, increase power and demonstrate power. Thus, while globalization seeks to integrate nations into one global political economy, realism seeks to promote statism or the use of force and power to secure the national interest of states in an essentially anarchical world. An essential link between globalization and the nation state is the concept of sovereignty, a term dating back several centuries, even before the nation-state

system was established in 1648. Originally intended in reference to the establishment of order within a state, sovereignty has since been interpreted by some as a legal quality that places the state above the authority of all external laws. Yet whenever a state exercises its sovereign right to sign a treaty, it is also willfully limiting that right by the very act of undertaking an international legal obligation. States are also bound by other rules, such as customary international law. With these formal legal limitations, sovereignty stubbornly persists even in an age of globalization. Sovereignty is manifested in such functions as the coining of money, the gathering of taxes, the promulgation of domestic laws, the conduct of foreign policy, the regulation of commerce, and the maintenance of domestic order. These are functions reserved exclusively to the state. The prospects of globalization stem from the fate of the nation, and in particular its association with the administrative structure known as the state. Globalization made its debut in Western public policy circles in the mid – 1980s – and was at that time generally viewed in an economic context. It simply referred to a largely commercial process involving rapid increase in the exchange of goods, capital, and services across national frontiers. It featured particularly in writings about the role of multinational corporations, with their networks of vertically – integrated subsidiaries and affiliates (Dhanapala, 2001). Expanded flows of commerce provide profits, jobs, efficiencies of scale, lowered unit cost, and increased the variety of goods available for everyone to buy. Facilitated by technological trend such as increased speed and declining cost of long-distance transportation (both of passengers and of cargo) and developments in telecommunications, it was not just getting easier to do business across national borders, but highly desirable to the growing numbers of potential beneficiaries of this commerce.

Suffice it to say that many observers were also keenly aware of another dimension of interdependence – namely, it's potential to make armed conflicts much more devastating. Political analysts like Norman Angell, Leonard Wolf, Francis Delaisi, and Ramsey Muir have written extensively on this theme and questioned the adequacy of the nation state in meeting the economic and security challenges of the new century (MacOgonor, 2000). In short, the close interdependence of the world's economies did not only offer great benefits, but also entailed great risks, and great responsibilities for governmental reforms. The capacity to generate wealth clearly did not come with any guarantee that this new wealth would be distributed equitably, as recent economic trends show clearly that the gap between the rich and poor – both within and between nations – got widened.

The Influence of Globalization on the Nation State

In spite of the influence of the nation state as primary actors in the international system, nation states' monopoly of power has been considerably weakened, and its hold on populations has been greatly reduced. The nation state has become one of several world organizational structures. "Hyper-globalization" theorists see the transnational corporation becoming rootless, and as such able to move freely around the world in order to maximize profit thus eclipsing the nation state (Dhanapala, 2001).

Globalization is affecting the political power of the nation state. Membership of international or regional organizations by nation states has affected or diminished state sovereignty. Trade blocs such as the EU, NAFTA, APEC, EAEC have reduced governmental control over the national economy. Similarly, the World Trade Organization (WTO) and the International Monetary Fund (IMF), have an enormous impact on the nation's economy, and by extension, the internal social security and economy of that nation. Economic sanctions and Interventions by the IMF, when the situation is sufficiently serious, seriously undermine the credibility and independence of nation-states. Bodies such as the United Nations (UN), by way of military intervention and economic sanctions seriously call to question the legitimacy and sovereignty of the nation-state and its ability to determine what happens within the territorial boundaries.

International treaties both bilateral and multilateral also, cede a portion of a nation's sovereignty to the achievement of some global purpose (Arrighi, 1997).

Transnational corporations, in particular, those vertically integrated structures of US corporations, have served as powerful vehicles of US national influence over the affairs of every nation-state on earth. Their presence exert more global power and influence than a dozen microstate combined. The presence of a transnational within a state effectively places claim on a portion of the income of the host state, and in many cases control over certain resources. This kind of external influence constitute a diminution of control by the host state, and hence, diminution of sovereignty. To an extent never before experienced, the world has become subsumed by a singular culture, ideology, or worldview, ie. Neoliberal capitalism.

Recommendations

Globalization is not working for many of the world's poor. It is not working for much of the international environment. It is a socio-political, cultural and economic process propelled by the unprecedented advancement in science, technology, information and communication, and the expansion of global market which offers great opportunities and at the same time pose serious challenges to all countries of the world. Advanced countries with their scientific sophistication and powerful status use the advantage of globalization to suppress the poor and developing countries of the world. This imbalance calls for radical socio-cultural, economic and political reconstruction and re-orientation among the countries of the world.

Developing nations, should as a matter of urgency, re-assess their socio-cultural, political, economic and technological status in this era of globalization. They should strive to strengthen their regional blocs and possibly establish a strong and effective common market to take care of their export trade. The industrialized nations should on their part show good understanding in the un abetting level of disparity existing between them and the weak and struggling nations. This can be done by granting them unconditional, appropriate and genuine assistance that would enable them to properly hook up to the prevailing and ever growing global socio-political, cultural, technological and economic networks. This can come in the form of long term interest free loans and other technical assistance for development purposes.

Global institutions such as the IMF, World Bank and WTO should be properly re-organized to effectively cater for the interest of member countries. Granting every member country the opportunity for equal representation and a voice in the activities of such institutions as against the current trend where the industrialized nations control the organizations to the detriment of the weak nations will enable countries both strong and weak to enjoy equal gains from such global institutions. Since the programmes of these organizations reflect the interest of the powerful states in the international system, their policies and programmes should be streamlined to carry the poor states along.

It is pertinent for the industrialized nations to understand that for the gains of globalization to be universally realized, the world should be seen as an "identity community" where the interest of every member-state rather than individual states is paramount. This will engender co-operation rather than unhealthy competition.

Agents of states such as transnational corporations, particularly those vertically integrated structures of US corporations which serve as powerful vehicles of US national influence over the affairs of nations on earth should desist forthwith from undermining the sovereignty of other nations of the world using the guise of globalization. Developed countries should learn to respect the cultures of other countries and allow globalization to grow at its own pace. Leaders of the developing countries should on their own part brace up to the challenges of current global system through good, effective and transparent leadership

devoid of such vices as ineptitude and corruption. That done, nations of the world including the developing societies, will be able to have a fair share of the benefits of globalization.

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