

“Has Globalization Resulted in a Decline in the Authority of Nation-States?”

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Abstract

The impact of Globalization is multi-fold, it has radically transformed our view towards the world. This paper seeks to discuss whether globalization has altered the power and authority of nation states, whether the traditional authority of nation states has been demolished, is withering away or perhaps, contracted in the era of globalization. It questions whether the rise of global institutions have created a new world order which has replaced the authority of nation states. It assesses the role of nation- states in a globalized world from three perspectives, namely, the Hyperglobalists, the Skeptics and the Transformationalists. Finally, it seeks to prove that the view of Transformationalists illustrates a balanced and comprehensive link between the role of nation states and globalization.

Keywords: Globalization, Nation States, Hyperglobalists, Skeptics, Transformationalists

Introduction

In order to understand the impact of globalization on the authority of nation states, it is first essential to understand the meaning of the terms- ‘nation state’ and ‘globalization’. According to Walker Connor (2007), “The term nation-state was originally intended to describe a political unit whose borders coincided or roughly coincided with the territorial distribution of a nation.” Today, because of the confusion between nation and state, nation-state has lost its original meaning and generally represents all states. Ulrich Beck (2007) wrote, “The nation state is a territorial state i.e., its power is grounded upon attachment to a particular place (upon control over membership, current legislation, border defence, etc).” Therefore, a nation state is a political unit within a specified geographical area which controls all matters in relation to the functioning of the state.

Ronald Robertson (1992) is one of the first sociologists to define globalization as “the compression of the world and the intensification of consciousness of the world as a whole.” (Robertson, 1992) David Held and Anthony McGrew (2003) define globalization in its simplest sense “as the widening, deepening and speeding up of global interconnectedness.” Through these definitions, it can be concluded that globalization is the intensified flow, between countries of capital, goods, ideas, information, people and services producing cross-border integration of a number of cultural, economic and social activities.

Globalization has become a worldwide phenomenon that has cultural, political, economic, and social dimensions. As such, globalization has yielded many consequences, one of the most significant consequences, is the effective introduction of transnational institutions, the changing structure of the nation state, and the diminished sovereignty of national agencies

(Robinson, 2007). Although, it has been debated extensively that the authority of nation states has diminished since the inception of international agencies, there also exist opposing views stating that nation states continue to be major players in the globalization era.

In this regard, the role of the nation state in the globalization process has led to many questions, such as “is the nation state being undermined?” “Has it retained its primacy?” or “Is it becoming transformed in new ways?”. To address these questions, it becomes important to examine the role of the nation state in the context of globalization theories. (Robinson, 2007)

Different Perspectives On The Role Of Nation States In A Globalized World

The first perspective is of the ‘Hyperglobalists’, which posits people as citizens of a cosmopolitan world rather than nation states, it argues that the world is moving towards global governance and the authority of the nation states will eventually wither away. In contrast, the second perspective proposed by the ‘Skeptics’, argues that nation states will continue to assert their dominance and continue to be major players in shaping world politics. Lastly, the ‘Transformationalists’ draw inspiration from both the hyperglobalists and the skeptics and ascertain that nation states although continue to exercise their authority in the arena of world politics, however this authority has been altered in the face of globalization as the structures of nation states have been transformed and they are not what they used to be.

The Hyperglobalist Perspective

This perspective of globalisation is assumed to have a ‘hyper’ globalist account of the economy wherein the significance of national economies is considered to be withering away. The role of international organizations such as the United Nations, International Monetary Fund (IMF), World Bank and World Trade Organization (WTO) have gained supreme importance, thereby diminishing the authority of nation states. In doing so, “social and labour market policies have changed, resulting in weaker nation states.” (Dreher and Gaston 2007)

The globalist perspective is sometimes seen as quite economic (Held et al, 1999) with economic changes having political and cultural implications. According to Oberoi (2010), the welfare state has been transformed into a “competition state”, as a result of the integration of the global system. The appropriate model for this form of nation state is the competition state model, where the nation state is changed from that of a national and comprehensive government to a “less interventionist” and “small government” form (Oberoi 2010).

Peet and Hartwick (2009) propose that national states will eventually vanish, and will not transform any kind of structure in the future. (Peet and Hartwick, 2009). As this process unfolds, the borders of nation states will become more complex than they are now, as a result of technological advancements in trade such as the use of online platforms for trade. The creation of such an entity will result in the creation of a wholly new state, thereby giving the power to international institutions to establish dominance and control over most national economies, eliminating those countries that are not members of the international community.

Another prominent supporter of the globalist perspective is Kenichi Ohame (1995), who argues that the nation state is becoming obsolete because it is no longer the optimum unit for organizing economic activities. Ohame asserts that states that refuse to embrace the process of globalization of culture end up causing more economic harm than good for themselves. In his words, “children and teenagers are, at deep levels of sensibility and worldview, becoming much more like their counterparts in other societies similarly influenced than they are like the older generations within their own cultures. The essential continuity between generations, on which every society necessarily depends for its integrity and survival, has begun to fray.” (Ohame, 1995)

Ohame welcomes the changes brought forth by integration of the national community into the international arena, he suggests that, “nationalism must be reduced if not eliminated to improve the quality of life of the world's individuals. He argues that nationalism is a cover for bureaucratic expansion and the protection of inefficient industries and leads to demands for equity from political regions that act as a drag on the dynamic economic regions which drive economies.” (Kauffman, 2021)

Moreover, Martin Wolf (1997), one of the eminent globalists, argues that economic isolation of a nation state results in disappointing economic outcomes such as those observed in North Korea, and East Germany. In the global era, for Wolf, nation states have to be open to joining the world economy and international organizations if they want to be strong states. (Solakoglu, 2016)

In conclusion, the globalists' perspective centres around the economic activities. They consider global governance, cosmopolitanism and supranational organization as fundamental elements, which are gaining more importance and authority in the world, thereby diminishing the sovereignty of nation states.

The Skeptic Perspective

The Skeptics argues that the globalists make sweeping claims, however they have very little empirical evidence to back these claims. Skeptics are of the view that the nation states continue to hold power within their national boundaries as well as agents of the international sphere. Skeptics such as Martell (2007) claim that the existence of strong countries within Europe and North America is evidence that states continue to exercise authority even today. He furthers these claims by saying that national identities have a history that forms the core of any nation, and so, they cannot be replaced by global identities, national identities evolve rather than being replaced.

Skeptics such as Zolo (2002) view the supranational organizations such as the UN as international bodies rather than transnational bodies, they believe that bodies such as the UN constitute nation states, who ultimately hold the power and authority to decide whether to sign, implement or follow a particular agreement. If the agreement is not in alignment with their own interests or that of the nation's values, the nation states hold the power to exempt or bypass the said agreement.

Culturally, brands like McDonalds are transnational in essence, however, they are designed to satisfy the demands of the individuals nationally, for instance, in India, the adaptation of the American BigMac as the Maharaja Mac, is evidence of how even transnational corporations mould their structures to fit the needs of nation states. According to Robins (1997), there are some nation states such as France and parts of Middle-East, where people resist the cultivation of American culture. In fact, a “retreat to fundamentalism” and “greater nationalism” are seen to be noteworthy reactions to globalisation (Robins, 1997). The Skeptics are dubious of the hyperglobalist claims of “homogenisation” or “hybridisation” of culture, because they believe that such a claim could only lead to “clash of cultures” (Barber, 1996; Huntingdon, 1996).

One of the main frameworks proposed by the skeptic school, the world system theory by Immanuel Wallenstein, asserts that the capitalist world system has been constituted by nation states and that the nation state still plays a central role in world politics (Robinson 2007).

In sum, the skeptics school argues that globalisation is not a new process, but a constantly evolving form of internationalization. Skeptics reject the concept of global governance and cosmopolitanism, they are of the belief that the hyperglobalists’ perspective is based on an abstract concept and does not produce sufficient empirical evidence to back their claims. They firmly believe that nationalistic identities cannot be replaced by global identities, and that nation states will continue to assert dominance in the national and the international arena.

The Transformationalist Perspective

The transformationalist or the post-skeptic perspective establishes a middle-ground between the hyperglobalists and the skeptics, it shares the concerns of the skeptics, in that, it believes that nation states continue to be major players in the international system, however, the transformationalists cannot overlook the perspective of the hyperglobalists, as they too agree that the process of globalisation has transformed the structures of the world and in turn nation states at unprecedented rates. The eminent transformationalists such David Held, Anthony Giddens, and Anthony Mcgrew have resorted to taking a step back from some of the claims of the skeptics to absorb the process of globalisation, however, they do not make any sweeping claims which evade the authority of the state, as is evident in the hyperglobalist perspective.

The uprise of global common problems such as environmental degradation, climate change, human rights issues, and drugs and crime development have led to the creation of global common institutions to tackle these challenges. Therefore, the international organizations are the forums for different states to present reforms to resolve some common issues affecting the world, however, the nation states hold the ultimate authority to devise plans to put these international laws and other strategies into practice.

David Held (1999) notes that the structure of the nation state is reshaped by institutions of global governance, international laws and social movements. The sovereignty of the national state is shared by different agents. For Held, although territorial boundaries exist and

maintain their importance, money flows and economic activities make nation states more open to foreigners and investments. (Solakoglu, 2016)

The Ideal View- Comparative Interpretation Of The Three Perspectives

Taking into account, the three views, I believe the ideal view to be the transformationalist perspective. The hyperglobalists make far-reaching statements when they completely deny the authority of nation states. Moreover, the absence of empirical evidence to support these statements further weakens the theory. There exist evidences within history, which prove the nation states to be major players even today, for instance the US-led coalition of 49 countries in order to invade Iran in 2003 came despite sanctions against it by the UN. The former UN Secretary General, Kofi Annan declared explicitly that the US-led war on Iraq was illegal. Another example includes “the Syrian crisis, while most of the countries illustrated a supportive picture for intervening in Syria, three national states Russia, China, and Iran were against these endeavours.” (Solakoglu, 2016) In addition, the decision of various countries to back out of international agreements or organizations such as the US’ decision to formally withdraw from the Paris Climate Change Agreement in 2017, or the case of Brexit, wherein the United Kingdom exited from the European Union in 2020 further verify that the authority of the nation states in the political, economic and cultural spheres continues to remain unimpaired.

The skeptics, on the other hand, view the process of globalization as an ongoing process of internationalization. Their state centric approach completely disregards the importance of globalization, thereby resulting in an unbalanced theory. The impact of globalization can be experienced in every sphere, be it political, economic or cultural. The opening up of economies enhancing free-markets, access to new cultures, the spread of technology and innovation, and overall increase in the quality of life prove that the impact of globalization cannot be denied.

The transformationalist perspective provides a unique and sophisticated analysis of the two views. It does not try to debunk the any theory as was the case with hyperglobalists and skeptics, rather it attempts to develop a complex theory of globalisation. Firstly, they incorporate the hyperglobalist claims of new market systems, cosmopolitanism, global governance but also accept that the nation state is not the sole authority of power and that, there are other global factors that affect the governance process. In addition, they also incorporate the skeptics claims that the new economic order mainly serves the Global North whilst disregarding the Global South, thereby widening the gap and inequalities between the rich and the poor. However, they also accept the effects of globalization in the world.

Secondly, transformationalists assert that the pattern of nation states cannot be discerned in the global age, depending on the context, both hyperglobalist and skeptics’ perspective can be accommodated.

Thirdly, the theory is open ended in its interpretation of the future, there is no fixed outcome that it promulgates as an effect of globalization. It refrains from predicting the role of nation

in the future because different trends can be observed with reference to impact of globalization on nation states, no fixed pattern has been observed.

Conclusion

Therefore, from the arguments presented in this paper, it can be concluded that the restructuring of the world politics as a result of globalization has yielded the creation of new supranational organizations. However, this does not mean that the authority of nation states has vanished, rather the role of nation states in the face of globalization is constantly evolving.

For this purpose, I believe the transformationalists' perspective seamlessly synthesizes the major elements from both perspectives to produce a comprehensive, realistic and stable outlook, which eliminates the extreme positions from the two perspectives and provides a wholistic understanding of the role of nation states in a globalizing world.

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