Globalisation: Does It Pose A Threat To The System Of States? Essay, Research Paper

?I am a citizen of the world ? Diognenes

I disagree globalisation poses a threat to the system of states. Furthermore, I believe globalisation is the next step in the development of the state. Globalisation is defined as, ?the reduction of barriers to trans-world contacts. Through it people become more able physically, legally, culturally, and psychologically to engage with each other in ?one world? .? With the dissolution of the Soviet Union the end of the Cold War, there has been supremacy of liberal capitalism and with it the pace of globalisation has been accelerated. With that, states have become part of a much bigger picture, the global village . Being part of a global village has meant that the idea of a state being a totally sovereign entity has been questioned. Sovereignty is the ability of a government to have absolute authority over its own territory. Economic interdependence between states has meant that increasingly what happens somewhere in the world ultimately affects all the countries in the world . Thus, the role of politics has been overtaken by the role of economics. For example, multinational corporations are free (to a certain extent) to basically do what they like because there is no global government to oversee their actions. All these points will be discussed in further detail, throughout this essay.

During the cold war it was literally impossible for the whole world to unite culturally and economically for obvious reasons. The reasons included the fact that the world had been marked by East-West (US versus Soviet) Cold War rivalry that extended across the globe which led to a nuclear build-up that threatened to destroy the planet . With the fall of the Soviet Union and end of hostilities between East and West, a new ?world order? emerged . One aspect of this new ?world order? was clearly demonstrated during the 1990 Gulf War when the United States and Russia worked together and implemented collective security at the Security Council at the United Nations. Previously, it was very difficult to have the Security Council work together because both the United States and Soviet Union had a veto power and each would inevitably veto each other and nothing in the Security Council could ever be accomplished . Another aspect is the fact that as soon as the Cold War ended, Western states began doing business with former communist states (that was already happening under Gorbachev although to a lesser extent). Globalisation, on the other hand, was already happening before the collapse of hostilities between East and West .

As the world market today is realized ever more completely, it tends to deconstruct the boundaries of the nation-state. Robert Reich, former U.S secretary of labour celebrates the overcoming of national boundaries in the world market. He contends that ?as almost every factor of production-money, technology, factories and equipment-moves effortlessly across borders, the very idea of a national economy is becoming meaningless.? He adds that ?in the future there will be no national products or technologies, no national corporations, no national industries. ? Thus, with the decline of national boundaries, the world market is liberated from the kind of binary divisions that nation-states had opposed for many centuries before . Globalisation has made trade of goods and communications between countries much easier. For instance, jet aeroplanes transport passengers and cargo across any distance on the planet within a day . Telephone and computer networks effect near-instantaneous interpersonal communication between points all over the Earth. Electronic mass media broadcast messages to world audiences. Countless goods and services (such as Nissan cars and Club Med holidays) are supplied to consumers in global markets. Moreover, some articles (including much clothing and electronics) are manufactured through trans-world processes, where different stages of production are located at widely dispersed locations on the Earth . The 1990s were also seen as being characterized by the intensification of the processes of global financial integration. The global financial order is now virtually universal, as seen by the influence of the World Bank and the International Monetary Fund . On the downside, state economies have become so interdependent on each other that if the stock market were to crash now as it did in 1929, the consequences would be felt throughout the whole world at a much greater speed .

The democratic nation-state has to a considerable extent lost its determining role in the decision-making process. The prevailing actors are trans-national firms, international or supranational organizations . Trading zones have emerged throughout the world, including regional trading blocs such as NAFTA and the European Union making trading much easier by eliminating tariffs altogether. In respect to organisations, globalisation has been transpiring through the proliferation and growth of companies, association, NGO?s . There has also been a growing importance of multinational corporations. These businesses produce output in more than one state. For example, major corporations such as General Motors and Ford control $100,000,000,000 empires that dwarf the economies of poorer states . Many argue that globalisation threaten the existence of states altogether. The European Union is a striking example for the transfer of internal sovereignty and decision-making power from national to supranational bodies.

Under international law (and in theory), states are sovereign, however, increasingly, due to globalisation, that sovereignty has been challenged, most notably, economically and to some extent, politically . Researchers are asking whether, as the world becomes a single place, if it also becomes fundamentally a different place. Economically, states have lost the ability to fully control their currency. For example, governments have to take note of interest rates internally but plan interest rates in relation to global interest rates . The EU is an example of how states can choose some form of cooperation to make up for the losses in internal sovereignty. At the beginning of 2002, the Euro in 12 different countries throughout Europe will take effect and will be an example of how states will have lost the ability to fully control their own currency (interest rates). Also, since European law is superior to any other state law, many argue that national laws are soon becoming obsolete . Europe integrationists known as Europhiles want the process of European integration to go further, with increased power to EU institutions. They argue for the extension of collective decision-making into areas such as immigration policy, defence and foreign affairs . The loss of national sovereignty that this would inevitably bring about would be more than compensated for, federalists, argue, by the greater influence that Europe would be able to exert on the world stage .

Although a state?s sovereignty has clearly been diminished, the state remains being the most important actors in the world. For the moment there is little sign that globalisation is leading either to a centralized, sovereign world government, as idealist world federalists have long predicted . There are many problems and objections to a global federal government. First and arguably, most important, is the fact that there is a noteworthy absence of a common underlying culture to support a global international society that cuts across al the major cultures and civilizations . In another words, we cannot even manage to get the British to agree with the French politically and these two states are somewhat similar culturally, so how are we going to manage states such as India and Pakistan, Israel and Arab states, just to name a few, getting along? Also, there will inevitably come a point where states will refuse to give up any more of their sovereignty in the sake of preserving their national identity.

All, in all globalisation has ultimately meant that the nation-state does not have a monopoly of power anymore. That power has been transferred to the international realm like trans-national corporations and institutions (like the EU). However, it is extremely important that a political and economic equilibrium be established between the state and the international system. This will therefore ensure the processes of capitalist accumulation and the representation of a state?s population are met . However, the state is far from dead. It is still by far the most important acts in the world today. What we are seeing today due to globalisation is merely the development of the state as it makes part of the increasingly complex system of international organisation.

BibliographyBaylis, John., Smith, Steven. 2nd edition., The Globalisation of World Politics., (Oxford: Oxford University Press, 2001).

Gill, Stephen., Law, David., The Global Political Economy., (Hertfordshire: British Catalogue, 1988).

Hardt, Michael., Negri, Antonio., Empire., (London: Harvard University Press, 2000).

Heywood, Andrew, ed., Politics., (London: Palgrave, 1997).

Robert C. Martin, President World Book., World Book Millennium 2000 Encyclopedia. (New York, 2000, Information gathered on December 5th to 12th).