

Globalization

I. Academic Debates

- **Globaloney:** A term used by Susan Strange to describe globalization as a vacuous or "nonsense" concept.
- **Fragegration:** A term by James Rosenau describing the simultaneous dynamics of integration and fragmentation.

II. Categories of Critics

- **Rejectionists:** Argue that globalization is not a useful analytical concept.
- **Skeptics:** Believe the global economy is not truly "global" but centered on regional hubs (Europe, Asia, North America).
- **Modifiers:** Argue that globalization is not a new phenomenon and point to historical precedents like the Silk Road.

III. The Role of the Nation-State

- **Kenichi Ohmae:** Argued that the nation-state is becoming obsolete in a globalized economy.
- **Modern View:** While decision-making is transferring to international and local levels (multi-layered governance), the state remains essential for protecting human rights and national welfare.

I. Core Concepts and Definitions

- **Contested Nature:** Globalization remains a "slippery" concept with no single, universally accepted definition.
- **General Descriptions:** Scholars often describe it as the "intensification of social relations across world-time and world-space," the "compression of time and space," or the "swift and relatively unimpeded flow of capital, people, and ideas across national borders".
- **"Fragegrative" Dynamics:** Some define it as a set of contradictory processes that combine integration and fragmentation, creating a complex and uncertain global environment.

II. The "Globaloney" Perspectives (Critics and Skeptics)

A group of scholars challenges common accounts of globalization, falling into three main categories:

- **Rejectionists:** Argue that globalization is an imprecise and "vacuous" term that obscures more than it explains. They suggest breaking the concept into smaller, more manageable parts.
- **Skeptics:** Contend that the world economy is not truly global but is instead concentrated in Europe, North America, and East Asia. They emphasize that most economic activity remains national in scope.
- **Modifiers:** Dispute the novelty of globalization, pointing out that cross-regional transfers of resources and culture have existed for centuries, dating back to ancient empires like Rome and China.

III. Globalization as an Economic Process

This perspective views expanding economic activity as the primary engine of global change.

- **Historical Context:** Often traced to the collapse of the Bretton Woods system in the 1970s and the subsequent rise of neo-liberalism.
- **Key Features:**
 - **Financial Globalization:** The creation of a transnational financial system through deregulation and advanced communication technologies.
 - **Transnational Corporations (TNCs):** The massive growth of TNCs that "outsource" manufacturing to low-wage workers in the global south.
- **Risks:** Unregulated speculative money flows can create artificial "boom-and-bust" cycles, leading to regional economic disasters like the 1997 Southeast Asia crisis.

IV. Globalization as a Political Process

The debate here focuses on the fate of the modern nation-state.

- **End of the Nation-State:** Some argue that global markets and technology have made the nation-state an obsolete unit in the global economy.
- **Continued Relevance:** Others highlight that politics remains crucial, as concrete political decisions are what unleashed—and could potentially reverse—globalizing forces.
- **Global Governance:** A focus on how national and multilateral responses (like the UN or international legal arrangements) manage transnational flows.
- **Cosmopolitan Democracy:** The vision of a multilayered governance system where democratic rights are detached from specific territorial units.

V. Globalization as a Cultural Process

This perspective examines whether globalization makes the world more alike or more different.

- **Cultural Homogenization:** The idea that an increasingly uniform global culture is emerging, often described as "Americanization" or "McDonaldization".
- **"McWorld" vs. "Jihad":** Benjamin Barber's concept of a struggle between a soulless consumer capitalism (McWorld) and parochial, sometimes violent, cultural resistance (Jihad).
- **Deterritorialization:** The process where cultural practices no longer remain tied to specific locations, acquiring new meanings in a global context.

The multidimensional character of globalization allows the study of the aspects that account for this multidimensionality and their respective processes. The topic of The Global Economy introduced us to the economic aspect of globalization. For this part, we move to the second aspect which is politics (globalization as a political process).

FOUR KEY ATTRIBUTES OF WORLD POLITICS

In this part, the attributes of the contemporary global system, namely, world politics, the nation-state, internationalism, and the global interstate system will be discussed. The goal is to familiarize oneself with concepts that make up politics at the international level. Perspectives on the role of what forms the global politico-interstate system are indicated to show how scholars take on this globalization aspect differently.

1. There are countries or states that are independent and govern themselves. (e.g. The Philippines is a nation-state, it has a sense of independence from other nationstates, and has its government (the Republic of the Philippines)).
2. These countries interact with each other through diplomacy. (e.g. The Philippines has international relationships with other countries.)
3. There are international organizations, like the United Nations (UN), that facilitate these interactions. (i.e. The UN is the center of global governance and the Philippines is a member of this international organization.)
4. Beyond simply facilitating meetings between states, international organizations also take on lives of their own. (i.e. The United Nations has task-specific agencies like the World Health Organization (WHO) and the International Labor Organization (ILO), aside from being a meeting ground for presidents and other heads of states.)

THE NATION-STATE

- The nation-state is a relatively modern phenomenon in human history, and people did not always organize themselves as countries.
- The nation-state is composed of two non-interchangeable terms:

NOT ALL STATES ARE NATIONS. NOT ALL NATIONS ARE STATES.

(e.g. many commentators believe that the Bangsamoro is a separate nation existing within the Philippines, but through their elites, recognizes the authority of the Philippine state (this is a case of states with multiple nations); The nation of Korea is divided into North and South Korea (this is a case of a single nation with multiple states).

THE STATE

- Refers to a country and its government.
- The institution that creates warfare and sets economic policies for a country. It is also a political unit that has authority over its affairs.
- Independent political communities each of which possess a government and assert sovereignty in relation to a particular portion of the earth's surface and a particular segment of the human population (Bull, 1995 as cited in Schattle, 2014: 933).
- Essential elements of the state:
 - PERMANENT POPULATION – inhabitant of the country, its citizens
 - TERRITORY – total portion of the land governed
 - GOVERNMENT – an entity that regulates relations among its people and with other states
 - SOVEREIGNTY – supreme uncontrollable power of the state over its territory; refers to internal and external authority
 - Internal Authority: no individuals or groups can operate in a given national territory by ignoring the state. I.e. Groups like churches, corporations, and other entities have to follow the laws of the state where they establish their parishes, offices, or headquarters.
 - External Authority: a state's policies and procedures are independent of the intervention of other states. I.e. Russia or Germany cannot pass laws for the Philippines and vice versa.
- States have the following rights:
 - Right to govern its people
 - Right for self-determination
 - Right to impose the country's policy
 - Right to take over issues in its jurisdiction

THE NATION

- “An imagined political community”—**imagined as both inherently limited and sovereign** (a conceptual definition forwarded by Benedict Anderson in his most celebrated work, Imagined

Communities: Reflections on the Origin and Spread of Nationalism (1983)). “Imagined” in a sense that the nation allows one to feel a connection with the community of people even if he/she will never meet all of them in his/her lifetime. E.g. you know that you live in a territory with the people in the Visayas or Mindanao even if you haven’t seen them in person.

- The concept emphasized organic ties to hold groups of people together and inspire the senses of loyalty and belonging (Schattle, 2014: 933).
- Nations are viewed as **socially constructed political communities** that hold together citizens across many kinds of cross-cutting identities: ethnicity, language, religions, and so forth (Schattle, 2014: 933).
- Nations often limit themselves to people who have imbibed a particular culture, speak a common language, and live in a specific territory.
- Most nations strive to become states. Nation-builders can only feel a sense of fulfillment when the national ideal assumes an organizational form whose authority and power are recognized and accepted by “the people”.

Nationalism forms a close relationship between nation and state because it is the one that facilitates state formation. Most nation-states are born out of nationalist movements. Sovereignty in a state is established because of the nationalist sentiments for independence..

INTERNATIONALISM

Internationalism is born out of the desire for greater cooperation and unity among states and people, a system of heightened interaction of various sovereign states. The principle of internationalism can be divided into two broad categories: liberal internationalism and socialist internationalism.

PERSPECTIVES ON INTERNATIONALISM

1. Immanuel Kant

- a. German philosopher Immanuel Kant likened the states in a global system to people living in a given territory.
- b. Kant argued that without a form of world government, the international system would be chaotic.
- c. Kant imagined a form of global government where states, like citizens of countries, must give up some freedoms and establish a continuously growing state consisting of various nations which will ultimately include the nations of the world.

2. Jeremy Bentham

- a. British philosopher Jeremy Bentham (coined the term "international" in 1780) advocated the creation of "international law" that would govern the interstate relations.
- b. Bentham believed that objective global legislators should aim to propose legislation that would create "the greatest happiness of all nations taken together".

3. Giuseppe Mazzini

- a. First to reconcile nationalism with liberal internationalism.
- b. He believed in a Republican government (no kings, queens, and hereditary succession) and proposed a system of free nations that cooperated to create an international system.
- c. Free, independent states would be the basis of an equally free, cooperative international system, the basis of global cooperation.

4. Woodrow Wilson

- a. Wilson saw nationalism as a prerequisite for internationalism.
- b. In his faith in nationalism, he forwarded the principle of self-determination— the belief that the world’s nations had a right to free, sovereign government.
- c. He believed that only by being democratic nations would they be able to build a free system of international relations based on international law and cooperation.
- d. He advocated for the creation of the League of Nations.

5. Karl Marx

- a. Marx was an internationalist but he did not believe in nationalism.
- b. He believed that any true form of internationalism should deliberately reject nationalism, which rooted people in domestic concerns instead of global ones.
- c. Marx placed a premium on economic equality.
- d. Marx and Engels opposed nationalism because they believed it prevented the unification of the world’s workers.

The very principles of internationalism forwarded by Kant, Bentham, and Mazzini serve as the blueprint for the very face of internationalism in the contemporary world which is the United Nations.

PERSPECTIVES ON THE RELEVANCE OF THE NATION-STATE AMID GLOBALIZATION

Different perspectives on the role of nation-states amid globalization have enriched the study of global politics and the interstate system. These perspectives are varied and come from different sociopolitical

realities yet offer a rich understanding of the footing of the nation-state in the complex process of globalization.

- States ceased to exist as primary economic organization units in the wake of a global market, wherein people have access to and consume highly standardized global products and services produced by global corporations (Ohmae, 1995).
- Globalization transforms the national economy into a global one where there will be no national products or technologies, no national corporations, no national industries (Reich, 1991).
- Globalization is redefining the role of the nation-state as an effective manager of the national economy. The state as the main shelter from the perverse effects of a free market economy (Boyer & Drache, 1996).
- It is misleading to assume that globalization has relegated the nation-state and its policies to an obsolete or irrelevant status; governments are acting as the midwives of globalization (Brodie, 1996).
- States are not influenced uniformly by globalization (Milner & Keohane, 1996).
- Scholars argue for the continued relevance of conventional political units, operating either in the form of modern nation-states or global cities (Steger, 2014).
- Equipped with the power to regulate economic activities within their sphere of influence, states are far from being impotent bystanders to the workings of global forces (Steger, 2014).
- The continued relevance of the nation-states as crucial bargaining agencies that influence the changing world of power relations (Castells, 2009)

EFFECTS OF GLOBALIZATION ON THE NATION-STATE

1. Traditional Challenges – external intervention or invasion of another country
2. Challenges from National/Identity Movements – confront cultural and/or national identity
3. Global Economics – globalization as imposing a forced-choice upon states: either to conform to free-market principles or run the risk of being left behind Golden Straitjacket (Thomas Friedman): states are now forced into policies that suit the preferences of investment houses and corporate executives who swiftly move money and resources into countries favored as adaptable to the demands of international business, and withdraw even more rapidly from countries deemed uncompetitive (Schattle, 2014; 933).
4. Global Social Movements – human rights advocates, transnational advocacy networks.

Scholars are divided on the position of the nation-state in the process of globalization. Some argue that the nation-state has no firm stand in globalization which is mainly viewed in the economic dimension. While there are still those who believe that nation-states are still relevant in the globalization context. Nation-states are still governing agencies and political units that affect and shape power relations even in the international or global arenas. As the representative of its people, nations-states are called to practice.

“the power to determine economic, social and environmental objects for national development and the capacity to ensure that transnational corporations meet these priorities and to set the stage for new forms of participatory democracy whereby the citizens become effectively involved in international policymaking on trade, investment, and finance (Cavanagh and Mander, 2004 as cited in Schattle, 2014: 936)”

The **nation-states of the world** are here to stay and play key roles in the shaping of globalization. This manifests in the formation of regional partnerships with neighboring countries (e.g. the Philippines in the ASEAN); membership, and active participation in international organizations and global governing bodies like the United Nations; adherence to universal norms and values; and establishment of transnational networks among others. Global politics and interstate conditions have their fair share of positive and negative implications and results, yet these do not stop nation-states in increasing the interconnectivity and interrelationship to one another as the forces of globalization bind them together. The challenge remains as to how global policies created and lobbied by interstate agencies with a high participatory mandate will create a more just globalization process in all its economic, political, and cultural aspects.

Market Integration

- The fusion of separate, often international, markets into a single, unified, and efficient market where goods, services, and capital move freely, resulting in similar price patterns across locations. Driven by reduced trade barriers, it promotes economic growth and efficiency but can create unequal outcomes for different industries.
- The goal is to create a more efficient and interconnected market, leading to increased competition, lower prices, and greater economic opportunities for businesses and consumers.
- Price Equalization: In a fully integrated market, a single commodity has a single price. For example, if carrot prices are higher in one part of a city, sellers will move there until prices equalize.
- Barriers to Integration: Distinct markets can have different prices for long periods due to high transport costs or other expenses.
- Organizational Definition: Experts Kohls & Uhl define it as expanding a firm by consolidating more marketing functions under one management.

Historical Context:

The 19th century was the turning point for a truly world economy due to technological advances.

- Transport Revolution: The railroad locomotive and marine steam engine (from the 1830s) connected ports to inland areas, creating a faster global network.
- Information Speed: The electric telegraph lines often followed railroad networks, allowing for faster communication.
- The Suez Canal (1869): Linked the Mediterranean to the Red Sea.
 - Shortened the trip from Europe to Asia by approximately 4,000 miles.
 - Significantly reduced freight costs, though some bulk cargo (like rice) still used older sail routes for a time due to early steamship inefficiency.

Types of Market Integration:

- Horizontal Integration: Combining firms at the same production/distribution stage (e.g., mergers).
- Vertical Integration: Linking different stages of production and distribution, such as backward (supply) or forward (distribution) integration.
- Conglomeration: Merging unrelated business activities under one corporate group.

Pros and Cons

Horizontal Integration

- Pros: Larger market share, higher profits, lower production costs, and reduced competition.
- Cons: Reduced flexibility and the risk of creating a monopoly or oligopoly.

Vertical Integration

- Pros: Lower transaction costs, certainty regarding quality, and more control over the business.
- Cons: Requires massive capital, reduces diversification, and limits flexibility.

Conglomeration

- Pros: Diversification, spread of risk, and an expanded customer base.
- Cons: Increased management costs and difficulty managing unrelated industries.

THE GLOBAL GOVERNANCE

- Global governance or world governance is a movement towards political integration of transnational actors aimed at negotiating responses to problems that affect more than one state or region.
- It tends to involve institutionalization, and these institutions – the United Nations, the International Criminal Court, the World Bank, etc. – tend to have limited or demarcated power to enforce compliance.
- It is concerned with issues that have become too complex for a single state to address alone. Humanitarian crises, military conflicts between and within states, climate change and economic volatility pose serious threats to human security in all societies; therefore, a variety of actors and expertise is necessary to properly frame threats, devise pertinent policy, implement effectively and evaluate results accurately to alleviate such threats.
- Global governance can be thus understood as the sum of laws, norms, policies, and institutions that define, constitute, and mediate trans-border relations between states, cultures, citizens, intergovernmental and nongovernmental organizations, and the market.

Types of International Organizations

- Universal membership: United Nations (UN), Bretton Woods Institutions and World Trade Organization (WTO)
- Limited membership: European Union (EU) and the North Atlantic Treaty Organization (NATO)

THE UNITED NATIONS

- Coined by US Pres. Franklin D. Roosevelt when representatives of 26 nations pledged their Governments to continue fighting together against the Axis Powers.
- The United Nations was established after World War II with the aim of preventing future wars, succeeding the ineffective League of Nations (LON).
- In 1945, representatives of 50 countries met in San Francisco at the United Nations Conference on International Organization to draw up the United Nations Charter.
- The Charter was signed on 26 June 1945 by the representatives of the 50 countries. Poland, which was not represented at the Conference, signed it later and became one of the original 51 Member States.
- There are 193 UN member states with the addition of South Sudan on July 14, 2011.
- The Philippines joined the UN on October 24, 1945, under the administration of Sergio Osmeña.

Purpose

- Maintaining worldwide peace and security
- Developing relations among nations
- Fostering cooperation between nations in order to solve economic, social, cultural, or humanitarian international problems
- Providing a forum for bringing countries together to meet the UN's purposes and goals

Main Organs:

- General Assembly (GA)
 - Main deliberative, policymaking and representative organ of the UN
 - All 193 Member States
 - Decisions on important questions (peace and security) require a two-thirds majority
 - Decisions on other questions are by simple majority
 - The General Assembly, each year, elects a GA President to serve a one-year term of office (incumbent: Volkan Bozkır)
- Security Council (SC)
 - Responsible for the maintenance of international peace and security
 - 15 Members (5 permanent and 10 non-permanent members).
 - Takes the lead in determining the existence of a threat to the peace or act of aggression
 - The Security Council has a Presidency, which rotates, and changes, every month.
- Economic and Social Council (ECOSOC)
 - Principal body for coordination, policy review, policy dialogue and recommendations on economic, social and environmental issues, as well as implementation of internationally agreed development goals.
 - 54 Members, elected by the General Assembly for overlapping three-year terms
- International Court of Justice
 - The International Court of Justice is the principal judicial organ of the United Nations.
 - Its seat is at the Peace Palace in the Hague (Netherlands).

- Settle, in accordance with international law, legal disputes and to give advisory opinions on legal questions
- Secretariat
 - Comprises the Secretary-General (incumbent: Antonio Guterres) and tens of thousands of international UN staff members
 - The Secretary-General is chief administrative officer of the Organization, appointed by the General Assembly on the recommendation of the Security Council for a five-year, renewable term.
- Trusteeship Council
 - The Trusteeship Council was established in 1945 by the UN Charter, to provide international supervision for Trust Territories that had been placed under the administration of Member States, and ensure that adequate steps were taken to prepare the Territories for self-government and independence.

CHALLENGES OF GLOBAL GOVERNANCE IN THE 21st CENTURY

- Issues that involve interwoven domestic and foreign challenges include threats at the beginning of the century which include ethnic conflicts, infectious diseases, and terrorism as well as a new generation of global challenges including climate change, energy security, food and water scarcity, international migration flows and new technologies.
- Domestic politics creates tight constraints on international cooperation and reduces the scope for cooperation.
- Diverse perspectives on and suspicions about global governance, which is seen as a Western concept, add to the difficulties of effectively mastering the growing number of challenges.
- The challenges of new governance in the 21st century entail multiple trajectories of change within states, among actors inside and outside nation-states:
 - Within states, the first trajectory or path is the depoliticization (To remove something from political influence) which can be observed in the form of delegating decisions to independent regulators and experts, central banks, or judiciaries
 - A second trajectory is the rescaling of economic and social relations well beyond the territorial boundaries of nation states, facilitated by transnational legal arrangements that have their roots in national law.

THE ROLE OF THE NATION-STATE IN GLOBALIZATION

- Since nation-states are divided by physical and economic boundaries, reduced barriers in international trade and communication are considered their potential threat.
- Sovereignty of individual nations is not abolished by expanded trade among countries, instead globalization is a force that changed the way nation-states deal with one another, particularly in the area of international trade.
- Nation-states has potential effects to globalization:
 - Favoring Westernization which means that other nation-states are at a disadvantage when dealing with the Americas and Europe, most especially in the agricultural industry, in which nations face competition from Western companies
 - Nation-states are forced to examine their economic policies in light of the many challenges and opportunities that multinational corporations and other entities of international commerce present.
- The role of the nation-state in a global world is largely a regulatory one as the chief factor in global interdependence.
- In setting international trade policies, isolated states are forced to engage one another, while the nation-state's domestic role is unchanged. Roles of some states were diminished while others have exalted roles due to interactions of various economic imbalances.

GLOBALIZATION'S IMPACT ON THE STATE

- Factors which lead to the increase and acceleration of movement of people, information, commodities and capital:
 - Lifting of trade barriers
 - Liberalization of world capital markets
 - Swift technological progress
- Problems afflicting the world today which are increasingly transnational in nature, those that cannot be solved at the national level or State to State negotiations:
 - Poverty
 - Environmental pollution
 - Economic crisis
 - Organized crime and terrorism

- Effects of greater economic and social interdependence to national decision-making processes:
 - It calls for a transfer of decisions to the international level
 - It requires many decisions to be transferred to local levels of government due to an increase in the demand for participation.
- Decision making processes in globalization is complex as it takes place in various levels such as sub-national, national, and global which lead to the growth of a multi-layered system of governance
- The State has the roles in operating the intricate web of multi-lateral arrangements and inter-governmental regimes, entering into agreements with other States, and making policies which shape national and global activities.
- This indicates political leverage of some States in shaping the international agenda while developing countries have fewer active roles.
- Though State is required by globalization to improve its capacity to deal with greater openness, it must remain central to the well-being of its citizens and to the proper management of social and economic development
- The following can be guaranteed only by the States through independent courts:
 - Respect for human rights and justice.
 - Promote the national welfare
 - Protect the general interest