How has globalisation changed the international system?

https://www.e-ir.info/2011/07/27/how-has-globalisation-changed-the-international-system/

MAREIKE OLDEMEINEN, JUL 27 2011

Globalisation has been a major topic in the study of International Relations for the past few decades. Almost all aspects of the modern day society have been influenced by it in some way. Moreover, globalisation understood as "an intensification of cross-border interactions and interdependence between countries"[1] has brought about major change in the international system. This definition of the term globalisation allows us to comprehend the change of relationships between individual states from a more or less side by side existence towards their integration in an international system in which they are more dependent on each other than before and where events happening outside their territory are far more likely to have an effect on them than they would have had a about century ago. This essay will now analyse the different ways in which states have become more dependent on each other and how globalisation has brought about this change in the international system.

A very important role in this process was played by the various Intergovernmental Organisations (IGOs) which gained increasing significance through the process of globalisation. Before the age of globalisation, states were looking to promote their national interests. They were concerned more with their own safety than global security and they were looking for ways to deal with problems at a domestic rather than international level. Nowadays, since the issues and difficulties which states have to face are becoming more global than national, states are no longer able to protect their citizens and deal with problems by their own means, unless they take collective action together with other states in IGOs. By joining these, states give up some of their sovereignty to a body governed by the collective will and decisions of its member-states. This joined sovereignty had not existed before and it sometimes implies that states have to comply with the majority decision and are thus affected by it, even though it might not have been the initial desire of the individual state. Hence, they are dependent on the other countries who participate in the decision making process in order to reach their goal. However, sometimes they have to sacrifice their national interests in order to reach international rather than national aims. This can be demonstrated by the example of the UN Security Council, where the member-states wanting the resolution to be passed are dependent on the five permanent members. As these hold veto-powers, they are sometimes able to stop an entire resolution, even if all other members voted in favour. A further implication which some IGOs have for their member-states is the obligation to act (in any form) under certain circumstances. Member-states of the NATO, for example, agreed under Article 5 of the North Atlantic Treaty

"that an armed attack against one or more of them [the member-states] in Europe or North America shall be considered an attack against them all and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defence recognised by Article 51 of the Charter of the United Nations, will assist the Party or Parties so attacked by taking forthwith, individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area."[2]

This example emphasises how member-states of the NATO are dependent on each other and affected by what happens in the other member-states. As a result of this, the United States might be obliged under Article 5, North Atlantic Treaty, to send forces or aid to a European member-state of NATO if this state is attacked, even though the US individually have nothing to do with that conflict and are also geographically not close to the attacked state. This backs the assumption that events nowadays have become "placeless (…), distanceless (…), and borderless (…)."[3], hence states are not completely unaffected by circumstances arising in other countries anymore, but they are likely to be affected in some way. Another example of how a small number of states can have a notable impact on the whole world is the Organization of Petroleum Exporting Countries (OPEC), set up in 1960. OPEC, in the 1970s, considerably raised the oil price which had a drastic affect for many countries in the world. Thus, OPEC at the time only had 12 member-states, their decision was had in impact on many more states.[4]

However, it is not only IGOs with individual states as members which increase the dependence of states on one another. Trans-border connections between different regions from different countries have had a similar impact on states over the course of globalisation. What is more, in these organisations not states make decisions, but their constituent provinces or regions take actions which then in turn have an impact on a wider part of the world. Examples of such organisations include the Assembly of European Regions or the European Union's Committee of the Regions which exist since the 1970s and have since been influencing the respective countries of their member-regions. In this way, states have also become more interdependent, not specifically by their own actions, but due to their constituent regions forming part of such regional organisations.

Another development which was encouraged by globalisation again demonstrates the interconnectedness of states in the modern international system – private sector institutions. Bodies like the International Federation of Stock Exchange, founded in 1961, have by their decisions and actions taken concerning issues such as credit rates and food prices significantly influenced many countries all over the world and the global economy as a whole.

Even more directly, states have become more interdependent through the opening of national borders and the implementation of free-trade. Due to globalisation it is now easier for companies to set up branches or production sites in other countries where the conditions for the company are better. However, this also increases competition between countries as each of them wants the companies to establish themselves in their country. Thus the states are dependent on each other in so far as they each have to try to be more attractive to companies than the others. Furthermore, free-trade was supposed to create conditions under which every state could trade freely and with equal opportunities with any other state. But since this does in reality not favour all nations equally, as some nations can export cheaper than others and are thus more likely to be trade-partners, some countries had to implement tariffs and quotas in order to protect their national economies. In this way, states are adversely effected by the other country's tariffs and quotas in order to trade with them. Sometimes that even means that the particular state is not able to trade certain goods with that country, as meeting the restrictions would have detrimental effects for that particular state.

One last but not less significant factor which was especially important in augmenting the interdependence of states is the "…fusion of national capital markets. … [and] the emergence of an integrated global economy"[5]. Since states now no longer have sole control over their economies, they rely and depend on the collective governance of bodies like the International Monetary Fund (IMF) or the World Bank in order to regulate the international financial market. On the one hand, this new dependence provides the member-states with some sort of protection in case their economy gets into financial difficulties, but on the other hand this interconnectedness can also have negative effects as could be observed recently in the Economic Crisis. Consequently, the emergence of a global economy also increases the risk of states being affect by a crisis which may start off in one or two countries, but since these form part of the global economy, it quickly stretches out and can thus have detrimental effects on other states whose national economy might also be significantly smaller and thus suffer even worse.

Overall, it has been demonstrated, that globalisation has changed the international system quite significantly in so far as it made states far more interdependent and interconnected. The world is not a place of many different and separate countries anymore, but these states form almost one entity on many different levels. Problems do not arise isolated any more and thus the solutions for these now also have to be found in collective action rather than individual responses. Intergovernmental Organisations, private sector bodies and global financial institutions – the products of globalisation – have taken the leading role in trying to solve these global problems and in creating a global market and economy. And by doing so, they have simultaneously brought states closer together and thus made them more dependent on each other.

BIBLIOGRAPHY:

Literature

1. Baylis, John and Smith, Steve (editors); *The Globalization of World Politics – An introduction to international relations 2nd edition;* (Oxford University Press, 2001)

2. Brown, Chris with Ainley, Kirsten, *Understanding International Relations, 3rd edition,* (Palgrave Macmillan, 2005)

3. Kratochwil, Friedrich and Mansfield, Edward D.; *International Organization and Global Governance – A Reader 2nd edition;* (Pearson Longman, 2006)

4. O'Brien, Robert; Goetz, Anne Marie; Scholte, Jan Aart; Williams, Marc; *Contesting Global Governance: Multilateral Economic Institutions and Global Social Movements,* (Cambridge: Cambridge University Press, 2000.

5. Salmon, Trevor C. and Imber, Mark F. (editors); *Issues in International Relations, 2nd edition;* (Routledge, 2008)

6. Sorensen, Georg; *The Transformation of the State – Beyond the Myth of Retreat;* (Palgrave Macmillan, 2004)

Periodicals

1. *Informationen zur politischen Bildung,* nr. 280, 2003; "Globalisierung";
pages: 27-31

Websites

1. http://www.nato.int/docu/basictxt/treaty.htm; accessed on Thursday 27.11.08

2. http://www.opec.org/aboutus/; accessed on Saturday 29.11.08

[1] Baylis, John and Smith, Steve; *The Globalisation of World Politics 2nd edition;* Oxford University Press, 2005; page 14

[2] http://www.nato.int/docu/basictxt/treaty.htm; accessed on Thursday 27.11.08

[3] Baylis, John and Smith, Steve (editors); *The Globalization of World Politics – An introduction to international relations 2nd edition;* (Oxford University Press, 2001); page 30

[4] Salmon, Trevor C. and Imber, Mark F. (editors); *Issues in International Relations, 2nd edition;* (Routledge, 2008); page 139

[5] Brown, Chris with Ainley, Kirsten, *Understanding International Relations, 3rd edition,* (Palgrave Macmillan, 2005); page 165

—

Written by: Mareike Oldemeinen
Written at: University of St Andrews
Written for: Karin Fierke
Date written: October 2008