



THE RISE OF GLOBALIZATION AND ITS EFFECT ON THE AUTONOMY OF STATE AND POLITICAL ECONOMY

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Abstract: -

The purpose of this study is to analyse the case of globalization and its effect on state sovereignty, analysing the political economy as a case study the importance of this study is to explain the origin and the rise of globalization in the world. The study discusses the recent theoretical research on how globalization has affected property sovereignty and the international political economy. The main objective of economic policy is to increase the role of globalization method such as trade, technology, and overseas networking globalization has a dissimilar policy in supporting relation with states and also independence from other states, the mean of economic globalization is the increasing of the global economic freedom. The main issues through which globalization can affect property sovereignty and political economy are examined and explained.

Key words: finance, globalization, international relations, political economy.

A. RESEARCH METHODOLOGY

1. Scope and objective of the study: -

The goal of globalization is to boost economies around the world by making

market more efficient. the main aim of globalization is to secure socio-economic integration and development of all the people of the world through a free flow of goods, services, information. Knowledge and people across all boundaries.

The scope of this research paper is to know about a conscious an active process of business and trade across the border of all the state and also to look into that how globalization effected our state and politically. It seeks to transform the existing international economic system into a unified system of global economics.

2. Research methodology: -

The adapted method used in the research paper is secondary data. The secondary data consist of information that already exist on various sites, journals and others. The paper is bases on secondary data which was collected from books, journals, statues, case laws, newspaper, official government reports and other published and unpublished materials as well as information available on the internet that is relevant or suitable in the context of the problem under this paper. This data has enabled me to provide a firm theoretical background to the study

B. HYPOTHESIS OF THE RESEARCH WORK

This research paper takes issue with some of the basic assumptions of the globalization hypothesis by raising the following questions: How does the globalization affected the state autonomy? Can we talk about the rise of globalization as following a constantly increasing populations and international growth? Can we speak about one kind of new globalization that has become characteristic of the global era? And how *new* is this kind of globalization? By



addressing these questions, I would like to hypothesized that how globalization affected our economy and state?

C. INTRODUCTION

According to oji & ozoiko (2011) nowadays globalization has become a favourite catchphrase of everyone; journalist, economist, politicians, environmentalist, lawyer and even farmers. Globalization is in unavoidable process that incorporates practically every field in today's life. The process mainly driven by rapid and largely unrestricted flows of information, goods, ideas, cultural values, capital service and people shift to the more than ever integrated world economy. Globalization is recognized as one of the most significant powers that affect the world economy. According to Modelski (2007) "globalisation is a process along four dimensions economic globalization world opinion formation, democratization, and political globalization." This was a rounded off with the assertion that changes one of these dimensions will lead to change in another dimension. Economic globalization has many characteristics and effect on the world, such as business, marketing and trade. Sovereignty is the character of the state of appearance and form of political organization; additionally, it can be comparative between military and economic power.

Globalization has hegemon on states economy, foreign policy and also community which are underdeveloped cannot resist against globalization, because all world are dealing with this phenomenon and as a country prevent its entrance. It will be out of the modern world community especially in the economic aspect. The term globalization refers to the integration of local and international economics into a globally

unified political economics and cultural order, and is not a singular phenomenon, but a term to describe the forces that transform an economy into one characterized by the embracement of the free movement of trade, investment, labour and capital.

D. GLOBALIZATION BACKGROUND

In recent years the term of globalization has been used enormously by media and academic however, it is not a totally new phenomenon. The concept of globalization has many definitions. It can be defined in the political, social and many economics term, and for this study, globalization is defined in terms of economic. It is defined as a power in international economics, growth in global economics, wider in intelligence and the increased scale and level of economy with relation to world boundaries (Dao,2004) globalization review and its real impact on sovereignty, international range of wealth and global trade. Finally, it combines economic policy with business relation and political displeasure. Globalization is one of the defining trends of the 21st century. Rapid international development drives growth in the increasingly dense web of connection between developed and developing countries around the world.

Advance and cost reduction in communication technology and transportation have made it ever easier to collaborate with associate in other countries and remote locations. Its hard to think of any aspect of modern life that globalization does not influence or touch in some way, the rising tide of globalization plays a growing role in business, culture, the environment, human migration pattern, international development, politics and science and technology the many, substantial benefit of globalization includes higher average incomes, greater



innovation, richer culture exchange and improved standard of living around the world.

E. THE RISE AND ORIGIN OF GLOBALIZATION

Globalization is a combination of economic, technological, sociocultural and political forces and it refer in general to the worldwide integration of humanity and the compression of both the temporal and spatial dimension of planet-wide human interaction. Globalization has a long history, it appeared when the European big economic power occupied Asia, Africa and America. Globalization was developed in the 20th century but it become recognised as a research phenomenon about three decades ago, at the time its political and economic association begun to be studied. Globalization accelerated in 19th century during the industrial revolution. As the factories become established, more companies used lands for their production and investment, replacing and selling good with each other. When Great Britain colonized India, Great Britain used India for its policy and purpose, for instance, most cotton for British traders was made in the city of Madras, the big and important part in India. In time, the madras cloth was no longer exclusively produced in Madras, instead all the Indian labour force supplied cotton (national-geographic 2011).

F. ECONOMIC GLOBALIZATION

As we know globalization as one of the most important phenomena within the contemporary business and public environment has resulted in significant changes to individual countries in terms of economic development, economic globalization means obtaining freedom in markets and wipe restriction among nations.

The peace of Westphalia in 1648, it was completed the effect of the responsibility of any international authority and recognised link marketing of the new state system (Kobrin2009). the new transformation involved the territorialization of politics. Exchanging regularity was related to the value of gold and secured rates, integrated economic by likened to political mixing. So, it was a great point to the nations (Quiggin 2000). In 1994, of the United States, Mexico and Canada as three neighbour countries have signed the north American free trade Agreement (NEFTA), which finally ended all taxes in trade goods, allowing for the goods and facilities globalization. In addition to people and thoughts, among these three countries (ku and yoo 2013). It was further economy system, network marketing reduces cost of transition, creating economic globalization (Shangquan, 2000). Multinational corporation had strong influence on world economics between 1960 and 1970. Foreign direct investment by American, Japanese and western Europe advanced further, beginning with new industrial revolution. Exposition corporate alliance with other country companies, rather this corporation gained power on (MNCs) and state companies 9Kobrin,2009). The transformation economics developed national capital with international financial created for serving alliances. As a result, the relationship and industrialized were dated to state economic globalization due to recognizing countries that wanted global trade to improve their citizens well-being (Goksel,2004).

G. THE RECOGNIZATION OF KNOWLEDGE AND POWER



Nowadays in all geographical area, companies are operating worldwide activities, especially for Asian countries, the flow of new key technologies and their development is changing their specific differences (Shangquan, 2000), according to Conroy and castells (2011) economic globalization may contain careful and unequal mixing of knowledge and technology toward the world labour market. Also, it has a crucial role in the valence of international trade and economic development. When businesses transfer abroad, these benefits become the main goals that companies must follow when moving abroad (Mostert, 2003). Driven by developing market potential and growth, companies gain a scale and scope return to their nation. They learn from a leading market, forcing competitors, growing markets, learning how to do business in foreign countries, adding new skills and new jobs. Technological advantages including growing interest in marketing performance, capitalization of labour force skills and costs, the standing of the company through global success.

H. GLOBALIZATION AND ITS IMPACT ON THE STATE

Globalization has been producing a subtle change in the function of the state. Its role in the ownership and production of goods has been getting reduced. However, this does not in any way mean a return of the *laissez faire* state.

In the era of globalization, the function of the state began undergoing a change. With the increasing disinvestment of public sector, privatisation was encouraging. Public sector was made to compete with the private sector, and as a whole open competition, free trade, market economy and globalization were practiced. State ownership of industries came

to be rejected. The role of state began emerging as that of a facilitator and coordinator, the exercise still continues.

In this era of globalization, several changes have been taking place in the function of the state: -

1. *Decreased economic activities state*

The process of liberalisation- privatisation has acted as a source of limitation on the role of the state in the economic sphere. Public sector and enterprises are getting privatized and state presence in economic domain in shrinking.

2. *Decrease in the role of the state in international economy*

The emergence of free trade, market competition, multinational corporation and international economic organisation and trading blocs like European union, NEFTA, APEC, ASEAN and others, have limited the scope of the role of the state in the sphere of international economy.

3. *Decline of state sovereignty*

Increasing international inter-dependence has been compelling each state to accept limitations on its external sovereignty, each state now finds its essential to accept the rules of international economics system, the WTO and world bank and IMF.

The role of MNC/TNC has also been growing in national and local politics as they play a significant role in shaping the state decision and policies, their key objective behind influencing the state decision and policy-making is to promote their vested interest.

4. *Reduced importance of military power of the states*



The state continues to maintain its military power as an important dimension of its national power. However, the strength being gained by movement for international peace and peaceful coexistence as the way of life has tended to reduce the importance of military power of the state.

5. Increasing role of international and treaties

Several intentional convention and treaties have placed some limitations upon all the states. All the states are now finding it essential to follow the rules and norms laid down by such conventions. The need to fight the menace of terrorism and rouge nuclear proliferation as well as the shared responsibility for protecting the environment and human rights, have compelled all the states to accept such rules and regulations as are considered essential for the securing of these objective. Thus, globalization and several other factors have been together responsible for influencing a change in the role of the state in contemporary times.

6. Decline on public expenditure in public welfare policies

Most advanced western states appear committed to reducing social expenditure on public welfare programs, and to introducing measure such as labour market deregulations and lowered tax rates which facilitates greater economic competitiveness, but impact adversely on rates of poverty and inequality. These economic and political initiatives have coincided with a period of intense economic globalization. The growing significance of international trade, investment, production, and financial flows appears to be curtailing the autonomy of individual nations states. In particular, globalization appears to be encouraging, if not demanding a decline in

social spending on public welfare programs and policies.

I. STATE SOVEREIGNTY AND GLOBALIZATION

SOVEREIGNTY: -

Sovereignty is therefore often confused with freedom, although the right of sovereignty is based on credit by other sovereigns, and therefore has some kind of relationship with other states (oji and ozioko, 2011). They argued that sovereignty means the acquisition of the rights and power, which establishes itself in different methods, which mainly accounts for its changing definition, sovereignty is a disputed sovereign is a disputed phenomenon, boundaries restrict the zone over which a use of power (ku and yoo, 2013). A sovereign state should be able to make its political, economic and social life following its values and without external effect or coercion. In exchange, it has a moral obligation to protect and extend its citizen centuries, the social contract took on a more complex meaning.

The domestic economy of states is reduced due to global economic development and the establishment of regional relations globalization, it controls the choice the policy option offered, limiting power, involving a decline in wellness in advanced states (wall,2012). Much of the state's economy is tied up in national economy, as well as online and electronic investments and shared currency between many states (Buchanan, 2012). According to wall (2012), without an improved economy or employment and specialties, unfortunately, states would be forced to choose between economic development and social security facility.

Globalization can reduce the role and power of the states.



- First; several thinkers believe global economics marketing will be developed by the state of government.
- Second; globalization can raise the efficiency and practicing the power of themselves.
- Third; because of the modern policy of economics and politics law.

International law is the law of the nations established in the world, which will affect the obligation of each nation's behaviour (Kobrin,2009). Also, the developed instrument of the nongovernmental organization has the effect of limiting the capacity of sovereignty (Ku and yoo,2013). The US is still contracting its role much harder globalization may have a positive and negative effect on more economic power over the rest o the world, some academics believe that globalization is serving the interest of instead of globalization. The global economy ca be viewed positively because it has inter-states relation benefits. Negatively, American cannot control its own global companies, because they are not in their territories. The main goal of the government os to regulate space through border control essential for sovereignty and international relation. Authority is the political ideology that each nation uses its power to deal with internal and external conflicts. Each state has the authority and control over the problems covering the linking domination over its legitimate sovereignty.

J. IMPACT OF GLOBALIZATION ON POLITICS

Globalization by removing geographical, political, and cultural borders and also by pass dame of time and place has changed attitudes, behaviours and action of individuals, nations, state and even socio-political structure of societies. In politics scope, globalization has created several evolutions which some of them are as follow:-

A. *Globalization and Democracy*

The phenomenon of globalization as a new paradigm, in influence of economic evolution, has excellent changed human societies from half century past, in later decades, the scientific and academic societies, especially political science and some other matters like political system, and some other matter like political system states and democracy has conceptual redefined by globalization.

Democracy means 'home rule' , mainly there are two classes definition of democracy:-

1. Outlook that argued democracy as a governance method
2. Outlook that argues democracy is as values.

Based on different goals and definitions of democracy, there are many various models of democracy. According to mass direct and indirect participation, it disports to direct and indirect or participative democracy. And according to isonomy and equality of economy, there are liberal and social democracy and it disport to industrial and corporate democracy.

Democracy has main characteristics that some of them are as follow: -

1. **Free election: -** it means every one and groups can have chance to reach power.



2. **Rationality of political actors:** - in fact this index is basic of democracy system, and is democratic structure formation. This measure rationality of actors is different in various countries
3. **Separation and monitoring of power**
4. **Liberal decision-making power of representation:-** the representation should make decision making liberally and without internal and external threat and impacts.
5. **Freedom of party's political groups, social forces in political actions**
6. **Civil liberties and its safeguard**
7. **Codification of constitution and respect it**
8. **Political and social equal opportunity for all citizens.**

The effective of globalization on democracy is not limited special scope some thoughtful beliefs that, globalization affects on all foundations of democracy such as freedom of expression, freedom of belief and religion, civil community, citizenship rights, confine of state activity, legitimacy of governors, freedom of press and etc. which give principles there are some ways and methods of effective of globalization on democracy that follows;

1. Evolution on concept of democracy

Democracy in influenced of globalization has more changed in relative to its traditional concept. Democracy in its new concept is not just participation process, election. Representation, region of low, and political and urban freedom. But it should be defined as measure of formation civil institution is societies and its combine on global culture

2. Spread of civil society: -

Civil society is essential and structural request for democracy realization. Behind the

three column of democracy (responder states, freedom election, urban and political rights) the civil society are fourth and important column of democracy. So democracy doesn't realize, unless independent institution of civil society be institutionalize in society.

3. Increase of middle class

Globalization increased and developed middle class, by increase of urban institution, parties, national and supranational groups and movement.

B. Globalization and nation-state

The post important political scope of globalization is its impact on nation as a historic phenomenon. Some are believed that political globalization is state domination. It means that globalization reduces the authority and autonomy of states. Other groups are arguing that globalization phenomenon causes downfall of nation-state.

In contrast, some writer believe that globalization not only doesn't waken nation states but, in globalization age, the central role of state will be preservation and state as a main factor of organizer will stable, some theoreticians, with realism outlook and without stress on continue or downfall of states, have regarded to reference of supervision will be transfer from national state to sub governmental, non-governmental and ultra-governmental organization. In other words, in globalization age the method of governance will be completely difference.

C. Globalization and new political actors

Another impact of globalization on politics is appearance new political actors in national, regional and global scopes and change in location of some old and traditional actors, in inside of state are visible in form of groups,



ethnic and regional organization and in transnational dimension, they are action in form of intergovernmental international organization and non-governmental international organization. Especially transnational organization in late of 20th and beginning of 21st. the number of intergovernmental organizations has increased from 37 at the beginning of 20th century to 300 at its end. The actors due to have mass capital and influence on politics and behaviours of other actors and even states are post important.

D. Globalization and human rights

One of the positive consequences of globalization is more attention to human rights as most important common issues of human society in nowadays world. The global culture of human rights emphasizes on this issue that everyone is different dimension and level has right which should be immunity of unjustifiable disturbance of states and global power. Increase level of insight and knowledge of nations and states, under influence of globalization process have converted the more attention to global human rights as a general and humanity certain right request in the world wide. Nowadays, the issues such as illegal killing, forbidden of torment, forbidden of child forcible working, battle against terrorism, peaceful solution of discards, enjoyment of justly judicial system, enjoyment minority of hygienic and education and welfare, freedom of expression and belief and action, are as general a values of human rights and are acceptance for all cultures.

E. Globalization and new political culture

Another main and important output and consequences of globalization is its influence on political culture in national and international level. Gabriel Almond defines political culture as set of norms, value, emotions, information and political technique. Almonds argues political culture has three basic dimensions;

1. Knowledge dimension (the measure of information and knowledge of citizen about political roles and system)
2. Sentimental dimension (emotion of loyalty, dependence and relation to political system)
3. Value dimension (judge about function of political system)

Before globalization age the culture and identity of nation have been defined by intervention of states, but in globalization age due to reduction influence of state, the political culture of people has changed independently. Globalization has created a kind of common political culture among people in the world, and has caused similarity in political culture.

Nowadays the insight and knowledge of people about political system and political behaviour of governors have been changes and they only and without any fear are evaluating the function of system officer.

F. Globalization and increase of interdependence

The extension of globalization of has caused accession among nations, and increase interdependence of different societies. Jims Rosina believes that if in the past, the global politics problems have been solved by interaction of states, but now there are complex problem which are out of states capacity. Some of them are such as, Air pollution, financial narcotic, aids, despotism



and violence in some political system, flood, earthquake and etc.

So, it is clear that the solution of these problems is out capacity of singular of states, and cooperation of formal actors and trans national organization are most necessity. Hence, globalization has created and broadcasted non-governmental international and international actors and increased their independence.

G. Globalization and freedom

There is a question that how freedom and globalization fit together. According to some research it funded that they work together quite nicely. There is a strong positive relationship between globalization and political freedom.

Globalization may also be one of the best ways of keeping politician honest. As more globalized countries have far lower level of perceived corruption, as measured by transparency international, some countries may help foster increased political rights and civil liberties for their citizens.

Furthermore, increased integration may lead to the adoption of higher international standard for transparency, which in turn would discourage corruption and increase government efficiency.

Of course, there are always exceptions to the rule, Singapore, the world's globalized country is home to a modern, open economy that exist alongside government control over the media and limited individual liberties. On the other of the spectrum, south Africa has a relatively high level of political freedom mediocre globalization ranking. Going global does not offer any guarantees, clearly ca gives countries a leg up.

So, globalization with its high impact power has completely influenced culture and politics scopes of individual and states life. Globalization with formation new definition of culture and politics and creation new political and cultural actors in nations, regional, and global scopes has appeared now world which is completely difference of the past. New political cultural discourses which have dominated on human society has most important impaction, and shouldn't imagine it simple.

K. CONCLUSION

Globalization has made the world as a small village, and it tends to go further like wiping all border among countries and also remove all economic restriction and hampers, this will hurt small countries and will be in the interest if big powers., globalization affects the sovereignty of states. States have reduced the capacity to control their societies both actively and reactively, because poor and small countries have nothing to export, they are just importing from developed countries, this will lead to developed countries to be wealthier and make poor country poorer, which will create a big gap and problem for the future of our world. The main objective of economic policy is to raise the role of globalization method such as trade, technology and networking abroad.

Globalization has a different policy for supporting relations and independence in other states. It was raised when countries, markets changed and developed a more unified and organised economy, dealing with products and service across global borders, leading to economic strength and investment by international companies, individual and organizations participate in companies over the world. Also, economic upturns in one country lead to similar occurrences in other



countries, business result are related to many determinants.

For example; the world political reduction process more independent economics emphasized by the ambition of nation for successful competition in the business world as cooperation could pay lower salaries because living cost in less developed countries in much lower. Economic globalization is the newest system that has limited the ability of states to determine their policy result in three main ways. Trade and economic mixing, financial markets and competition for employees. Due to the increasing pressure of the international competition mobility, states are encouraging to cut labour cost to reduce the price of goods and services.

We have seen that there are so many pros and cons globalization effected on state and political level in a good and bad mate.

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