

## Unit D 22: Political aspects of globalization

### 1. Summary

In recent years, attention has increasingly shifted from purely economic globalization to political aspects of globalization. On the one hand, there is a tension between the nation-state and globalization; on the other hand, the globalization process is characterized by democratic deficits.

### 2. Globalization

Globalization can be understood in very different ways: Either as an economic convergence of production, finance and trade - i.e. economic globalization -, as the development of global or transcontinental socio-cultural spaces - i.e. cultural globalization (cf. García 2014 and Eriksen 2014) - or as international political convergence/divergence, which manifests itself in the increased international playing out (in the form of aggravation or defusing/resolution) of political conflicts - i.e. **political globalization**. This text deals with **political aspects of globalization**.

#### 2.1 On Globalization from a Political Perspective

The following definition of globalization shows very clearly the economic and economic interdependence of globalization processes:

##### Definition

"Globalization is a **dynamic process** that drives the economic interconnectedness of the world through increasing exchanges of goods, services ,capital and labor, constantly **reducing the economic importance of national borders and intensifying international competition**; so that, as **all major submarkets** grow together, the opportunities for **international division of labor** are exploited more and more intensively, the global **use of resources** is constantly improving, new opportunities **'but also risks** are constantly emerging, and **national and international political actors** are forced to take on changing roles in shaping globalization, involving an increase in **intercultural interactions** and challenges".

Source: Koch 2014:9/10.

One can argue whether economic globalization is more the result of political development and liberalization processes or rather a driver for governmental de-regulation measures. Probably both are true.

Eckart Koch (2014:13) has seen political liberalization and deregulation in a large number of countries as political causes and, at the same time, as framework conditions, mainly under the sigils of monetarism and neo-liberalism: "Above all, the attempts of many states to increase their competitiveness by making cross-border trade and financial transactions more liberal and by reducing restrictive bureaucratic regulations reduced the economic importance of national borders, thus promoting global mobility and fostering the increasing interdependence of national economies" (Koch 2014:13). However, one would have to counter this view of globalization that it is much more than facilitated trade of products and services. On the one hand, many transnational actors emerged in the form of corporations and economic conglomerates - in 2011, for example, 60% of world trade was already conducted within multinational companies but across national borders (cf. Shaxson in WochenZeitung, 1.12.2011). And on the other hand, more and more international financial and economic actors are acting as independent and powerful players alongside and, in some cases, successfully against nation states.

In addition to the political, the technical framework conditions have also improved massively, especially transport and communication links, while costs have fallen. Between 1930 and 2000, for example, sea freight costs fell by around 65%, air transport costs by around 88%, and telecommunication costs by as much as over 99% (see Koch 2014:21).

Also promoting globalization have been the (new) media, first and foremost the Internet, social networks and also the increase in tourism.

According to Jean L. Cohen (2012:22), the world today is in a transitional phase "away from an international toward a global public legal order coupled to the globalizing political system. The international society of sovereign states is apparently being replaced by world society." However, the question arises at which point of this transition the world is today.

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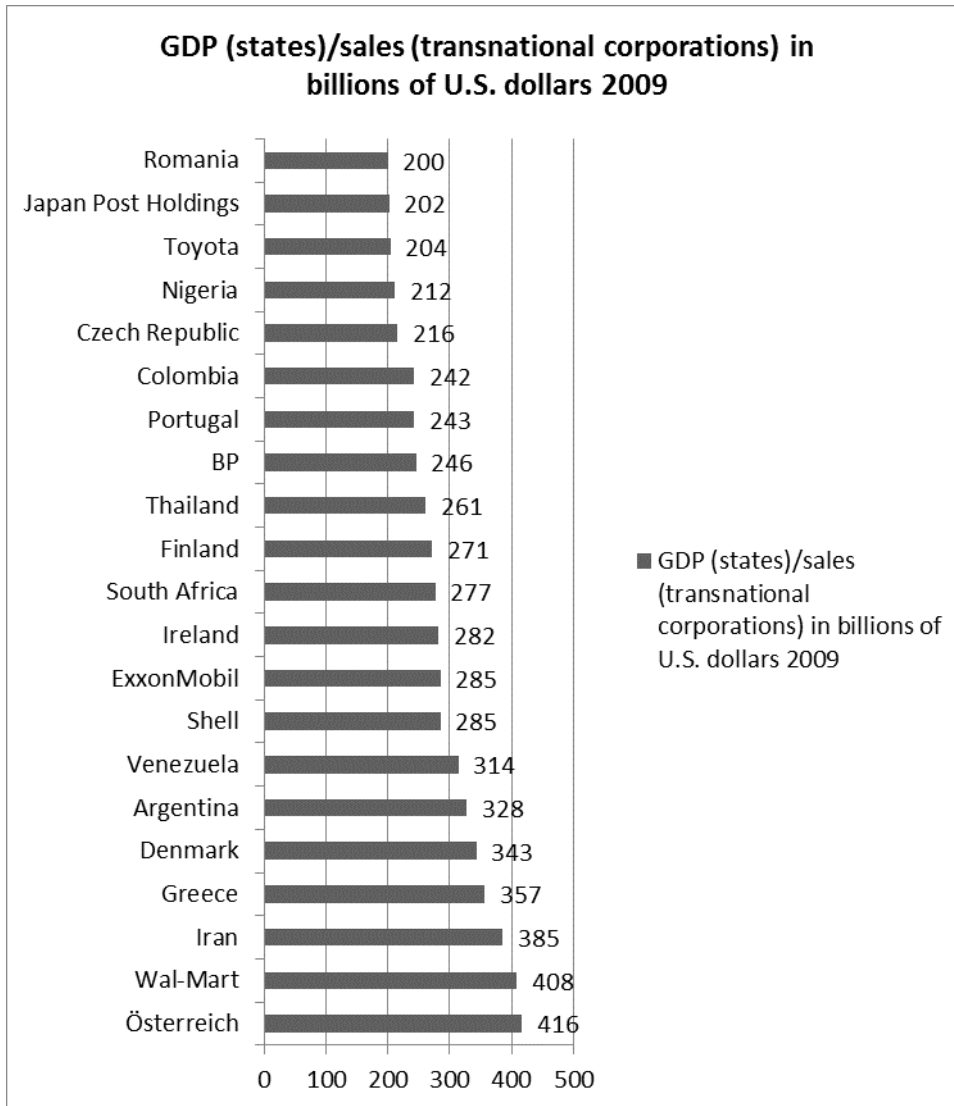
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Depending on the political system, economic conditions and socio-cultural context, the individual nation states are globalized in very different ways. By "globalized" is meant, on the one hand, networking at the economic, socio-cultural and political level that goes beyond national borders, and, on the other hand, internal openness and - conversely - the dismantling of isolation.

What is rather new is the fact that in terms of production volume and sales, many transnational companies can certainly compete with the gross domestic product of smaller and medium-sized states.

In 2009, there was the following ranking of transnational companies (by sales) and medium-sized and smaller nation-states:



Comparison of gross domestic product of some countries and sales of some corporations. Source: Koch 2014:50; own illustration.

This makes the large companies players of such caliber that they also carry political weight. This is evident, for example, in the area of lobbying, but also in legislation (consultation!), in the personal intertwining of politics and business, and in social and migration policy. In general, the interests of large companies are perceived as more important in politics than they were 50 years ago.

Often, globalization was - and still is! - seen as a purely economic process. This overlooks the fact that nation states in particular are also decisively affected by globalization and its effects.

**Economic loss of importance of national borders**

"The dismantling of artificially created barriers associated with globalization and the resulting loss of economic significance of national borders mean that they (can) no longer fulfill their inherent economic protective and defensive function for the nation and the various social groups. Borders have become permeable. Not only from the inside to the outside but above all from the outside to the inside, so that the influences of foreign countries can have little restraining and more or less unfiltered effect on the nation, the companies based at home and the people employed here."

Source Koch 2014:78.

Thus, (national and nation-state) politics faces a dilemma: On the one hand, nation-states as actors are losing influence and scope for action, and on the other hand, increasing (economic) globalization calls for ever more urgent international and global rules of the game that must not only be implemented but also enforced and controlled.

An interesting question is whether globalization poses a threat to national democracies. Research by Lea Heyne (2015:300) has found that the impact of globalization on democracies is mixed: On the one hand, the enforcement of the principle of equality improves due to the reduction of information and transaction costs. On the other hand, greater economic integration tends to cause a decline or stagnation of democratic standards. As Heyne (2015:301) writes, "There are obviously fundamental tensions between national democracy and globalized capitalism, and the loss of nation-state autonomy over economic policy matters can hardly be justified from a democratic point of view." Moreover, the effects of globalization are unevenly distributed among democratic principles: The principle of freedom is most affected - positively and negatively: "Individual liberties, the rule of law and democratic public sphere clearly benefit from political and social internationalization, but suffer from economic globalization. Democratic control is also negatively affected by economic openness, but less so, and also benefits from the expansion of social globalization. Democratic equality, on the other hand, is least affected by globalization processes... Only political integration has a positive effect on equality; there are no significant negative effects" (Heyne 2015:301).

## 2.2 The problem of universalism and claims of universality.

One could also say that on the one hand, there is a demand for universalization of transnational rules of the game, while on the other hand, individual states - especially the superpowers and economic powers - try to impose their specific view and rules of the game that serve their own interests.

Especially in a globalized world, the question of the general validity and universality of rules and values arises from a political point of view. I would like to show this by the example of the gender discussion.

Judith Butler (2009:306) understands the universal "as a cultural variable" whereby "the specific cultural manifestations of the 'universal' ... [run] counter to its claims to a transcultural status" (Butler 2009:306). Yet, according to Butler (2009:306), this does not mean that the universal should not be referred to - quite the contrary: "It means only that there are cultural conditions for articulation that are not always the same, and that the term derives its meaning for us from precisely the decidedly less-than-universal conditions of its articulation" (Butler 2009:306).

As an example, Butler (2009:306/307) refers to gay and lesbian rights as being "anti-human" by the Vatican (Butler 2009:307 - unfortunately, Butler does not substantiate this statement by "the Vatican" - at least not at this point - so this statement cannot be discussed further). Accordingly, she argues, the question is whether mainstream groups and various governments are expressing doubts about "whether lesbian and gay people should really be part of the 'human,' whether their supposed rights fit with the existing conventions that dominate the scope of what are considered universal rights" (Butler 2009:3006/307).

One could also formulate the problem differently: Is a universality of (fundamental) rights possible at all without being subject to (socio-)cultural specifications?

For "the universal begins to experience its articulation precisely through the attacks on its existing formulation, and this challenge comes from those who are not encompassed by it ...

but who nonetheless demand that the universal as such must include them" (Butler 2009:308).

In doing so, Butler (2003:20) also deconstructs "the assumed universality and integrity of the feminist subject"- "woman(s)" because the latter is itself the consequence of a "reified" gender relations: "Does not the construction of the category 'woman' as a coherent fixed subject constitute an inevitable regulation and reification of gender relations? And does such reification not contradict feminist objectives? To what extent does the category 'woman(s)' gain its stability and coherence only within the framework of the heterosexual matrix?" (Butler 2003:21). Indeed, if a universal category such as "human" in "human rights" only makes sense in front of the semantic field human - non-human, then - according to Butler - the question immediately arises as to how "being human" is defined. In doing so, Butler (2003:22) concludes for the category of "woman(s)" in feminist discourse, "The identity of the feminist subject may not form the basis of feminist politics as long as the formation of the subject is located in a field of power that is regularly obscured by the statute of that basis. Perhaps paradoxically, it turns out that representation as a goal of feminism only makes sense if the subject 'woman(s)' is nowhere presupposed" (Butler 2003:229). Analogously - one could argue - the category "human" is problematic when it is instrumentalized in the sense of an imperialist human rights policy to enforce certain power relations or when it is used to conceal power relations. For ultimately, the virulent resistance of certain cultural or religious groups - often against the intention of their own understanding of themselves and their beliefs - to "Western human rights policy" can only be understood in this way.

At first glance, it may seem surprising that we are talking about gender aspects in the context of "universality". But the gender issue shows more than almost any other area how strongly specific views and universal claims can merge and also contradict each other.

For our question we can state that claims to universality on the one hand have to do with the actors at the center - such as individuals, people, men, women, members of different countries, or institutions such as global corporations, international organizations, etc. - and on the other hand always also with the assertion of particular interests at the world level.

From this point of view, any claim to universality must not only be questioned, but also checked for particular, specific self-interests. In this context, Giulanotti and Robertson (2015:177), with a view to football, speak of a "universalization of particularism" - in the sense that there are virtually no longer any boundaries for particularity - and of a "particularization of universalism" - understood in such a way that national societies undergo a process of global standardization and integration.

In view of the clash between universalist and particularist claims, Koch (2014:79) has listed seven areas in which social subsystems are under strong pressure to adapt and act:

- "- *Economic systems* must be designed to be future-proof and take into account internationally accepted goals and requirements. This applies, for example, to government debt limits, the dismantling of protectionist measures or the structures of tax systems, e.g. maximum public debt, reduction of non-tariff trade barriers, lowering of income tax ceilings.
- *Social systems* must meet minimum conditions, but at the same time be slimmed down to ensure their financial viability and not lose their incentive function, e.g. introduction of health insurance systems, raising the age limits for drawing pensions, propagating greater personal responsibility.
- *Political systems* must meet increasing demands for democracy and transparency while effectively maintaining public safety and citizen protection, e.g., referendums, support for joint military action abroad, protection of the right of assembly.
- *Legal systems* are under constant pressure to integrate supranational unification requirements, while at the same time ensuring (increasing) legal certainty and taking into account matters outside their own jurisdiction, e.g., implementation of EU directives, reduction of subsidies, anti-corruption measures.
- *Cultural systems* must maintain a balance between the preservation of national and sub-national characteristics and the integration of extranational impulses and tendencies, while at the same time taking into account market considerations and public financing needs, e.g. national cultural promotion, financing of cultural institutions, multinational cultural events.



- *Education systems* are subject to constant changes in content and form, with the provision of content-related and formal competencies, education and training content, and full-time training competing with continuing education needs, e.g., Bologna process with bachelor's and master's degree programs, academization of training, increase in in-service training, adaptation of recognition of foreign degrees.
- *Cultural value systems* are also subject to constant external influences. In the field of work, societal values are being adapted to economic constraints, while those that contradict them are being dismantled. At the same time - especially in the leisure sector - countervailing trends such as identity-forming traditions and values are experiencing a renaissance, e.g. working time regulations (including start times, length of lunch breaks) including religious holidays, occupational safety on the one hand, traditional clothing, traditional clubs, music on the other" (Koch 2014:79/80).

But - one has to ask - is it enough in this situation that national subsystems at the economic, political and social levels are constantly adapting and changing - more or less under pressure - while there is no international or global force that can steer or at least influence the globalization processes? If this were so, one would have to see globalization as a God-given development process, so to speak - or as a kind of integrated component of human evolution. But such a view is hardly tenable - especially against the background of the "constructivist turn". There is no doubt that there is a whole range of ways in which globalization processes can be controlled, influenced and also slowed down - one only has to find them and want to find them.

### **2.3 A global economic order**

Eckart Koch (2014:138) has rightly pointed out that all these issues can ultimately be successfully addressed and resolved by a Global Economic Order. Such a global economic order would have to consist of three parts: A security architecture, an economic architecture, and a social and ecological architecture:

Global economic architecture						
Global security architecture			Global economic architecture		Global social and environmental architecture	
International crises	Transnational criminality	Future security and development	Commercial and competitive order	Monetary and financial order	Social order	Environmental order

Quelle: Koch 2014:138.

In this context, the security architecture would have to ensure above all sustainable peace, the fight against (global) crime, and also a reduction in social inequality (structural violence!, cf. ► Unit C 1: "On the concept of conflict").

Accordingly, a world economic architecture would also have to be established, consisting of a global trade and competition order and a global monetary and financial order (see Koch 2014:159). Components of the trade and competition order of this would be - according to Koch 2014:159ff. - the system of WTO treaties, but also Unctad and the OECD. The global monetary and financial order could also build on existing structures and forums for discussion, such as the Bank for International Settlements or the G-8 and G-20 summits.

The global social and environmental architecture would have to provide for the definition and enforcement of international social and environmental standards.

## 2.4 Global Mafia-like Organizations

The consequences to which a lack of a global security structure can lead are shown by the development of global crime.

Néstor García Canclini (2014:15) pointed out in his book "Imagined Globalization" that not everyone participates in globalization: "What is advertised as globalization generates, in the majority of cases, regional interrelations, business alliances, and communication and consumption circuits among European or North Americans or certain Asian zone countries. Not everyone participates". And: "The new frontiers of inequality generate ever greater

separation between those who connect to supranational networks and those who take refuge in their local bastions" (García Canclini 2014:15).

Internationally organized crime with its structures and organizations is also a form of globalization (cf. Koch 2014:151).

Global criminal organizations are on the one hand the consequence, but on the other hand also the cause of social inequality.

### 3. Control Questions

1. In which threefold sense can globalization be understood?
2. Summarize the most important elements of Koch's definition of globalization.
3. Is economic globalization rather the consequence or the cause of political liberalization tendencies? Give reasons for your opinion.
4. Which changed framework conditions - apart from political ones - have acted as globalization drivers?
5. Which countries are at the top of the globalization index? Consider why.
6. To what extent is the fact that quite a few transnational companies have a similarly large turnover as individual small and medium-sized countries politically significant?
7. What dilemma does national policy face with regard to globalization?
8. How does globalization affect national democracies?
9. Why is the question of universality and particularism a problem at the global political level?
10. According to Koch, which seven social spheres or subsystems are subject to pressure to adapt as a result of globalization - and to what extent?
11. Why is a mere policy of adaptation to globalization by these subsystems not sufficient?
12. Of which three parts (architectures) does the global economic order postulated by Koch consist, and how are these three sub-architectures in turn composed?
13. Name three transnational criminal organizations.

#### 4. Links

##### **Definition Globalisierung**

<http://wirtschaftslexikon.gabler.de/Definition/globalisierung.html>

##### **Zahlen und Fakten zur Globalisierung**

<http://www.bpb.de/nachschlagen/zahlen-und-fakten/globalisierung/>

##### **Zum Einfluss der Globalisierung auf die Politik**

<http://www.globalisierung-welthandel.de/politik-globalisierung.html>

##### **Globalisierung der Politik**

<http://www.globalisierung-fakten.de/globalisierung-informationen/globalisierung-der-politik/>

##### **Der regulative Staat in Zeiten der Globalisierung**

Von Susanne Lütz

<http://www.lpb-bw.de/publikationen/forum8/global13.htm>

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