

Chapter Four

Globalization and Regionalism

Chapter Objectives

- Conceptualize the concepts of globalization and regionalism
- Be exposed with the contemporary debates on the essence and direction of globalization
- Develop a position regarding the essence and effects of Globalization
- Analyze the impacts of globalization on Africa, Ethiopia and the developing world
- Explain the theoretical limitations and practice of regionalism and regional integration
- Explain the mutual interaction between regionalism and globalization

Introduction

- Globalization and Regionalism are two major phenomena influencing global trend.
- While globalization represents integration
- regionalism represents differentiation among states
- Both processes characterize a form of reorganization of inter-state relations in contemporary world.
- Globalization is often understood as a phenomena, or a process characterized by increasing interconnectedness or interdependence. In short, it is a supra
- regional process bringing the world into one global village. Economy, politics, and technology have been the driving forces of globalization.
- Regionalism, on the other hand, is conceived as a way of dealing with politico-economic, social, military and security issues affecting states in common.
- Both developments have continued to significantly shape the nature of global politics, peace and security.
- The mutual causation between regionalism and globalization is an area of unsettling debate involving **convergence**, **divergence** and **overlap**.

Defining and Understanding Globalization

Globalization can be defined as a multidimensional process characterized by:

- the stretching of social and political activities across state frontiers
e.g.. Any political, social or economic decisions affects other countries
- the intensification or the growing magnitude of interconnectedness
e.g.. the spread of global pandemic like corona-virus, HIV AIDS, global trade
- the accelerating pace of global interactions and process
e.g. modern means of global communication
- the growing extensity, intensity, and velocity of global interaction
e.g.. this has created the world to be a small village and collective awareness of the world as shared social space, i.e. **globality** or **globalism**.

Globalization represents a process of **detrterritorialization**, as social, political, and economic activities are increasingly stretched across the globe and they no longer organized solely according to territorial logic or sovereignty.

The Globalization Debates

Globalization is a contentious issue in international relations. There has been intense debate as to the **direction**, **nature** and **effect** of globalization on states. In this regard, there are three perspectives: the **hyper-globalists**, the **skeptics**, and **transformationalists**.

1. The Hyper-globalists

- Argue that globalization defines a new era in human history in which nation states become **obsolete** to regulate their economy and boundary.
- It favors the **economic** over the political, the **market** over the state, and prefigures the decline of states.
- It argues that economic globalization is bringing about a de-nationalization /de-territorialization of economies through the establishment of transitional networks of production, trade and finance.
- It contends that nation states will ultimately be powerless institutions marginalized by the growing significance of **local**, **regional** and **global** mechanisms of governance.
- the authority and legitimacy of states is undermined as states increasingly unable to control the trans boundary movements and flows of goods, services etc.
- They argue that globalization is imparting new liberal ideas and implant culture of modernization replacing traditional culture having an impetus towards creating a new global order marked by uniform cultural values or way of life

The skeptics

- They reject the view of super-globalist as a **myth, flawed** and **politically naïve** since it fundamentally underestimate the enormous power of national governments to regulate international economic activities.
- States are central actors and agents of globalization playing central role in shaping and regulating the economic activities.
- They undermine the view that the world is interconnected and moving into a village where by there exists a free flow of goods and services
- Argue that globalization is not more than regionalization that is being manifested in the emergence of financial and trading blocs.
- argue that there is no free flow of goods, resources, technology and finance at the global level; instead we have regional based globalization
- They argue that it has become evident that the Western region is more intergraded and globalized than the other part of the world.
- Reject that globalization would help to narrow the economic and technological gap that is still prevailing between the global north and the global South.
- Hence, for the skeptics, globalization is marked by **North-South** gap reflected in terms of the deeply rooted inequality and hierarchy.

3. The Transformationalist

- They accept that globalization is a critical driving force behind the rapid social, political and economic changes reshaping societies and international politics.
- Argue that the process of globalization is historically unprecedented that governments and societies are having to adapt to a world in which there is no a clear distinction between the international and domestic affairs.
- the central argument of transformationist view is the belief that globalization is reconstituting or reengineering the power, function and the authority of the state, however, it can't command sole control over trans-boundary issues, actors, resource movements
- They reject both the hyper globalist view of the **end of the sovereign state** as well as the Skeptics claim that **nothing much has changed**.
- argue that world order can no longer be conceived as purely State-Centric or even primarily managed by state
- However, this does not mean that the power of national government is necessarily diminished but on the contrary it is being redefined, reconstituted and restructured in response to the growing complexity of process of governance in a more interconnected world.

Globalization and Its Impacts on Africa

- The impact of globalization on African in particular and other continents in general can be **social, cultural, economic** and **political**.
- Culturally and socially, globalization seems to be leading unavoidably to the homogenization of the world where US is taken as a model.
- Economically and politically, African states, like other poor countries, have been forced to adopt liberal economic and political model know as the **Washington Consensus** which includes trade liberalization, privatization.
- All these economic and political prescriptions are against the very socio-economic realities of the African states and finally lead to social unrest, political and social instability and poor performance of the state
- This poor performance by African countries caused the rise of authoritarian regimes that have characterized by weakening the ability of African countries to deal effectively with globalization.
- Specific impacts of globalization on Africa are:

Politically the erosion of sovereignty on **economic** and **financial** matters.

However, there are other **positive impacts** of globalization on Africa like

The spread of democratic ideas, promotion of human rights, exposing its violations, promoting transparency, openness and accountability in Africa.

Pros and Cons of Globalization

Globalization has its merits and demerits

- The expansion of democratic culture, human right and the protection of historically minority and marginalized groups.
- Innovation in science, medicine, and technology and information communication has enabled the improvement of quality of life.
- technological and social revolution significantly contributed to advancement of human security and safety.
- free movement of good, service, people, ideas, expertise, knowledge and technology across national borders strengthened international interdependence.
- the responsibility of states to protect their citizens and the shared responsibility of the global society for protecting vulnerable groups.
- rapid economic growth in some countries of the south is attributed to globalization e.g. Asian nations

Demerits of globalization

- the prevalence of a gnawing gap between rich and poor
- Imposition of Western Ideas and beliefs eroding the sovereignty of non-Western countries.
- climatic, environmental, disease and technological risks have multiplied.
- threats and vulnerabilities like global terrorism, religious fundamentalism, proliferation of Small Arms and Light Weapons (SALWs), arms and human trafficking.
- globalization has stimulated the emergence a simultaneous but opposite process of Glocalization, which involves a process of integration to the world and differentiation to the local. This process has contributed to the rise of radical nationalism and ethnicity, which set the context for the emergence of the era of identity and identity conflicts.

Regionalism and Regional Integration

- Region can be defined as a limited number of states linked together by a geographical relationship and by a degree of mutual interdependence (Nye, 1968).
- Regionalism refers to intensifying political and/or economic processes of cooperation among states and other actors in particular geographic regions.
- Regionalism normally presents the sustained cooperation among governments, non-governmental organizations for mutual gains.
- Regionalization can be conceived as the growth of societal integration within a given region, including the processes of social and economic interaction
- it can be best understood as a continuing process of forming regions as geopolitical units, as organized political cooperation within a particular group of states.
- It is a process occurring in a given geographical region by which different types of actors (states, regional institutions, societal organizations and other non-state actors) come to share certain fundamental values and norms.

Theories of Regional Integrations

Functionalism

- Functionalist view regionalism as a functional response by states to the problems that derived from regional interdependence.
- It starts from technical and non-controversial issues and spills over into the realm of high politics and redefinition of group identity around the regional unit.
- the task of policy makers is to encourage the states to peacefully work together.
- Regional organizations builds up to cope with one common problem and **spill over** to other problems and areas of cooperation, which will deepen integration among member states.
- '**spill-over**' is the key explanation of functionalist regionalism.
- There are two types of spill over

1. functional spillover

- Argues that cooperation in one area would broaden and deepen further areas
e.g. cooperation in economic field

2. political spillover

- existence of supranational institutions would set in motion a self-reinforcing process of institution building.
- The end-result would be a shift in loyalties from nationalism towards regionalism
- institutions possesses or demands jurisdiction over the preexisting national states
e.g. European Union is diminishing role of the nation-state

Inter-governmentalism

- is a theory and approach that focus on the state for integration to succeed.
- It considers the state mainly as an actor in the international system and the integration process.
- integration can be considered as part of the rational choice of state actors
- It puts process of integration into three stages: **national preference formation, interstate bargaining** and **institutional choice**

Supra-nationalism

- Developed based on the theory of neo-functionalism which defined integration as a process
- 'Political integration is the process whereby political actors in national settings are persuaded to shift their loyalties, expectations and political activities towards a new center or the supra national institution e.g. AL, EU,AU
- It argues that once supranational institutions are created, international interdependence grows, and interest groups or political party leaders can shift their loyalties from existing institutions or states to the new institution.

The Relations between Regionalization and Globalization

There are three options

1. regionalization as a component of globalization (convergent trends)
2. regionalization as a challenge or response to globalization (divergent trends);
3. regionalization and globalization as parallel processes (overlapping trends)

1. Convergent trend

- regionalism understood as one component, or 'chapter' of globalization.
- regional integration will lead to multilateral cooperation on a global scale
- globalization may be expressed through regionalization

2. Divergent trend

- Sees regionalization as a challenge or response to globalization
- challenge the undemocratic and unavoidable economic rules of globalization.
- It might be also motivated by the denial of a single universal culture, ideology and needs the promotion of alternative social and political organizations .

3. Overlapping trend

- regionalization and globalization might act as parallel or overlapping processes in the areas of economics and security.