

RUNNING HEAD: SHORTENED TITLE

Economic globalization has reduced the role of the nation-state

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### ***Introduction***

In the contemporary world, the nation-state is a highly significant and researchable political unit of analysis. Globalization's increasing volume and diversity in cross-border transactions and the swelling of international capital flows are important characteristics. Recent years have witnessed a marked diffusion of globalization through the widespread diffusion of technology. The serious problems of the global dimension can be tackled by a nation-state's political and economic role. The world economy has undergone a dramatic transformation in the past two and a half decades. As a direct outcome of this transformation, a growing body of theory claims the decline of the nation-state. In this regard, one argument has grown quite influential, and this reinstates that the role of the 'nation-state' as a pre-dominant player has diminished in the world economy. This argument is closely associated with the key issues of a state's sovereignty. Following this line of approach, this argument also tinkers with the autonomous capacity of a nation-state in its pursuit of formulating economic policy.

### ***A scholarly approach to the nation-state – what constitutes a nation-state?***

According to a scholarly article, the past notions of state sovereignty will have to be changed in a constantly evolving and fast-changing international landscape (Camilleri). The territorial boundaries and their status are reducing in significance due to many factors. Some of these factors include diffusion of technology, multi-polarity of various security concerns, and the globalization of economies (Mazzacuto, 2013). The distinct concept of nation-state accentuates the geographic 'border', and the authority of a nation-state is closely tangled with its respective territory. A growing body of research

has started to claim that the role of the nation-state has become redundant, and a point will come when it eventually wanes away. Many scholars, including geographers, sociologists, economists, and postmodernists, suggest that globalization is dwindling the organic nature of the nation-state.

### ***Globalization***

During the late 1990s, globalization emerged as one of the famous orthodoxies. This orthodoxy is marked by a growing internationalization associated with marketing and production. In the face of global competition, organizations and companies are much more dependent on their ability to sell abroad. Globalization has become more and more common in the 21<sup>st</sup> century, and the effects of this phenomenon can be seen on individual and collective levels (Cole, 1998). Globalization has deeply influenced people's lifestyles and working modes and left a deep imprint on the integrity of a nation-state and its economic development (Chang, 2008). After providing information about the core concepts of globalization and nation-state, this essay will put forward a scholarly debate about the impact of globalization on the diminishing shape of a nation-state. The themes through which these effects will be gauged are political, economic, and cultural.

### ***Globalization and nation-state***

Many theoretical perspectives contribute toward the understanding of the debate that globalization has significantly reduced the role of the nation-state. Economic globalization can be comprehended in two dimensions. The first dimension is that the changing dynamics of internal markets have paved the way for the emancipation of national borders (Beck, 2008). The unintended effects of this phenomenon have also restricted a state's capacity to determine its economic policy and the important indicators

in isolation. The contemporary economic laws and policies are witness to this fact and it is a common observation that the economic indicators of many countries are set after due deliberation with the leaders and representatives of other countries. The second dimension is closely linked to an ideological doctrine which is safeguarded by the bureaucracy of a nation-state at a national and international level.

***Political perspective***

According to a political perspective, the effects of globalization have enfeebled the autonomous status of a nation-state in the domains of international relations.

According to the organic nature of nation-states, they have the authority to deal with foreign affairs as per their own will (Prakash and Griffin, 2012). This also implied that other states and governments have no control over the domestic affairs of another nation-state. A term harmonious with the concept of a nation-state is 'sovereignty.' This supreme power belongs to a state so that it can deal with foreign and domestic affairs. The critical review of the main premise of this essay in the context of global politics entails that globalization has also led to an unparalleled development of many international organizations, which have started to play an instrumental role in the shaping and reshaping global politics. These organizations are responsible for a plethora of responsibilities. These include mediation of international disputes, collective efforts for world peace, and coordination of international relations on an economic and political level. In addition, many governmental and state functions are also carried out by these organizations, such as the resolution of regional conflict, ethnic disputes, disarmament, and various memorandums of understanding. Due to the allocation of these

responsibilities allocated to international organizations, it can be concluded that the autonomous nature of nation-states has been weakened to a significant degree.

### *Economic perspective*

The economic perspective also corroborates the thesis statement of this essay as the contemporary economic rules and regulations can essentially regulate the government of many member states of these organizations. The laws and policies can also affect the decision-making process of these states. The account of arguments in the domains of economic globalization may present a negative answer in response to the premise of this essay. The processes of economic integration that are in motion during the recent past do not seem to be completely changing the status of the nation-state through capitalist convergence (Gordon, 1994). Events of the global financial crisis and different macroeconomic indicators have demonstrated that although the role of a nation-state has diminished, it still remains to form a source of security, confidence, and safety (Jensen, 2005). These are the core values on which the 'globalised' economic system is structured. Another argument that can also be presented in an economic framework delineates that although the consensus on the effects of globalisation cannot be challenged, this does not mean that firms or organisations of a specific nation-state have become 'footloose' and will readily move to those areas where labour is cheapest (Chin, 2010). Multinationals always rely on their national bases even when they are striving to branch out (Bakir, 2015). In spite of the tendency to restructure the production channels across the national boundaries, they still rely on their home countries for potential success. (Ruigrok and Van Tulder, 2013).

***Conclusion***

It can be concluded that globalization has ensued several significant changes in the political affairs of nation-states. Globalization's intended and unintended effects have also left deep imprints on the economic and cultural values and norms. However, it cannot be stressed upon that globalization has fully destroyed the concept of a nation-state.

A powerful government should always regulate its economic sustenance and clutch the developmental power in a political and economic perspective. This will include strategies and policies of economic regimes. As a direct consequence of this approach, it is imperative to defend the wellbeing of nation-states. This also involves the insurance of their respective economic and geographic securities in addition to a collective social stability.

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