

Globalization and suzerainty

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Abstract: Globalization, an asymmetric, complex and controversial process has become the center of the main theoretical debates at the end of the 20th century. The state itself represents a subject of very different approaches which call for reassessing the validity of the opinions regarding its role in the international political economy.

Mutations occurred on a political and economic level, the reconfiguration of power and of the "public" and "private" notions call for the reconsideration of the traditional vision over the state and its ability of acting as autonomous author, as well as for the introduction of new standards for assessing its activity.

Controversial opinions exist regarding the suzerainty and power of the current state. A significant theme is represented by the crisis and implosion of national state, by the undermining of not only suzerainty, but also of the idea of "national" economy. Other globalization theoreticians admit the exacerbated effects of such over the internal and external prerogatives of the state. Incontestable, the role of the state in the 21st century is transforming. Important modifications occur in the processes and instruments by which the contemporary state leads the society. There are regarded not only the state's internal organizational forms, but also its relations with the economy.

The state is transformed by globalization, yet it will continue to hold an important position in regulating the economic and social processes, as well as neo-liberal failures.

Globalization is not the end of the state, but it obliges to reconstruction and rethinking of the intervention way and of the action capacity. Arguments regarding the state's transformation should not be confounded with those regarding its decline.

In the same time, globalization is only one of the regress factors, and it doesn't generate only a cortege of constraints, but also one of opportunities.

Even though the state continues to hold an important limit of movement, it confronts the most profound legitimacy crisis in its history.

Key words: globalization, state – nation, intervention, suzerainty, legitimacy, post-suzerainty state.

The globalization phenomenon has created profound mutations in the conceptions regarding the role, action and structure of the state. This new international order calls for answers to problems regarding the international market's implications over national markets, to the extent to which state's policy internationalization claims for its institutional innovation in adopting new objectives and tools for governments, to the extent in which markets can represent the main mechanism ensuring society's governing.

For most analysts, one of the features of globalization is the diminished role of national governments in establishing the rules regarding global governing. Moreover, it is considered that this new climate signifies the beginning of the end of the nation-state, as effective manager of the national economic politics, even though the suzerainty would remain formally intact. The idea is ascertained that global markets will erode the legitimacy and especially the need for a nation-state.

On the opposite end there are those asserting that it is premature to claim that the nation-state has disappeared. Even though the efficacy of the post-war state represents a problem, its intervention is not automatically doomed. On the contrary, there has been demonstrated that the market is only viable upon considerable social and political order.

Beyond general rhetoric calling for "less state and more market", it is known the role of the state in consolidating markets. Actually, the private sector calls for the state's support in specific modalities: covering the costs of basic infrastructures (funds for fundamental research, for investments in professional training system, for disseminating scientific and technical information and technology transfer); providing stimulating

taxes needed in order to finance investments in industry, research and development and technologic innovation; protection by public contracts of national enterprises by privileged access on the internal market (telecommunications, transportation, education, social services); supporting national enterprises in the competition on international markets.

Although it is recognized the maintaining of the state's role as vector of social justice and collective solidarity, the current world context claims for its profound transformation in order to answer to the new defies. The globalization phenomenon is understood as process of transferring from an economy based on national capitalism and activating on a planetary level, to a globalization characterized by market liberalization, de-regulations and privatizations in the national economies, thus modifying both the physiognomy and the nature of world economy. Capital is deemed to no longer be national, but global, freed from its constraints and regulations.

Authors also exist who deem as erroneous to question the existence of national capitalism. However, there is admitted that it stopped being the only coherent form of capital organization and that its predominance will disappear during the next decades. Thus, the history of capitalism will cease to be defined and limited by national borders, and the era of nation's wealth will be replaced by that of mankind's wealth.

In its classic form inherited from illuminists, the states can no longer claim to be the only legitimate center of political debate and of collective action. It is necessary to rethink the state's objectives, functions and ways of expression.

World post-war order has been build around nation-states. In such, Keynesianism

has become the center of significant revolution in the conception regarding the role of the state and of the market in long term social reproduction. Even the most conservative governments have undertaken the standpoint expressed by R. Nixon in 1971 "We are all Keynesian now".

Public regulations by means of monetary and fiscal policies have ensured full occupation and represented a way of sustainable and sure growth. The state's control and intervention were needed due to the markets' impossibility of ensuring full occupation and of preventing major macro-economical instabilities. In the said period, state's structures were based on social policies of Beveridgean inspiration, Keynesian macro-economic management and labor relations Ford model.

A major conservative contra-revolution took place in the 70s and 80s, when the markets were regarded as the most efficacy tools of modern society organization.

Whilst the post-war state was declared interventional, aiming to promote Fordism, the implementation of welfare systems and the control of economic activity level, the increase of economic difficulties resulted in a severe shift towards "laissez-faire" strategies.

Given the increased dysfunctions of the global economy and the existence of commercial obstacles, the national governing system calls for renovation and reform, for new tools of politics aimed to answer to the changes in the international economy. The resurgence of the interest towards market mechanisms has correctly been determined by the evolution of economic integration, by the dynamism of financial innovations and on the progressive transition to another production regime. Under such circumstances, the national companies and economies enter a competition in

a considerably enlarged economic environment, in which markets can generate political and institutional transformations.

Although some limits are admitted, some economists consider that besides democracy the market represents the less imperfect mechanism of coordinating the economic activity in de-centralized societies.

The expansion of market mechanisms and the will of reducing the state's intervention have caused two types of modifications: on one hand, a geographic and institutional dispersion of the functions undertaken so far by national states in favor of international organizations and on the other hand, a relative autonomy of the decision makers in the field of economic policy. This is not the result of dissolution of the politics in favor of the market economy, but a power transfer towards the parties which are not involved in local situations.

The changes in the governing system have lead to the occurrence of a new type of state, defined as post-national or post-suzerainty, in which national institutions have lost their primarily role of representing the interests defining national aspirations.

The adepts of this new orientation define the post-national state by two features: welfare is of external nature and is determined by those countries' export, by the performances of the commercial blocks in which it is a part; the substantial reduction of the state's ability of permanently engaging in the internal economic management. The tendency of diminishing the state's power is achieved upon commercial dependencies. Thus, over 50% of the GDP of most developed states is under direct influence of the modification of international demand and prices. Under such circumstances, for the

purpose of promoting the principles of international activity, the state is confronted with certain priorities: recreating its capacity of controlling national economy achieving appropriate national economic management; supporting the markets. In order to function efficiently, markets should be oriented and regulated by national governments. In order to avoid the effects of the global business cycle, the state should protect its institutional systems and national practices. Obviously, states don't have the same capacity of achieving this aim. Given the intense concerns for reassessing and reforming the post-war institutions, the economic theory was warning and emphasizing the market's insufficiencies, which could affect societies lacking any complementary or alternative coordination mechanism. Moreover, in the last period the number of "pro-state" theories' supporters has increased. This does not exclude the admission of the significant, yet not exclusive, role of the market mechanisms in social regulation. Even more, the belief that markets will dominate in the next century is deemed as a real illusion.

The transformation of state's functions is designated by some authors by the tendency of state de-stating characterized by phenomena working together towards shift-

ing the social regulation center (des-nationalizing, state internationalizing by universalizing the governance model). The de-stating process leads to reinventing the state, which continues to be strong, despite its economic releasing.

Contrary to the inflow of conservative and "pro-market" ideologies, it is ascertained that markets will never replace governments in drafting strategic options. The state's interventions are considered superior to market mechanisms. Whereas public authorities can on the contrary create and monitor markets.

In the same time, it is considered that the reality has proven the erroneous nature of the expectations in the 50s and the 60s, and after that European national states were to be gradually replaced by a supra-national interventionist state. No supra-national authority was designated yet to replace the system of national governing. The persistence of the nation-state emphasizes that no alternatives exist to this source of political power, although the capacity was diminished of applying such in achieving the market's governing objectives.

In conclusion, there can be ascertained that the state continues to remain the main power center, yet it must be radically transformed in order to face the new defies.

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