

GLOBALIZATION

Complex Interdependence or USA Hegemony?

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"A new world order is taking place so fast that governments and private citizens find it difficult to absorb the gallop of events"

-Mikhail Gorbachev, quoted in the Washington post February 1990

Globalization can be defined as time-space compression and time-space distancing. It is time space compression because people are getting closer to each other and the distance between them is being decreased. The concept of bounded territoriality is being diminished and countries are becoming more dependent on each other. The globalisation has increased the interconnectedness and interdependence on each other especially of periphery and semi-periphery on the core countries. The globalisation not only affects the economy of a country but culture also. Scholars like "Youngs" argue that the perspective of globalisation is to maintain the persistence of the USA's hegemony. "Rappa" argue that the political economy of the USA has a profound financial, social, cultural and political influence on the process of globalization throughout the world. They found globalization as a tool to proliferate the ideology of liberal economies all over the world.

GLOBALISATION : COMPLEX INTERDEPENDENCE

Globalisation has made the world economies integrating with each other. This caused the process of de-territoriality which is diminishing the concept of bounded territoriality. The concept of territoriality is the consequence of the treaty of Westphalia. Through treaty of Westphalia different nations had begun to create their boundary on which they will govern. This concept is being diminished and this is also called the reversal of treaty of Westphalia. Due to de-territoriality the countries are becoming more dependent on each other via trade of goods and

services. Now we can see the goods manufactured in the foreign countries available in India. This has also become the good way of earning for many countries as the foreign investors are investing in the host countries. The inflow and outflow of FDIs and FPIs can affect the GDP of a country. A country's economy becomes prosperous when the inflow of FDI is more than outflow of FDI. This is a direct indication of complex global interdependence. The globalization has increased the importance of interregionalism. As the distance between countries





shrink due to globalization the world has seen that the effect of a country's crisis can be seen on the fortunes of other nations also. As like the current crisis of Afghanistan, after the Taliban took over the government not only limited to the Afghanistan only but its effect can be seen on other countries also. The event of 9/11 is also a drastic example as it shows the increasing effect of terrorism.

The Globalist emphasizes not only on economic phenomena but also on social, cultural, economic, natural etc. Rather than conceiving globalization as solely economic phenomena, the globalist analysis gives equal status to other key dimensions of social relations. Globalist believe that globalization pulls and pushes societies in different directions it simultaneously engenders cooperation as well as conflict, integration as well as fragmentation, exclusion and inclusion, convergence and divergence, order and disorder.

According to Hyper-globalist the contemporary globalization is characterized as the erosion of power and authority of the nation-state. They further argue that the national economies have become less important due to the fact that the capital mobility, multinational corporations and economic interdependency are being increased and have made the national economy less vital.

GLOBALIZATION AND USA HEGEMONY

The skeptics gave a critical argument on globalization. They argue that the globalization is just a myth

and it is used to promote liberals view only. It is an ideological construction, which is being used to promote, legitimize and justify the neo-liberal global project, that is, a creation of a global free market and the consolidation of Anglo-American capitalism within the world's major economic regions. Traditional Marxists believed that the capitalism has a tendency of expansion and to maintain profit they have to exploit new markets. The history of the modern world is the history of western capitalist powers dividing and redividing the world up into exclusive zones. Marxists had used the concept of imperialism to explain expansionist theory of capitalist. Marxists described the present epoch not in terms of globalization, but instead a new mode of western imperialism dominated by the needs and requirements of finance capital within the world's major capitalist state.

Realists also explain the existing international order as constituted primarily by and through the preferences of mightiest economically and militarily powerful states. Realists argue that without the exercise of American power, the existing liberal order would eventually collapse. In capitalist system there always used to be a hegemon which controls the international economic and social system.

For western countries especially in USA, globalization has become a good weapon to spread their ideologies. The supra-international organizations like IMF, WTO and World Bank are the key players who promote globalizations. They usually work on the concept of "Washington Consensus" which is usually meant to promote the ideology of liberal economies. The rules framed by these organizations are being influenced by the preferences of USA as it is the biggest lender to these organizations. Through globalization USA is promoting its ideology to maintain its hegemonic status, so that it can control international market.

Anti-globalist believes that the process of deglobalization has begun because the power of USA is diminishing and new world order is being formed with the coming of new powerful economies.

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Globalization is nothing but just the reversal process of the treaty of Westphalia which gave birth to the concepts like sovereignty, nation-state, territoriality, nationalism, etc. The effect of globalization is not only on the periphery and semi-periphery countries but on the core as well. They are getting influenced by the cultures of developing nations.

The supporters of globalization claim that it is for the benefit of world to become interdependent and this will protect the world from the crisis like the "Great Depression" of 1930s. This is a necessary concept and everyone should promote it.

The anti-globalists believe that it is nothing more than promoting the interests of the western countries. Even after globalization the world has faced the 2008 financial crisis which had started from the USA.

