

The Challenge of State Sovereignty in a Globalized World: An Analysis

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Abstract

Sovereignty is that characteristic of a state in virtue of which it cannot be legally bound except by its own will or limited by any other power than itself. However, the sovereignty of states is fast collapsing under the massive weight of globalization, occasioned by the activities of multilateral and supra national institutions like the United Nations (UN), regional organizations like the European Union (EU), Multinational Corporations (MNCs), and other international financial institutions like the World Bank and International Monetary Fund (IMF), cum other international Non Governmental Organizations. They have weakened the supposed sovereignty of states by their promotion of universal standards for nations. The target of globalization is world without boundaries. Globalization de-emphasizes Keynesianism and protectionism. The ousting of El Salvador of Chile in 1973 with the help of ITT [a multinational corporation] and the ceding of Nigeria oil rich Bakassi Peninsula to Cameroon upon the judgment and verdict of the World Court on 10th October, 2002 are eloquent testimonies. Appropriating the games theory, the paper relied on secondary sources of data. It provided insight into globalization and how it has undermined the sovereignty of states. The article also recommends that nation states should take rational decisions in accordance with their national interests and shore up their technological, economic and political base to remain relevant in a globalized world..

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Introduction

The international situation that emerged in 1648 after the thirty-year war (Westphalia system) gave the multistate system a “billiard ball” image. In this “billiard ball” model, states are the sole actors. The international stage is pre-empted by a set of states, each in full control of all the territory, persons and resources within its boundaries. Every state represents a closed, impermeable and sovereign unit, completely separated from all other states. In this model, states are presumed to possess a will to survive and a will to power (Nnoli, 2006).

However, Ozumba and Ikegbu (2012), argued that the insufficiency of humans and the logic of complementarity made the evolution of globalization inevitable. This is because within the platform of the logic of insufficiency of humans, every being is dependent on another. There is no superiority of humans and nations, rather what we have remains the dependence of beings and nations upon another. No nation has been able to attain autarky or autarchy. Interdependence and domination is, therefore, an indispensable international character.

The socio-political and economic environment in which nation states operate in contemporary world is influenced by a lot of world transformations. These dynamics have put doubts in the sovereign status of nation states in the contemporary international relations. The willingly limitations of the concept of continental submission in form of integration that is binding nation states to form regional blocks such as the European Union (EU), the African Union (AU) and global integration like United Nations (UN), the ushering of the concept of New World Order, the renaissance of free market oriented democracy, the collapse of the Soviet Union, activities of Multi-National Corporations (MNCs), the advancement in information technology or globalization, and the Western triumphalism have haunted the sovereignty of states in international politics (Fwa, 2003). Globalization with its inherent advantages have dislocated and undermined the sovereignty of states especially the developing states. Developing societies are expected to adopt the free market Blue Print (sometimes called Washington Consensus)-Opening their economies up to foreign investment, financial de-regulation, reductions in government expenditure and budgetary deficits, privatization of government owned enterprises, abolition of protectionism and subsidies, developing export oriented economies or risk the withholding of much needed aid and finance. And because they are required to improve national controls on capital movements which make it possible for states to reach their own conclusions about investment and spending priorities, the direction of their economic development is

increasingly set by amorphous financial markets which act on profit opportunities rather than out of any consideration of national community interest. The price of financial assistance to aid investment in these states is the loss of their economic sovereignty. The sovereignty of the state is replaced by the sovereignty of capital (Burchill and Linklater, 2001).

In 1973, the Chilean government under El Salvador was overthrown with the help of ITT. In Nigeria, it was alleged that some oil Multi-National Corporations (MNCs) had a hand in overthrowing, General Murtala Mohammed in 1976. They have also been involved in similar tendencies in Nicaragua, Cuba, Haiti, Libya, Iraq and Panama. MNCs are also ready instruments of parent countries to achieve any desired political and economic goals, be it economic assistance or economic sanction (Aja, 2001).

The Nigeria Cameroon territorial conflict over Bakassi Peninsula which had lingered for more than 30 years was taken to the international court of justice by Cameroon on March 29, 1994. On 10th October, 2002, the World Court sitting in Hague gave its verdict thereby marking the end of the 8-year legal tussle in favour of Cameroon. The verdict required Nigeria to transfer possession and sovereignty over the territory to Cameroon without granting self-determination right to the Bakassi indigenes. As a consequence, Nigeria lost about 35 communities to Cameroon while the indigenes were displaced. Regardless of the various agitations against the verdict, the Federal Government went ahead to enforce the ruling and formally transferred sovereignty over Bakassi to Cameroon on 14th August, 2008 (Nwogbaga and Nkwede, 2016).

In this research effort and against this background, the paper examines the impact of globalization on the sovereignty of states. It intends to interrogate the waning of sovereignty in the face of globalization.

Theoretical Framework

The paper adopted games theory as its tool of analysis. It owes its genesis to parlour games like chess, poker or bridge with obvious elements of conflict, decision making and cooperation, played between two or more players where the decision of players are contingent upon the decisions of the others, and the central point, therefore, is the interdependence among the decisions of the different players participating in the game (Varma, 1990). Its main advocates in international politics are Morton Kaplan, William Riker and Thomas Schelling.

Games theory is a formal study of the rational expectations that participants can have about each other's choices. At the heart of games theory is an assumption of rationality; that it is assumed that in a game

situation, the player or decision makers try to maximize their gains or minimize their losses - putting it in simpler terms they want to get as much as they can out of the game. Every game have first and most obvious, players, goals, strategies and resources. A gambler without money cannot play cards and a nation without military cannot play war (Alan, 1975).

The synergy between globalization as it undermines the sovereignty of states and games theory is that globalization is a game played among states where every nation state implores its arsenals to outwit others. Globalization is technologically based and it would be difficult for any nation that is ill equipped to navigate the waters of globalization without harm. It is for nations to adopt strategies both economically and otherwise so as to be competitive, relevant and not be shortchanged in the international arena. The concepts of state and market as epitomized by sovereignty and globalization respectively, has been very contentious in international politics to the extent that it has degenerated into an endless polemic. The games theory which emphasizes interdependence with its basic essentials strongly reinforces the nexus between reciprocity and the challenge of state sovereignty in a globalised world.

Conceptual Discourse

Sovereignty was propounded by Jean Bodin in 1576. Sovereignty is the supreme legal power to make and enforce laws for people within a definite territory without any external control. When sovereignty refers to a state it means that a state is independent of any form of external control. The state has supreme powers over its territory and free from any external control or influence unless it consents to such. Sovereignty equally entails the supreme power in a state. Here it means a person or a group of persons (sovereign) who controls others in the state and who are not under the control of any other external body or persons unless limited by de jure or popular sovereignty (Onyeneho, 2014).

The most familiar statement of the doctrine of sovereignty is a passage by Austin (1790-1859) in his province of Jurisprudence determined (1832),

If a determinate human superior, not in the habit of obedience to a like superior, receive habitual obedience from the bulk of a given society, that determinate superior is sovereign in that society and that society (including the superior) is a society political and independent. Furthermore every positive law or every law simply and strictly so called, is set directly or circuitously, by a sovereign person or body to a member or members of the independent political society wherein that person or body is sovereign or supreme (cited in Appadorai, 1975:49).

The implications of this analytical view of sovereignty and law are three folded:

1. In every state, there must be a sovereign and the sovereign's power is unlimited and indivisible.
2. The sovereign must be clearly located and
3. His commands are law, a law being defined as a command of the state obliging the subject to do, or to refrain from doing certain acts, failure to obey being visited by a penalty (Appadorai, 1975:49).

The concept of sovereignty has been very topical in international politics to the extent that nation states are expected to take decisions regarding their internal and external affairs without interference by any outside power. A sovereign state always endeavours to assert itself in the international comity of nations by means of absolute control of its activities. Sovereignty can be summarized to mean the absolute power of the state in international relations to control its affairs without interference or control from another. As Garba (2001) puts it, sovereignty is the basic principle that governs relationship among nations in the international community.

However, the insufficiency of humans and the logic of complementarity as was posited by Ozumba and Ikegbu (2012), made the notion of globalization and its attendant usurpation of the iron cast sovereignty of states inevitable. Globalization has become a favourite catchphrase of everyone that has been associated with a truly multifaceted phenomenon with implications that encompass not just economic but also the social, political, cultural and geographical spheres. Globalization has been a prominent discourse among geographers, sociologists, economists and political scientists and has been given multifaceted definitions and approach. According to Soros (2001), globalization could mean the development of financial markets, the growth of transnational corporations and their increasing domination over national economies, the spread of television, internet and other forms of communication, the increased mobility and commercialization of ideas and the globalization of information and culture. Giddens (1990), defined globalization as the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa.

Mazrui (cited in Aja, 2001), provides a three historical dimensions of globalization viz. the interactive, comparative scale and competitive dimensions. The interactive era began to take hold in the 15th Century with voyages by intrepid explorers funded by European Monarchs seeking new trade routes. Such voyages included but not limited to Christopher Columbus

(1492) in his Trans-Atlantic trip, Vasco da Gama in his Sea Route to India etc. It continued throughout the years of the imperial expansion of Europe to the colonization era through the mercantilist era. Trading companies like East India Tea Company served as surrogate colonial governments, merging trade with government. About 7th AD, Islam provided additional complexity with impact on language, culture, literature and architecture. This era was interactive.

The comparative scale dimension measures the impacts of the European imperialism and colonialism on say, Africa and Asia. According to Mazrui (cited in Aja, 2001), by linguistic, religious and educational indicators, Africa seemed to be westernizing faster than most Asian Countries. The question is why is fastly westernizing Africa more backward in economic modernization? He contended that Africa developed a capitalist greed without capitalist discipline, innovation, and production. In contrast, Taiwan, South Korea, Hong Kong and the economic superpower Japan adopted mainly the more productive elements of Western civilization and kept at bay those Western cultures at variance with their traditional cultural heritage. The competitive dimension as was postulated by Mazrui (Cited in Aja, 2001), averred that European colonialism created an integrated capitalist structure of unequal exchanges between Europe technologically developed states and the rest of the world. He contended that the world has been polarized into consuming and producing states thereby perpetuating international division of labour. The end result being that Africa got urbanized without industrialization, developed Western tastes without Western skills, capitalist greed without capitalist discipline, Western consumption patterns without Western production techniques, Western culture of letters without Western culture of numbers.

The paper shall concede to the suggestion by Kurdle (1999), that in defining globalization, it should be considered with regard to the specific intent of those using the term. Since the paper interrogates the challenge of sovereignty in a globalised world, it adopted the definition of globalization as espoused by Awake (1999). It defined globalization as the growing interdependence of world people and activities through shrinking space, time and disappearing borders.

Globalization and State Sovereignty

External limitations on sovereignty arise when a state is tied through various linkage groups and processes with much stronger states. This can be in the area of the market for land, labour, materials, and services, including management and technology, and for capital and governmental

services as well as in the areas of educational training, cultural activities and political interaction (Nnoli, 2003).

Thus, the reality of the state, as recognized in Westphalia, has changed drastically. States are no longer equal in power, they are no longer as isolated as before. It is quite easy for one state to interfere in the internal affairs of others through the use of mass communication for propaganda purposes. Indeed, given the discrepancy in power and the greater speed of transformation as well as the growth in dependence and interdependence, one state can now virtually dictate the decision in another state either by conquest or by control over the major needs and wants of that state. Such control is facilitated by the existence of linkage groups in the various countries. These groups such as trading and other business firms and ideological, religious or cultural allies, of one state operating in another, serve to connect the two states and blur the boundary separating them (Nnoli, 2003:24).

Sovereignty as was used in the past means final authority. This assumption is no longer tenable. Writers like Clyde Eagleton, an eminent American scholar of international law was even more apt to have said,

Sovereignty cannot be an absolute term. It is just as foolish to say that sovereignty must be surrendered or eliminated as to say that it must be absolute and unrestrained... the problem is not one of asking whether we should throw off a thing called sovereignty; it is rather one of asking with regard to what matters would we gain by having an international control, and in which matters would we gain more by reserving control to ourselves? (cited in Palmer & Perkins, 2004:13-16).

Certain postulations in recent years have shown that the concept of sovereignty have lost its absolutism in theory and practice. Globalization is one indisputable factor that has undermined the sovereignty of states. Globalization with its inherent advantages have undermined and dislocated the sovereignty of states especially in the developing states. Developing societies are expected to adopt the free market blueprint (Sometimes called Washington Consensus) - opening their economies up to foreign investment, financial deregulation, reductions in government expenditure and budgetary deficits, privatization of government owned enterprises, abolition of protectionism and subsidies, developing export oriented economies or risk the withholding of much needed aid and finance. And because they are required to improve national controls on capital movements which make

it possible for states to reach their own conclusions about investment and spending priorities, the direction of their economic development is increasingly set by amorphous financial markets which act on profit opportunities rather than out of any consideration of national or community interest. The price of financial assistance to aid investment in these states is the loss of their economic sovereignty. The sovereignty of state is replaced by the sovereignty of capital (Burchill and Linklater, 2001).

Morgenthau (1972), corroborated the views of Burchill and Linklater (2001), on the issue of the waning of sovereignty under globalization. He argued that sovereignty is not actual independence in political, military, economic or technological matters. The actual interdependence of nations in those matters and the actual political, military and economic dependence of certain nations upon others make it difficult or impossible for certain nations to pursue independent domestic and foreign policies, but, it does not normally affect their supreme law giving and law enforcing authority within their territories - that is their sovereignty. They may be unable, because of prevailing actual conditions, to enact and enforce the kind of laws which they would wish and which more powerful nations are able to enact and enforce.

Transnational Organizations - Usurper of State Sovereignty

Membership of transnational and supranational organizations like the United Nations (UN), regional organizations like the European Union (EU), the African Union (AU) etc has proven records of having undermined and usurped the sovereignty of many nation states. The activities of international organizations can have quasi legislative, organizational administrative and supervisory as well as jurisdictional effects. One of the primary reasons for Brexit is the apprehension by common Britons that their country's sovereignty has waned under the European Union (EU). They were of the opinion that they were loosing as a country because everything gets decided in Brussels (capital of the EU) and that they would be more independent if they quit the EU (Eze and Otunko, 2017).

The ceding of the oil rich Bakassi by Nigeria to Cameroon (both members of the UN) consequent upon the international court of justice verdict of 10th October, 2002 is quite illustrative. The court sitting in Hague gave its verdict thereby marking the end of the 8-year legal tussle in favour of Cameroon. The verdict required Nigeria to transfer possession and sovereignty over the territory to Cameroon and Nigeria as a consequence lost about 35 communities to Cameroon (Nwogbaga and Nkwede, 2016). However, contemporary international law now envisages situations where

rights and liabilities are created for states without being party to such transactions like the internationalization of human rights. The UN charter, article 2(6) states that the organization shall ensure that states that are not members of the UN shall act in accordance with UN charter.

Multinational Corporations (Mncs) - A Violation of State Sovereignty

A multinational corporation is a giant private business firm or company with its headquarters in the parent country and subsidiaries operating in more than one state. The multinational co-operation (MNC) means more than merely trading. It implies ownership of manufacturing plants and/or resource extraction and processing operations in a variety of countries. They are virtually into all aspects of human life (Aja, 2001).

The domineering presence of foreign corporations in the host society is characterized as constituting a form of cultural imperialism, or coca-cola-ization of the society, through which the developing country loses control over its culture and its social development. The foreign corporations is viewed as undermining the traditional values of the society and introducing through its advertising and business practices new values and tastes inappropriate to the host nation. Some view these foreign values as not only bad in themselves but as detrimental to the development of the country because they create demands for luxury and other goods that do not meet the true needs of the masses (Gilpen, 1987).

There has been numerous instances where MNCs aided and abetted the ousting of sitting governments. Chilean government under El Salvado in 1973 was overthrown with the help of ITT. In Nigeria, it was alleged that some oil MNCs had a hand in overthrowing General Murtala Mohammed in 1976. They have also been involved in similar tendencies in Nicaragua, Cuba, Haiti, Libya, Iraq and Panama. MNCs are also ready instruments of parent countries to achieve any desired political and economic goals, be it economic assistance or economic sanction (Aja, 2001).

International Financial Institutions - A Negation of State Sovereignty.

International financial institutions like International Monetary Fund (IMF), International Bank for Reconstruction and Development (IBRD) or World Bank, African Development Bank (ADB) and other rich international nongovernmental financial institutions undoubtedly have negated the sovereignty of states.

The Breton Woods, New Hamshire, USA conference of July 1944, gave birth to International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD) or World Bank. As a

creation of the Western capitalist economies, the IMF is not meant to serve the interest of every nation state. The Western countries of course, have an upper hand as every state is not part of its ownership. This understanding is vital for the less developed countries (LDCs) to appreciate why the IMF conditionalities are more unfavourable to them. Much could not be expected from an international institution that has a clearly defined objective mainly for the industrialized Western countries (Aja, 2001).

Burchill and Linklater; (2001) aptly and lucidly contended, developing societies are expected to adopt the free market blueprint (sometimes called Washington consensus) - opening their economies up to foreign investment, financial de-regulation, reductions in government expenditure and budgetary deficits, privatization of government owned enterprises, abolition of protectionism and subsidies, developing export oriented economies or risk the withholding of much needed aid and finance. And because they are required to improve national controls on capital movements which make it possible for states to reach their own conclusions about investment and spending priorities, the direction of their economic development is increasingly set by amorphous financial markets which act on profit opportunities rather than out of any consideration of national community interest. The price of financial assistance to aid investment in these states is the loss of their economic sovereignty. The sovereignty of the state is replaced by the sovereignty of capital.

Summary and Conclusion

Globalization is a necessary evil. This is primarily for the incontestable fact that no nation has been able to attain autarchy or autarky. Every nation leans on others for vital resources not within its territorial limits. Ozumba and Ikegbu (2002) argued that the insufficiency of humans and the logic of complementarity made the evolution of globalization inevitable. Globalization is a game and like every other game creates a situation of interdependence and domination. It creates interdependence because every nation depends on others to survive. It equally creates domination as some nations that are militarily, economically, technologically and politically superior to others call the shots and dictate the tide in the globalization game.

It has severally been argued that globalization benefits everyone. It generates and distributes wealth, delivers cheaper and more varied products and services. It is equally believed that it encourages democratization, private enterprise is better at wealth creation than the state. Moreover, states have a tendency to abuse their power but globalization offers a degree of individual

freedom that no individual state can ensure. Free competition on a global scale has liberated inventive and entrepreneurial talents and accelerated technological innovations (Soros, 2002).

Globalization has however been criticized for its lopsidedness. It is believed to have benefited the developed states more. Many people particularly in the less developed countries, have been hurt by globalization without being supported by a social safety net; many others have been marginalized by global markets. Globalization have caused a misallocation of resources between public goods and private goods. Markets are not designed to take care of other social needs (Soros, 2002).

“Beneficium accipere libatatem est vendere” (to accept gift is to sell one’s freedom), the Latin would say. When nations receive financial and technical aids, they do so under very stringent and unfavourable conditions that may impinge on their sovereignty depending on certain variables. However, Aja (2001) made it abundantly clear that no nation can shun foreign direct investment. The policy option for states is to develop self first to be able to control the negative effects of MNCs so as to reap a measure of gains from their interactions with them. Countries determine their gains or loses as measured by their overall strengths or weaknesses.

Recommendations

1. Nation states should always consider their internal and external settings, and take rational decisions for purposes of national interest in line with political realism, the wind of globalization notwithstanding.
2. Nation states should shore up their technological, economic and political base to remain relevant in the globalization game.
3. Nation states should evolve vertical or home grown technology, as technology transfer or horizontal technology has proved to be a fluke

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