

Selected Topics in Business Administration:

Transnational Political Paradigms

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A REALISM AND TRANS-NATIONAL RELATIONS

ACTORS

Realism asserts the primacy of the nation state in trans-national relations. Although it acknowledges the existence of other actors in the global system, such as international organisations, multinational corporations and individuals, it posits that nation-states are the dominant actors, especially the state itself.

The reason is that realists see a nation-state to be sovereign being the ultimate legal authority to exercise power over a given territory and the people within it. Nation-states are seen to be self-sufficient with political autonomy (Gilpin, 1987: 33). There is, therefore, no authority above it that can require states to act in certain ways. Even trans-national organisations are seen to be subservient to states since they are the product of states. In brief, for realists the global systems is a system of states

PROCESSES

Given that states are the dominant actor or the unit of analysis, it follows that trans-national relations involve competition, conflict and co-operation between the representatives of states. As there is no overarching authority, the trans-national system is anarchical and states need to have an important power capability to defend and protect their interests.

ORDER

Despite the absence of an overarching authority, realists consider that a form of order is maintained via a number of mechanisms balancing the power of each nation-state with another.

One mechanism is the presence of dominant nation-states in the international arena exercising an influence over a particular zone. Thus a bipolar world is arguably more stable than a multipolar world or even an a-polar world.

Another mechanism is the institutionalisation of co-operative frameworks that are established through a long process of bargaining given that there are no international rules, principles, norms, laws, mechanisms and institutions for creating and maintaining order amongst its members.

FORMS

In the absence of international order, nation-states need to ensure that their power capability is greatly enhanced and especially perceived to be important by the other nation-states.

It follows that military and economic power bases play an important role in giving the nation-state such a capability through industrialisation and technology, which also means a struggle for resources. This is why both military and economic activities are subordinate to the goal of the state as it seeks to gain relatively more than mutually in the international arena (Gilpin, 1987: 31-33).

B LIBERALISM AND GLOBAL MARKET PLACES

ACTORS

In the liberal tradition there is the assumption that the state is not the primary actor on the world stage. Rather, the growth of trans-national relations points to the significance of non-state actors such as multinational corporations and other associations.

Further liberalism stresses the importance of international organisations that are considered actors in their own right and not the result of state action, as the realists consider. It follows that the nation-state is not a unified entity that realists hold but a fragmented one made up of discrete bureaucracies each having an important role to play in the international arena.

Consequently, the international system is composed of a multitude of actors.

PROCESSES

Unlike realists who see the global processes to be determined by the will and capability of nation-states, liberalism stresses processes of bargaining and negotiation and the exertion of power by a number of state and non-state actors, each pursuing its interests. The processes therefore tend to lead to the solution of particular issues that cut across borders involving actors from different nation-states.

ORDER

Order is not maintained as the balance of power among nation-states as realists consider. It is rather maintained by commonly accepted values, that of the market mechanism (Gilpin, 1985: 29), the recognition of a high degree of interdependence and the existence of accepted rules and norms of behaviour, in addition to institutions or processes of governance exercised by international institutions such as the UN, IMF, WTO etc.

FORMS

The above examples show that for liberals it is the economic and technological issues that are the most important. With respect to the former, communication and transport technologies are regarded as being responsible for the growing insignificance of territorial boundaries thus becoming an externality for the state. Further, states have little control over the international economy and the exchange of goods, services and money.

Therefore, technological, and economic forms of exchange are those which shape trans-national relations

C TRANSNATIONAL CAPITALISM

ACTORS

The alternative paradigm conceives the process of capital production and accumulation (Gilpin, 1987: 36), that is, capitalism, to be the characteristic of the international context and no longer that of the nation-state seeking to dominate trade and engage in imperialism to satisfy its interests. International capitalism, therefore, creates a structure and a logic that determines the behaviour of all actors, whether state or non-state.

Thus, states and international organisations are expressions of a dominant rationale at the world level whose premise is the construction of a capability as capital power.

PROCESSES

Alternativists conceive of international relations as constrained by the needs of trans-national capitalism to accumulate capital leading to a falling rate of return and a disproportion between the productive and consumptive capacities (Gilpin, 1987: 36).

The consequence is that the dominant process at the global level is viewed essentially as the expression of underlying class conflicts on a world scale. They also share with liberals a recognition of the importance on international organisations and regimes and thus of the processes of decision-making with they embody.

However, the difference is that these governing arrangements are considered to reflect the requirements of transnational corporate capitalism.

ORDER

It follows, like the realists and liberals that the global arena is ordered. Unlike realists, alternativists do not conceive of that order as based on the structure of military power, nor do they accept that webs of economic interdependence sustain it, as do liberals. Rather, they assert that the prevailing world order is a capitalist order based on global structures of production and exchange established by transnational corporations.

One of the dominant features of this order is the structural differentiation of the world into core, peripheral and semi-peripheral centres of production and therefore of economic power. Further, that this structure is mirrored internally within nation-states in the polarisation between those sectors of national society integrated into transnational capitalism and those sectors, which are subservient to the former or simply marginalised. Thus, the expansion of transnational capitalism contributes directly to the combined process of global integration and national disintegration.

The global order is maintained through hegemonic capitalist states, international state agencies, transnational corporations, international regimes and networks and is legitimised through the global diffusion of a dominant ideology of liberalism.

FORMS

The above point to the primacy of economic power as the base determining the superstructural elements of the global order. Thus, economic capability spread through modernisation contributes to the maintenance of globally dominant and powerful nation-states which dictate the means of production and consumption to satisfy their own interests.

D CIVILIZATIONS AS UNITS OF ANALYSIS

ACTORS

The cultural paradigm holds that it is civilisations that are the units that dominate the global scene. For Huntington a civilisation is a cultural entity (1993: 23) in that villages, regions, ethnic groups, nationalities, religious groups, all have distinct cultures at different levels of cultural heterogeneity.

It follows that people who belong to a civilisation receive by their allegiance, their identity.

PROCESSES

Civilizationists conceive of global processes to be dominated by civilisations or cultural groupings based on what Greenway has called the 'kin-country' syndrome (Huntington, 1993: 35) in that political ideology, market-based rationale and the search for capital are being replaced by civilisation commonality, or the propensity for a people to rally support from other members of their civilisation.

A way to achieving this is to create a framework for cultural exchange determining political agendas and economic aspects.

ORDER

Order for civilizationists is kept by the antagonistic nature of civilisations to preserve their interests. This is mainly because differences between civilisations are basic in that they differ in language, history, culture, tradition, and most important religion.

Further, increasing interdependence and globalisation has brought about a civilisation consciousness as the realist notion of sovereignty has progressively been eroded. It follows that in the global arena there are a number of civilisations and groupings vying for their common interest at the points of contact there are faults where they clash rendering unstable the nation states that are located on the fault.

FORMS

The above point towards considering cultural values as being the main constituent of a civilisations source of power and capability. This is because according to Huntington, cultural characteristics and differences are less mutable and hence less easily compromised and resolved than political and economic ones.

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