

Freedom and Globalization

Published in:

Piotr W. Juchacz, Roman Kozłowski (eds.). *Freiheit und Verantwortung. Moral, Recht und Politik*. Frankfurt a/Main and New York: Peter Lang Scientific Publishers, 2002. pp. 107-116.

I would like to focus on a very general issue of freedom in the global age. I am thinking of freedom *and* globalization, but one could also focus on freedom *vs.* globalization, freedom *in spite of* globalization, freedom *from* globalization, freedom *to* globalization and other possible options in thinking about the two concepts: all the above relations would need different elaborations in different political, cultural, social and economic contexts. We immediately recognize that depending on who we are, where we are living and what aspects of the multi-layered concept of globalization we stress, we can choose one of the above juxtapositions. It is important to note right at the beginning that the world we have been thinking about in philosophy, sociology, political sciences or political economy – that is to say, depending on the discipline: the modern world founded on reason and rationality, social communication and dreams of the social order, the world separated into national entities and closed in the formula of the “nation-state”, the world of a social contract in which there is a strict connection between welfare state, capitalism, and democracy, finally, the world in which there is a clear priority of politics to economy – this world is disintegrating right before our eyes together with the gradual passage to the global age. Widely conceived processes of globalization bring about transformations of an unprecedented nature and scale. The questions about freedom and democracy may require today a deliberation in a different vocabulary: the vocabulary that would be able to break away from the less and less socially appealing myth that laid at the foundations of modern social sciences, according to which we keep analyzing the world in which the primary point of reference is the territorially-bound nation-state.(1) As Zygmunt Bauman, an eminent Polish and British sociologist, put it with reference to sociology: “the model of postmodernity, unlike the models of modernity, cannot be grounded in the realities of the nation state, by now clearly not a framework large enough to accommodate the decisive factors in the dynamics of social life”.(2)

Social sciences, it seems, have to adapt themselves conceptually to the new world in which, perhaps, the nation-state may not be playing the decisive role traditionally ascribed to it by modernity. The globalizing world may require a brand new theory of the state and a renewed theory of freedom and democracy in a situation in which the nation-state, although has not disappeared and surely will not disappear, but nevertheless becomes weaker and weaker in its confrontation with new global political entities such as e.g. supranational political entities, or in its confrontation with international organizations, transnational corporations, non-governmental and independent system of commercial arbitration, ratings provided by international rating agencies or with limitations of various military, political and economic treaties and unions. In the face of the unavoidable, as it seems, giving (at least some) way to new political players (including transnational corporations, no matter how they view

themselves), classical questions concerning freedom, democracy, state and politics in my view may require a radical reformulation. The key question would be about the chances of a new social justice and the possibility of accepting a new social contract in the situation in which the connections between the nation-state and society are becoming weaker and the choices made by traditional politics of the state are being replaced by non-governmental choices of an increasingly economic character. Ulrich Beck, an influential German sociologist, warns us that in the case of globalization “everything we have is at stake. Political freedom and democracy in Europe are at stake”.(3) In the face of globalization on the one hand and the cultural passage to the late modernity on the other, the questions about the decline of the nation-state are asked continuously by sociologists, political scientists, philosophers, economists or historians.

The nation-state as a product of modernity is under wide questioning: in this context, the crucial oppositions are for instance those between “national disintegration” and “international integration”, “globalization” and “national social stability”, “market” and “society”, “market” and “state”, “economy” and “politics”, “economy” and “democracy” etc. The current question about the nation-state is at the same time the question about the future of capitalism or the future of the market economy, the future of democracy and of the welfare state (in traditionally understood senses of these terms)(4) ; it is also the question about political freedom and a still binding, modern social contract according to which there is a clear connection between social and material safety and political freedom.(5) The question about the possibility of the decline of the nation-state in my account is parallel to that about the human and social consequences of globalization and that about the end of modernity. These questions form a web that modern thought without modifying its guiding premises seems unable to cope with.

New cultural, social, political and economic surrounding brought about by the processes and practices of globalization seems to require a brand new vocabulary. As we obviously do not possess it yet, we keep approaching the phenomena of the new (global) world with old measures and outmoded languages. Speaking in the most general terms: there is quite an astonishing consent with the view that globalization as a specter of social and economic practices introduces to our world a new quality: “a sense of rupture with the past pervades the public consciousness of our time”, as Martin Albrow puts it in his *Global Age. State and Society Beyond Modernity*(6), and Ulrich Beck in his important study *Was Ist Globalisierung?* describes in sociological terms the current passage from the “first” (national) to the “second” (global) modernity as a “fundamental transformation, a paradigm shift, a departure into the unknown world of globality”.(7) It can be said that we are facing the decline of the world we have been accustomed to: that is “the end of the world as we know it”.(8) The question of the role played by the nation-state in contemporary world and of its future in face of globalization is a crucial one.(9)

The present essay consists much more of questions rather than of answers. The questions I would see as the most important in the context of thinking about freedom would be the following: is Francis Fukuyama right, after almost a decade passed since he formulated his initial stance, when he says in his *The End of History and the Last Man* that the vast part of the world does not know the ideology that could “challenge liberal democracy”, and, which is still more difficult to accept off-handedly, when he says that we are unable to envisage the world “essentially different” from our own world, and better at the same time? Is George Soros, a successful practitioner of capitalism, right when he mentions in his recent book *Crisis of Global Capitalism* a “weak” and “difficult” relations between capitalism and

democracy? Can increasingly advanced processes of international integration lead to national political and social disintegration? To which extent the nation-state has participated and still participates in an increasing disintegration of itself, by liberalizing the economy, reducing duty barriers, privatizing, deregulating and giving away bits and pieces of its sovereignty to various political entities by introducing new legal regulations? (10) Is the nation-state still a necessary guarantor of contracts signed and economic promises made? Is it possible for democracy to exist without classical social guarantees, that is to say, in separation from what Beck has called “work society” – a society that to a smaller or greater degree guarantees material safety to its working citizens?

Does globalization introduce a zero-sum game – for someone to win, someone else has to lose? Who will be winners and who losers of globalization? And what about freedom in a possible post-national age? And let us ask further questions: to which extent the nation-state is still a socially relevant point of reference and to which it can claim loyalty from its citizens? (11) What is the authority of the state that, unavoidably, in face of increasing competition on the market of goods and services gradually retreats from the functions that once, in the moment of their emergence in the cultural surrounding of modernity, were its *raison d'être*? What is the current resonance to such notions as the “nation” or the “national interest” and where does “national identity” come from? What are the social and political consequences of the state’s retreat from the participation in and governance of the very last, until recently strategic, domains of the economy or the last domains of social services (e.g. healthcare or higher education)?(12) What are the consequences of the parallel existence of political multi-power and of the separation of power from the traditional authority of the state?(13) Is the change of balance from relatively autonomous nation-state towards an anonymous, international market as long-lasting as ideologues and followers of neoliberalism want it, or we just have a temporary imbalance from the hitherto existing state vs. market equilibrium?

I am wondering whether the end of modernity, or, as some commentators put it, the passage to the late modernity (Anthony Giddens), to the “second, global modernity” and the “new Enlightenment” (Ulrich Beck) or, finally, to “postmodernity” (Zygmunt Bauman) is unavoidable, or was it determined by economic globalization and the most advanced inventions in high technology? Do we still live in the modern world of national states and equally national societies, or we have already found ourselves in a “postnational” world in which there are new rules of the game in all social and political domains, as well as in economy? Is it really so that the stakes in current globalization processes are the redefinition of the most essential notions from political philosophy, as some sociologists, political scientists and philosophers want (from freedom to democracy to the state, market and politics), or we can observe a merely exaggerated attempt to conceptualize a seemingly new world in seemingly redefined terms? In other words, do we face the necessity of working out a new formula of a social contract – guaranteed so far by the nation-state – or we are just entering an increasingly globalizing new world without any wider social agreements, in the form we used to have in the modern age? Where does the fear of integration take its roots all over the world? Is – and if yes, to which extent – globalization a vast *political* project promoted in the form of a neutral language of economics and social sciences?(14) Or maybe neoliberalism is a political project (of an almost Marxian aspirations) that is engaged in constructing a new “metaphysics of free market” (as mentioned by Beck)? Is it the case that after God, Reason, History – the time has come for the Market, be it free and deregulated?

There are serious indications that the nation-state as a political and cultural project is in retreat right now in a surrounding determined by the processes of globalization, which in itself is a

subject of heated debates. As Dani Rodrik, an influential American political economist, put it recently, “we need to upfront about the irreversibility of the many changes that have occurred in the global economy. ... In short, the genie cannot be stuffed back into the bottle, even if it were desirable to do so”.(15) I have to agree once again with the diagnosis suggested by Ulrich Beck who says that the only constant feature of globalization is the overturning of the central premiss of the “first” i.e. national modernity: the rejection of the idea that “we live and act in the self-enclosed spaces of national states and their respective national societies”.(16) Capital, goods, technologies, information and people cross borders in the way that was unimaginable still a couple of years ago: therefore globalization is called “the contraction of time and space” (Bauman), “the overcoming of distance” (Beck) or “the end of geography” (Paul Virilio). Within a new global configuration, economy gets less and less dependent on politics.

Therefore I suppose it is interesting to think about the thesis put forward by the above mentioned Dani Rodrik in his book *Has Globalization Gone Too Far?*: “the most serious challenge for the world economy in the years ahead lies in making globalization compatible with domestic social and political stability - ... in ensuring that international economic integration does not contribute to domestic social *disintegration*”.(17) The power of the state as such is increasingly seen as merely administration and less and less often as the governance of (national) spirits.(18) Saskia Sassen, an American sociologist of globalization describes the current situation as “partial denationalizing of national territory” and as a “partial shift of some components of state sovereignty to other institutions, from supranational entities to the global capital market”(19)). The potential decline of the nation-states brings about vast social, economic, and political consequences of a global nature.(20) But what does it actually mean: the decline of the nation-state? This common expression finds numerous explanations. Just to give several most recent examples: Susan Strange in her book *The Retreat of the State* refers to the “reversal of the state-market balance of power” and says that the state is undergoing a metamorphosis brought on by structural change in world society and economy. ... [I]t can no longer make the exceptional claims and demands that it once did. It is becoming, once more and as in the past, just one more source of authority among several, with limited powers and resources”.(21) Martin Albrow goes even further when he states that “effectively the nation-state no longer contains the aspirations nor monopolizes the attention of those who live on its territory. The separation of the nation-state from the social relations of its citizens is by no means complete, but it has advanced a long way” or, to put it in a nutshell, “society and the nation-state have pulled apart”.(22)

Ulrich Beck describing the “second modernity” claims that “the advent of globalization involves not only an erosion of the tasks and institutions of the state, but also a fundamental transformation of its underlying premisses. The second modernity brings into being, alongside the world society of national states, a powerful non-state world society different from previously existing forms of political legitimization, which is made up of transnational players of the most diverse kinds”.(23) Globalization in his account brings about a society that is multidimensional, polycentric and contingent and in which the national and the transnational coexist with each other. But what is at stake in the globalization campaign is not only the fate of the nation-state: it is also political freedom, democracy and the substance of politics, for if global capitalism dissolves the core values of the work society, “a historical link between capitalism, welfare state and democracy will break apart”.(24) Finally, in thinking about the nation-state today it is important to avoid the global/national duality, as Saskia Sassen keeps reminding both in her *Losing Control? Sovereignty in an Age of Globalization* and in recent *Globalization and Its Discontents*: it is not simply so that the national state is simply losing

significance, it is not so that “what one wins, the other loses”, because “the state itself has been a key agent in the implementation of global processes, and it has emerged quite altered by this participation”(25) and it is engaged in “the production of legality around new forms of economic activity”.(26) In this light the alternative “states or markets”(27) may not be as sharp as it looks at first sight and thinking about the nation-state, national identity and democracy leads us to thinking about globalization and the question whether we regard it as still a “choice” or already a “reality”.

To the question whether the state will disappear, my answer would be: it would not, but what remains would certainly not be the state as we know it.(28) It will no longer be a major, if not sole, provider of public and social services and it will become more of an arbiter between competing, mainly economic, forces, guaranteeing fair play of all participants of the game. Thus, national identity seems to cease to play the crucial role in social life of contemporary technologically advanced, free countries of the late modern society (as Susan Strange puts it: “today it is much more doubtful that the state ... can still claim a degree of loyalty from the citizen substantially greater than the loyalty given to family, to the firm, to the political party or even in some case to the local football team”(29)). Its consequences for thinking about freedom are manifold as the world we are analyzing in the social sciences today is increasingly becoming a new world that the social sciences are finding difficult to grasp in their basic concepts.

To sum up: globalization theory and practices seem to undermine the traditional concepts of freedom and democracy. The world as we know it, the world of modernity, is undergoing a radical transformation in the direction that still cannot be predicted. The future of the social contract of modern nation-states is no longer certain. Capitalism and economy is one thing, and freedom and democracy is another. No one has ever decreed that capitalism for ever goes hand in hand with freedom and democracy. There is a very complicated relationship between the two. (As recently Vargas Llosa put in an essay-like form: democratic state is first of all to *defend* societies and individuals against maneuvers of the always greedy capital, behind which there is nothing but never-satisfied desire for money). Globalization favors neoliberal capitalism and economic rationality rather than – or at least not in the first place – freedom, democratic principles and social values. We are beginning to live a new world; hopefully, we will have enough power to reformulate our concepts of freedom and democracy so that they could still refer to our new, globalized political, social and economic surrounding.

Endnotes:

(1) See my text “The Nation-State, Globalization and the Modern Institution of the University”, *Theoria. A Journal of Social and Political Theory*, New York: Berghahn Books, vol. 96, December 2000, pp. 74-99.

(2) Zygmunt Bauman, *Intimations of Postmodernity*, London: Routledge, 1992, p. 65. It is also very useful to read his excellent *Globalization. The Human Consequences* (Cambridge: Polity Press, 1998) in this context.

(3) Ulrich Beck, *What Is Globalization?*, tr. Partick Camiller, Cambridge: Polity Press, 2000, p. 62.

(4) See Jan Aart Scholte, “Global Capitalism and the State”, *International Affairs*, vol. 73, no. 3, July 1997.

- (5) See Tadzio Mueller, “Globalization and the Welfare State”, *Carnival*, vol. 1, December 1999 and Pauls Bowles and Barnet Wagman, “Globalization and the Welfare State: Four Hypotheses and Some Empirical Evidence”, available from MacLean’s Economic Policy Page.
- (6) Martin Albrow, *The Global Age. State and Society Beyond Modernity*, Cambridge: Polity Press, 1996, p. 1.
- (7) Ulrich Beck, *What Is Globalization* , op. cit., p. 125.
- (8) See Malcolm Waters, *Globalization*, London and New York: Routledge, 1995, p. 158ff.
- (9) See Vincent Cable, “What Future for the State?”, *Daedalus*, March 22, 1995.
- (10) See especially Saskia Sassen, *Globalization and Its Discontents*, New York: The New Press, 1998. She insists that “even though transnationalism and deregulation have reduced the role of the state in the governance of economic processes, the state remains as the ultimate guarantor of the rights of capital whether national or foreign”, guaranteeing property rights and contracts. So Sassen’s thesis is that the state continues to play a crucial role in the “production of legality around new forms of economic activity” (p. 200).
- (11) See John Urry, “Globalization and Citizenship”, Paper given to World Congress of Sociology, Montreal, July 1998 (available from www.comp.lancaster.ac.uk/sociology/soc009ju.htm).
- (12) I have been analyzing these issues with respect to higher education e.g. in two texts: “Globalization and Higher Education” and “Transformations of Higher Education in Central and Eastern Europe: Social and Cultural Dimensions” (UNESCO’s *Higher Education in Europe*, vol. XXVI, nos. 1 and 3, London: Carfax Publishing), as well as in “The Academe in Transition: on Post-1989 Transformations in Polish Academic Profession” (forthcoming in Philip G. Altbach, editor, *The Academic Workplace and the Academic Profession in Comparative Perspective*, New York: St. Martin’s Press).
- (13) See Ignacio Ramonet, “Giant Corporations, Dwarf States”, *Le Monde Diplomatique*, Juin 1998 or James Morgan, “Who Needs the State? Nations Can Be Companies”, *Financial Times*, May 27-28, 1995.
- (14) See especially *The Limits of Globalization. Cases and Arguments* ed. by Alan Scott, New York: Routledge, 1996, p. 2 ff.
- (15) Dani Rodrik, *Has Globalization Gone Too Far?*, Washington D.C.: Institute for International Economics, 1997, p. 9.
- (16) Ulrich Beck, *What Is Globalization* , op. cit., p. 20.
- (17) Dani Rodrik, *Has Globalization Gone Too Far?*, op. cit., p. 2.
- (18) See “After the Nation-State – What?” in Zygmunt Bauman’s *Globalization. The Human Consequences* as well as *The Global Age. State and Society Beyond Modernity* by Martin Albrow written from the perspective of the end of the nation-state in the face of globalization.

(19) Saskia Sassen, *Losing Control? Sovereignty in an Age of Globalization*, New York: Columbia UP, 1996, p. xii.

(20) See Viven A. Schmidt, "The New World Order, Incorporated: The Rise of Business and the Decline of the Nation-State", *Daedalus*, vol. 124, no. 2 (Spring 1995).

(21) Susan Strange, *The Retreat of the State. The Diffiusion of Power in World Economy*, Cambridge: CUP, 1996, p. 4, 73.

(22) Martin Albrow, *The Global Age. State and Society Beyond Modernity*, op. cit., p. 170, 164.

(23) Ulrich Beck, *What Is Globalization?*, op. cit., p. 103.

(24) Ibidem, p. 62.

(25) Saskia Sassen, *Losing Control? Sovereignty in an Age of Globalization*, op. cit., p. 29.

(26) Saskia Sassen, *Globalization and Its Discontents*, New York: The New Press, 1998, p. 200.

(27) See Christopher Colclough and James Manor (eds.), *States or Markets? Neo-liberalism and the Development Policy debate*, Oxford: Clarendon Press, 1991.

(28) Tony Spybey in his *Globalization and World Society* (Cambridge: Polity Press, 1996) supports the thesis that "the nation-state system remains important ... but additionally there has been increasing restructuring in international relationships" (p. 57).

(29) Susan Strange, *The Retreat of the State. The Diffusion of Power in World Economy*, op. cit. p. 72.

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