

# Globalization and Its Impact on State Sovereignty from the Perspective of Public Law

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## Abstract

It is often stated that globalization and state sovereignty are engaged in a zero-sum conflict. However, it must be emphasized that such an interpretation is merely superficial. The concept of globalization attracts significant attention precisely because the notion of sovereignty continues to maintain its intellectual and theoretical existence. According to this perspective, every conceptualization of globalization—even in its most abstract form—is inherently tied to the concept of sovereignty (Clark, 2003, pp. 171–172). Accordingly, it can be argued that the discourse between globalization and sovereignty is rooted in interaction. Nevertheless, while the sovereignty of states has, to some extent, been reinforced through a broader scope as a result of globalization, its fundamental components have simultaneously been questioned by the same process. Furthermore, the influence of globalization on transnational governance is a matter of considerable importance from the perspective of human advancement. As the development of the human sciences progresses and human societies increasingly gravitate toward globalization—and as this movement aligns with components of good governance such as justice and fairness—its expansion is becoming uncontrollable. The lack of a cohesive and meaningful connection between the disciplines of law and management has led to the emergence of certain unfavorable features in international domains and behavior. Although societal progress has alleviated this issue to some extent, there remains a considerable gap to achieving the desired position in the realm of international communication (distinct from diplomatic relations between states).

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## 1. Introduction

Some territories are not governed by official states but are instead under the control of non-state actors. These non-state actors include guerrilla and paramilitary groups, criminal gangs, and trafficking networks. In most cases, non-state actors only limit the de facto sovereignty of a state over portions of its territory. In other words, they restrict the state's ability to exercise effective control throughout its territory, even though the area is still considered, both domestically and internationally, part of that state. However, in certain instances, these non-state actors not only achieve effective territorial control but also gain functional sovereign authority that, from the perspective of local populations, may be perceived as internal sovereignty.

Occupying forces or international organizations that temporarily assume administrative control over failed states may also pose similar challenges to state sovereignty as those posed by non-state actors.

The relationship between globalization and state sovereignty cannot be understood through a structural, single-factor, or linear lens. Rather, it must be examined through the interaction of agent-structure dynamics, the interrelational context, and the intermediary space in which actors reproduce and reconstruct themselves under new conditions. This article attempts to explore how governance systems respond to the phenomenon of globalization and how globalization affects state sovereignty. It is hoped that more positive perspectives on governance—particularly concerning good governance components—and state responses to globalization will emerge, ultimately promoting justice and fairness across the globe.

## 2. Definitions of Globalization

"Globalization" is a process that generates connections and flows not confined within the national borders of states but occurring among various world regions, civilizations, and continents. This definition regards globalization as a historical process that transforms regional and national communication networks into intercontinental and interregional relationships (Barnhizer, 2012; Batterworth & Davis, 1996).

Different perspectives on globalization have led to a range of definitions, which can be categorized into five general groups:

### A – Globalization as Internationalization

From this perspective, globalization is described as the deepening of relations between states and the facilitation of simpler and smoother exchanges. Hirst and Thompson define globalization in this context as the increasing and massive flow of trade and capital among countries, alongside easier, faster, and more frequent exchanges between societies (Tomlinson, 2019).

### B – Globalization as Borderlessness and Liberalization

This view conceptualizes globalization as a movement among states that leads to the liberalization of exchanges with other countries, fostering an open and borderless economic, financial, and monetary environment. In this category, economic integration is considered a direct outcome of globalization (Jamali, 2017). The elimination of visas among European countries, the unification of currency, and the removal of control restrictions on the movement of goods and services serve as empirical support for this definition.

### C – Globalization as Universalization

In this view, globalization entails the expansion of experiences and values across all parts of the world and among all peoples. In other words, universalization refers to the blending and integration of global cultures and lived experiences. The globalization of consumption patterns, the spread of uniform lifestyles, and the standardized operation of organizations are examples of this process. The emergence of universal theories across various scientific domains and their worldwide application is another instance of universalization.

### D – Globalization as Westernization and Modernization

In this category of definitions, globalization is equated with the adoption of European and American lifestyles in fields such as economics, trade, management, and industry. Giddens is among those who regard modernization and Western-style modernity as synonymous with globalization (Zohraei, 2020).

### E – Globalization as Deterritorialization

This category emphasizes the diminishing relevance of geographical boundaries, which no longer hold their traditional significance. Social space is no longer confined by conventional borderlines, and the entire world becomes a shared human habitat. Geographic borders are transformed, and boundaries become trans-border or cross-boundary (Held, 1999). In this context, transregional relations dominate interactions among people across countries. Globalization has transcended traditional geography, dismantling old borders. As such, terms like "international" and "transnational" fail to capture the reality in which distance is irrelevant and spatial gaps are largely inconsequential. Whereas international relations were once defined by political and geographic borders, in a globalized world, relationships are no longer bound by such constraints.

## 3. Contexts and Dimensions of Globalization

In addition to these definitions, other scholars have examined various dimensions of globalization. For example, Woods (1998) attempted to classify globalization into three main dimensions: market-driven, state-driven, and people-driven. It appears that in each of these dimensions, the process of globalization impacts governance across three axes: the market, the state, and the people (or citizens) (Zifkak, 2019).

The first dimension is the market-driven aspect of globalization. According to Woods, this dimension entails the expansion of capitalism, marked by the deepening and widening of global economic exchanges and qualitative transformations in the production and distribution of goods and services. These changes significantly influence market management.

The second dimension is the state-driven aspect. This refers to the role states play in facilitating and managing globalization, as well as the influence globalization exerts on inter-state competition.

The third dimension is the people-driven aspect. This dimension highlights the social forces and agents within societies, whereby through globalization, individuals and communities are released from localized frameworks and integrated into global processes, thereby influencing sovereignty (Khorsandian, 2008; Rabiei & Heydari, 2017).

The study of globalization is inherently interdisciplinary. Since the late 1970s and early 1980s, globalization has been a topic of inquiry in disciplines such as sociology, anthropology, and religious studies. However, it has become increasingly evident that concerns about globalization trace back centuries. Although the academic concept of globalization became prominent in the 1980s and 1990s, the widespread use of the term began after the fall of the Berlin Wall in 1989 and the subsequent collapse of communism. One of the core characteristics of the contemporary understanding of globalization is the divide between those who focus on economic globalization and its implications for capitalism's potential decline and those who adopt a broader, multidimensional view of globalization.

#### 4. Components of Globalization

The notion of implementing "globalization" was first raised by Immanuel Wallerstein (1989). Although Wallerstein himself did not accept the concept of "globalization," many scholars have applied aspects of his work to this concept. Wallerstein introduced the idea of the modern world-system and the global capitalist system, arguing that the world had transformed into a unified system. He believed that there are multiple methods by which the world could be made into a single entity. However, this unification does not occur through religious institutions, despite their efforts, but rather through ideologically driven organizations and political parties such as the Communist Party or through the expansion of German fascism, which attempted to unify the world. Another example includes the political and intellectual efforts of Japanese policymakers during World War II. Yet, the most recent and significant instance of a unified global system, according to Wallerstein, is that the world is coordinated and managed through imperialist lines (Alberts & Papp, 2010; Appadurai, 1996).

Global communication systems have enabled corporations to synchronize their production plans and financial operations simultaneously across several countries, thereby engaging in truly global economic activities. Information has also become tradable and exchangeable via communication networks. This includes information such as management consultancy, software systems, films, audio cassettes, CDs, television news, and similar forms. In this context, the mobility and fluidity of capital have significantly increased in the form of money. In other words, money has become a commodity whose essence lies in the information it contains, both in terms of intrinsic value and as a medium of exchange (Sajadi, 2014; Salimi, 2013).

Driven by such developments and policies adopted in some countries, the process of global economic integration accelerated in the 1970s and 1980s. Consequently, national monetary and fiscal policies have become increasingly constrained, while the flow of money, goods, and labor within global networks has intensified. Globalization is typically defined as the globalization of production, distribution, and credit, or the transformation of the world into a marketplace for trade, production, sales, and investment. Such a marketplace has indeed emerged today. Numerous economic agents and institutions are involved in transnational operations. The permeability of political borders to economic flows has increased, and interdependence at the global level has reached such a degree that isolationist or self-sufficient economic policies are no longer feasible. Choosing to remain outside global economic networks is now an exceedingly difficult, costly, and perhaps impossible decision. This form of globalization is most prominently manifested in the field of trade. Today, industrial countries export one out of every five dollars they produce (Barber & Smith, 2022).

## 5. Mechanisms of Globalization's Impact on Democracy

Globalization influences the development and reinforcement of democratic processes and movements in various ways:

Globalization has transformed the definition of democracy and democratic systems. In addition to traditional characteristics and indicators of democracy, new features have been added to its definition. These include the recognition of civil institutions, acceptance of global cultural norms such as human rights, and the adoption of democracy at the transnational level, all of which have expanded the conceptual scope of democracy.

The advancement of communication and information technologies is another mechanism through which globalization has increased public awareness and enhanced citizens' capacity to participate in their political destiny. This refers particularly to the expansion of satellite and internet networks that disseminate information freely and without political interference. David Held, however, argues that states still retain control over globalization and can manage and regulate the flow of information (Barber, 1996; Barber & Smith, 2022).

Cyberspace, functioning as the nervous system of the global society, facilitates the exchange of information and data. It enables the participation of individuals and various actors in the political arena. In a world where social status is increasingly defined by access to new information, the internet serves as a critical tool for fostering reciprocal relationships between individuals and groups, promoting the exchange and critique of diverse perspectives. These features support civil society and lay the groundwork for democracy.

## 6. Globalization and the Rise of New Actors in Sovereign Domains

One of the notable consequences of globalization is the emergence of new actors within sovereign domains, which may generate novel security concerns. These actors can be classified into several categories:

Supranational actors composed of multiple states, such as the European Union or the Gulf Cooperation Council.

Non-state actors, which are not states or state institutions but are legitimized by governments, including the United Nations and professional confederations.

New national actors, such as economic corporations and independent media outlets.

Each of these actors has diminished aspects of national sovereignty and introduced challenges to states' territorial governance. Additionally, these actors have made it more difficult for individual states to confront them unilaterally.

Supranational actors are new agents that exponentially increase the power of individual nation-states in relation to other states. Non-state actors are international organizations that possess institutional legitimacy granted by states. Their major challenge lies in limiting the scope of state activity and governance—effectively reducing the operational space of nation-states—and presenting specific challenges of their own.

Moreover, new national actors such as media outlets and economic enterprises have also contested aspects of state authority, particularly in the realm of media. These new actors have reduced the scope of state authority while simultaneously confronting governments with novel issues. On the one hand, they exponentially enhance the capabilities of individual states, and on the other, they expand the capacity for action in the international sphere.

Non-state actors, despite lacking territorial responsibility or political and economic backing from any specific country, are capable of influencing state behavior and societal norms and imposing their own standards. This development has implications for governance, public policy, and sectoral policymaking (e.g., how subsidies are allocated to agriculture versus industry), and it may result in cultural conflicts.

## 7. The Impact of Globalization on States from the Perspective of Public Law

Public law is a branch of legal science primarily concerned with the organization of internal and external state relations in the broadest sense. Like other branches of science, public law is composed of a set of binding principles and core concepts. These principles represent foundational and imperative norms that carry high hierarchical value. They define the structures, aims, and goals of those who govern and those who are governed. In times of uncertainty, these principles guide the direction of public action.

Thus, public law principles are largely teleological—they aim to regulate or manage social and political realities rather than merely describe them. These concepts include authority, public order, public services, public interest, the principle of continuity, the principle of territorial jurisdiction, the principle of security, the rule of law, and the principle of accountability (Bagheri & Nazari Zadeh, 2015, p. 2). While it cannot be said that globalization has affected all these principles and concepts, this article seeks to examine how globalization has influenced them. It is also important to note that some of these principles overlap. For instance, the rule of law and fundamental freedoms are often inseparable in public law discourse.

One critical issue in public law is the right to social security. Social security is considered a human right—an innate right inherent to all people by virtue of being human. This is evident in religious beliefs and in international legal documents (Asgharnia & Beheshti, 2016). These human and universal rights are also reflected in Iran's public policies and domestic laws.

Indeed, the multilayered social security system in Iran is inspired by recommendations from the International Labour Organization (ILO). This system comprises three layers: social assistance, basic social insurance, and supplementary social insurance. Corresponding to these layers, the health system includes supportive health services, basic health insurance, and supplementary health insurance (Rabiei & Heydari, 2017).

The first layer includes social assistance and supportive health services, financed through subsidies, social taxes, and—if religiously approved—public wealth (anfāl). This layer provides full support for those who are not capable of self-sufficiency. Another form of support in this layer is partial assistance for those currently in need but who can become self-reliant in the future and move to higher tiers (Rabiei & Heydari, 2017).

The second layer consists of multiple sub-layers: universal (national) social insurance, mandatory basic social insurance, supplementary mandatory insurance, and insured individuals within each category. Insurance rates and sources of funding vary across these sub-layers, and they are tailored to each income group. A minimum portion of income is subject to basic insurance premiums, while higher earnings contribute to upper-tier insurance premiums. In this layer, the government pays a fixed per capita amount to everyone equally, while the remaining insurance premium is shared between the workforce and employers. The government then allocates freed-up resources to extend universal social and health insurance coverage.

The third layer encompasses individual accounts, commercial insurance, and private insurance. It is funded through legal guarantees from the government and individual contributions from the insured (Rabiei & Heydari, 2017). Article 27 of the Fifth Development Plan Act focused on the design and implementation of a multilayered social security system. According to this article, the government is authorized to establish a comprehensive three-tiered social security system, including:

1. Social assistance such as support services and empowerment programs.
2. Basic social insurance including pension and health coverage.
3. Supplementary retirement and health insurance, with structural integration and coordination across these layers (Rabiei & Heydari, 2017).

In addition to the multilayered approach influenced by international models, there is also a cross-sectoral perspective on Iran's social security system. Generally, social welfare and security policies can be categorized into two major types: sectoral and cross-sectoral. Sectoral issues pertain to the activities of specific agencies, whereas cross-sectoral issues influence economic and social functions across multiple domains and are classified as macro-level, intersectoral matters (Sajadi, 2014). In other words, cross-sectoral issues encompass a set of homogeneous public and specialized activities that are not managed independently from other functions and are executed through collaborative management and coordination across sectors.

## 8. The Effects of Globalization on States with Reference to the Millennium Report and Declaration

The Secretary-General of the United Nations stated in the Millennium Report that better governance means increased participation coupled with accountability. Accordingly, international public sovereignty, including institutions like the United Nations, must remain open to the participation of many actors whose contributions are essential and fundamental to managing the path of globalization. From the UN's perspective, success in confronting the challenges of globalization ultimately equates to fulfilling the needs of the people. The Charter was written in their name, and the realization of their aspirations lies before us in the twenty-first century. In the unanimously adopted Millennium Declaration, member states of the United Nations

resolved to create an environment—both nationally and globally—that is conducive to development and the eradication of poverty. They asserted that achieving these objectives depends on good governance within each country. Moreover, it hinges on good governance at the international level and on transparency within financial, monetary, and trade systems (Rashidpour & Shah Ali, 2014).

## 9. Globalization and State Governance in the United Nations Development Programme (UNDP)

The United Nations Development Programme (UNDP), which operates in more than 166 countries, supports states in addressing national and global development challenges. Experts at the UNDP assist various countries in this effort. The agency has defined its governance priorities as follows:

Governance institutions: encompassing judicial, legal, electoral, and executive bodies.

Public and private sector management: enhancing the capabilities of the public and private sectors, and reforming structures and processes.

Decentralization and local governance: supporting local governments and recognizing the roles of both formal and informal actors, including regional and national participants.

Civil and non-governmental organizations (NGOs): acknowledging the role of civil institutions and their participation in decision-making and policy implementation.

Governance in special conditions, such as crises (Bellamy, 2003).

## 10. Conclusion

Globalization, by increasing interdependence, ultimately leads to convergence. In this process, a system of integrated legal regimes replaces the traditional model of intergovernmental cooperation. Globalization refers to the extent to which a set of unified rules governs the world, regardless of the manner in which they are implemented.

Globalization reduces state sovereignty and enhances the role of non-state actors. This trend has compelled states to relinquish portions of their authority through accession to international treaties and membership in global organizations. Consequently, the principle of non-intervention in the internal affairs of states, once considered inviolable, is gradually fading. Today, under the doctrine of the "Responsibility to Protect," the use of force may be justified against a state in response to fundamental human rights violations.

Furthermore, the erosion of absolute state autonomy in domestic affairs has contributed to the strengthening of good governance components, such as accountability, transparency, participation, justice, responsibility, civil equality, and the rule of law. Alongside the increased roles of international organizations, transnational corporations, and NGOs, the expanded role of individuals in domains like international human rights law also reflects this fundamental transformation. Moreover, the diminishing relevance of national borders has brought states closer together, and the emergence of shared global norms and concepts is a result of this proximity. However, the expansion of communication and digital technologies has also played a critical role in this transformation by raising the awareness of non-state actors regarding their rights, responsibilities, and global events, thus enabling them to become more involved in global affairs.

Globalization limits national sovereignty in areas such as the declining significance of political borders and imposes restrictive effects on public law principles and rules. It has been highly influential in constraining states and has at times had a deconstructive impact on the traditional concept of the state. Nevertheless, this issue is particularly salient from the viewpoint of public law studies. If we broaden the disciplinary boundaries, globalization can in fact exert profoundly positive effects on the notion of sovereignty and the state, reimagining the state not as a dominative structure but as a guiding entity in the development of human societies.

Meritocracy will emerge when managerial principles are properly applied within state governance, eliminating the traces of personal and organizational despotism. We hope for a future in which transparency serves justice and fairness, and the ideals of humanity shine ever brighter.

## Ethical Considerations

All procedures performed in this study were under the ethical standards.

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## Conflict of Interest

The authors report no conflict of interest.

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