

TRANSITION FROM GEOPOLITICS TO GEO- ECONOMICS: A THIRD WORLD PERSPECTIVE

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Abstract

The end of the cold war raised the question of viability of geopolitics as a driving force in global politics. The logic of geo- economics has acquired more significance in post-industrial age. This concept in New World Order has established the primacy of economics over politics. The challenges to the geopolitics' practices made it necessary to re-conceptualize the polarity of the world power. New methodological models are being applied to explain the distribution of power and the role of state, power in New World Order. The paper argues that the politics of geo- economics is out-come of given security environment; it is the interplay of different security environment at global level which has 'regionalized' the world politics.

Key Words: Geopolitics, Conceptualization, New World Order, North & South Conflicts, and Geo-economics

Introduction

The priority of economic dimension in world politics is bound to alter the configuration of the 21st century global power. This shift is likely to change the functioning of state. The idea of trading state is premised on the notions that the logic of commerce would govern world affairs instead of world politics; national destinies will be determined by commercial competition than military conquest. This mirror image of geo- economic forces is making state territories more porous.

The politicization of geo-economics is conceived as a tool of dominance in international affairs. The division of world in the context of

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economic development has separated it in zones of peace and conflict. It is fraught with deleterious consequences for the marginalized world, which unfortunately consists of majority states. Can the zone of development and stability remain insulated from the fragility of zone of turmoil and under development was answered at "ground zero". In the aftermath of 11th September, the politics of preemption exhibits the primacy of military force in world affairs.

Genesis

The collapse of Soviet Union brought a structural change in international system. And every structural change is not less than revolution. This change also instigated new configuration of power for future world order. Consequently, two paralleled forces i.e., economic integration and political fragmentation came into operation. These two forces have been competing with each other for future world order.

Historically, geo-politicians were intellectuals of statecraft who emphasized the role of geographical constraints and opportunities on the conduct of foreign policy¹. Geopolitics was also conceived as part of constructing territorial state identity and protecting that identity by specific arrangements including force. Twentieth century is appropriately called 'century of state'. The powers of state were maximized to unprecedented level. States, in the name of welfare, took control of their national economies. But paradoxically in a fit of absence of mind, state lost the sight and strengthened the pillars of global economy. The present state position vis-à-vis globalization is reflection of what Emerson in his work "Of politics" wrote: "To educate the wise man the state exists and with the appearance of the wise man, the state expires"².

The ideology of dominant powers has rendered redundant state sovereignty. Whether economic activities should be subordinate to the goals of state building and interests of states has opened a debate on the 'primacy' of economics over politics. The doctrine of state building asserts that the market should be regulated by states. While the geo-economics thinkers focus that the role of state as a protector and regulator is on the decline. They note that the ability of virtually all nation-states to monitor and manage social problems have diminished as their national frontiers become permeable to global networks of investment, trade, information and currency exchange³.

Traditionally, security and political economy have remained two sub-fields of International Relations. With the onset of unipolar order the

dividing line between them is disappearing and they have become interchangeable terms. During Cold War the ideological polarization was conceived as the efforts for survival and supremacy of either capitalism or communism. As put by a scholar, cold war militarism was also closely associated with military-industrial complex of "American power"⁴. The origins of WTO were originated in the GAAT. Moreover the theory of absolute gains was applied by leading powers to keep their alliances intact. Thus, the economics 'means' were used to achieve political 'ends'.

In post-cold war period, it is upside down. The politicization of economics has created a problem of 'means' and 'ends'. Since substantive core of the geo political type of Politics based on economic of instruments is being used to achieve the goals of economic powers. Indeed, the end of cold war has constructed a new geo-political order dominated by geo-economic issues. The theory of 'relative gains' has made the economic core more 'Inward looking' in practice. The economic interdependent, market economy and globalization are hallmarks of geo-economic order. The rationale for market economy is that it increases efficiency, maximizes economic growth and thereby improves human welfare. However, there are growing concerns about equity and accessibility especially in the context of developing world.

The International Relations theory is divided on the question whether interdependence bring harmony or conflict in inter-state relations. Despite economic advantages and abundance of interdependence, the dependency theories still advocate the self-sufficiency and see economic interdependence flawed in structural set up. Several scholars argue that this concept may be strong among western countries sharing liberal democracy, mature capitalist economies, but it tends to be weak among developing countries⁵. Third World States asking effective control over economic resources in the context of international division of labor are caught between two fires to seek directions for their progress and prosperity.

The critics of geo-economics argue that every economic system is a hierarchical structure composed of dominant core and dependent periphery⁶. The paradox of globalization is that it spreads influence at global level but does not encompass all territories, its activities concentrating on segments of industries, specific countries and regions, isolating other states and regions that are excluded from process of globalization. There is much evidence that factors of this economic

structure are engaged in "power-seeking" behavior. The irony of economic logic is that those who benefit more are more vulnerable. The less vulnerable side can threaten to end the relationship in order to induce change in other sides' behavior⁷.

The essence of market economy is trade liberalization and globalization in its most general sense; these notions refer to cross national flow of trade, investment, services, mobility of capital and information. These flows have created a New World Order with its own institution and configuration of power that has replaced previous structures associated with nation state. In geo-economics, order neutral and without any political agenda is matter of debate. As put by a scholar: if one looks at global economic arrangements they have all arisen out of political factors⁸.

With all fascinating economic accomplishment by market economy, the problem of economic disparity is widening. It has not resolved the question of digital divide. The geo-economic considerations lack 'perceptual clarity' and will to address the underlying causes of transnational problems, e.g. migration, proliferation or weapons of mass destruction, terrorism, environment, poverty, cultural and morale decline. There is body of opinion that views modern state as ultimately the product of historical forces and its action cannot be reduced to economic forces. But at the same time, globalization is as true as law of gravitation and it is drawing new battle-lines between North and South. The real context between two Worlds is not 'Modernization' but 'Westernization'⁹.

All rise that Asian economies have embraced is function of market and technology while westernization is viewed as a creation of culture. The relative backwardness of Asian economies has shaken the confidence of Asian societies in their heritages. Future global economy will no longer be regulated by the West. As the Asian societies grow in economic strength and cultural self-confidence, the geo-political and intellectual landscape will loom large. The West will be forced to engage with these societies and their cultures in a different way. This does not necessarily mean a trend on the lines of "clash of civilizations" but probably that can initiate the process of dialogue with Western powers.

Conclusion

There is a growing debate regarding the outcome of the end of cold war. Some argue that the end of cold war was the end of geo-politics. Yet others argue that it is merely the end of 'cold war geopolitics'. It is strong conviction that economic and politics always go hand in gloves. They are

not opposite to each other. They may be separate but cannot be separated. However, in the wake of globalization, geo-economic consideration has become more intensive and dominant. In the post-cold war period, State is threatened from top to bottom level. At the top, geo-economic order has weakened the territorial identity of state (s). The state frontiers have become more porous, prone to the external economic vulnerabilities. The mirror image of geo-economic forces is making state territories more fragile. Besides, the hegemonic stability demand of "right of stronger" to punish rogue states and organizations has eroded the state power especially in the context of developing countries.

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