The Relationship of Globalization, Internationalization and State Building in the Modern World

The progress of globalization over the last few years has caused academic and political discussion worldwide. The opinions of experts and politicians vary on the nature of globalization, its driving forces, and consequences for civilization, nevertheless, the overwhelming majority of scholars agree that globalization is a key concept that ensures understanding of the essence of the transition of human society into the third millennium and the most demanded means of comprehending the essence of transformations of the world order at the turn of the 21st century. Globalization itself is a global problem of paramount importance, holding unique opportunities and existential threats. It opens fascinating prospects, and at the same time aggravates old diseases, and creates new threats and dangers. One of the most pressing issues of contemporary political science is whether the institution of the state will remain in the global world order, or whether it is doomed to be abolished by globalization. The wide variety of opinions and methodological approaches to the study of the phenomenon of globalization testifies that this phenomenon can be understood only by means of a comprehensive study of its main aspects.

Keywords: Globalization, State Building, Integration, Internationalization, Transnational Corporations.

Взаємозв'язок глобалізації, інтернаціоналізації та державного будівництва в сучасному світі

Розвиток процесів глобалізації в останні роки викликає в світі наукову і політичну дисkusію. Думки експертів та політиків розходяться з питання про природу глобалізації, її рушійні сили та наслідки для цивілізації, проте переважна більшість досліджень зосереджуються на текті тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє тисячоліття, найбільш затребуваний засіб осязити суть переходу людського суспільства в третє

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**Problem statement and relevance of research.** The term “globalization” is the most frequently used concept describing the processes of modern world economy and involvement of Ukraine in them. Ukrainian press keeps on pursuing the issue of the place of our state in the globalizing world, advantages and disadvantages of its participation in organizations symbolizing globalization, on economic, cultural, and environmental globalization of the country’s national security.

**Brief literature review.** It is believed that the term “globalization” has gained currency since the 80s of the 20th century, owing to the works of I. Wallerstein, who considered globalization as a new strategy of some countries to subordinate the others. The phenomenon of globalization is analyzed in the works of many national and foreign political scientists, economists, historians, and politicians. The studies of O. Agarkov, O. Belorus, R. Voitovych, M. Karmazina, Yu. Makar, N. Rotar should be mentioned. Researchers of this process are interested in the time frame and scope of globalization, its relationship with the development of the world economy and the prospects for its sustainable development, and its relationship with the integration. The possibility of determining the place of the stage of globalization in the categories of the formalization and civilizational approaches to the periodization of economic development, the characteristics of objective and subjective factors of development and forms of manifestation of globalization, and forces opposing globalization are also the points of real interest. The conclusions from the theoretical understanding of globalization for the policy of national states are of primary concern. It is obvious that the clarification of the subject-matter aspects of these issues meets with discrepancies in the methodological approaches to the analysis of globalization.

The **purpose of the paper** is to analyze and define the basic concepts of development, and the features of the functioning of national states in the context of globalization processes. This purpose stipulates a research problem for the author, namely, the need to reveal the nature of the new economic interdependence of the actors of the global market, which derives from such interaction, as well as the changes that occur with the actors themselves, first of all, transnational structures, national states, and regional associations of the same.

**Presentation of the basic material.** The process of globalization in all its contradictory aspects is an indisputable reality of today’s world. It forms an inevitable, objectively and subjectively conditioned factor in the formation of a post-industrial society, a world civilization of the 21st century. The globalization of economic activity is one of the main trends in the development of the modern world, not only having a great impact on economic life, but also entailing extensive political internal, international, social, cultural, and civilizational consequences. Almost all countries experience these consequences, and, of course, Ukraine, quite consciously and purposefully moving along the path of integration into the world economy is among them. Considering the development prospects, one should think about what place Ukraine will take in the current contradictory and difficult world. The analysis of this global process is not only theoretical, but also practical and extremely important for Ukraine, for its foreign economic, and in a broader sense, the entire social and economic policy, aimed at achieving national goals and observing the interests of each citizen. It is possible to reconcile public and personal interests only on the basis of reasonable state regulation of the economy. Ukraine needs an efficient, scientifically based strategy of state revival. A strategy which is based on a clear understanding of the nature of those forces that today determine the main vector of human development. This prompts us to consider more carefully the essence of globalization, to understand what lies behind this fashionable term which brings about numerous academic discussions.

Scholars have not yet produced an unambiguous definition of the concept of “globalization”. Some scholars emphasize the institutional and civilizational aspects and call globalization the process gradually increasing historically and involving interaction and interpenetration of various civilizations, which have developed in more or less stable territorial boundaries on the basis of certain ethnic communities. Some other scholars focus on common problems faced by humanity. For them, globalization means the emergence of communities, or similar in content problems for different regions of the

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Identification of globalization with such concepts as “integration”, “internationalization of economic life” is not uncommon. Some researchers believe that what is now called “economic globalization” is nothing new; it is another name for internationalization. The well-known researcher I. Wallerstein writes: “There is nothing new in what is now called “globalization”. It is just a natural way of functioning of the capitalist world-system... There is no evidence that the world-economy is “globaled” today more than earlier, primarily in the period from 1873 to 1914... the present period of “globalization” is simply a further progress of the processes typical of the capitalist world-economy from the very beginning”.

The concept of “globalization” has gained widespread currency due to its political and economic neutrality, therefore it allows for the most contradictory, often completely opposite interpretations. The different understanding and description of the process of globalization might be associated with a methodological paradox arising in connection with the semantics of the concept of “global”. The definition of “global” (from French global “universal”, from Latin globus “globe”) is nowhere near to have the only meaning. Firstly, it means worldwide, covering the entire globe, and, secondly, it means comprehensive, complete, total, and universal. Each of these meanings characterizes the modern world economic system in a particular way, but taken together, they fail to describe the new quality of the world economic integrity that emerged at the turn of the 1990s. This term reflects some important features of modern processes; however, for another thing, no less important aspects of reality are left out.

Many natural processes on Earth, which are studied by geography, geology, and ecology, have a global character. When social processes – political, economic, technological, cultural – became of a planetary character, then specialists and methods of these sciences were much-needed to study them. Natural sciences do not reveal the essence and specifics of the social form of movement, however, they state the fact of transformation of humanity and the civilization created by it into a single entity, covering the entire globe, and make it possible to build structural and quantitative models of this process, and make forecasts. This is what modern futurological studies center on to 9/10, for example, the reports of the Club of Rome in the early 1970s. At the same time, natural science and mathematical methods cannot answer the questions of whether globalization is an objective, necessary, and inevitable process, what are its driving forces, general and specific forms, social and economic goals and prospects.

The global nature of the interaction of economic entities became obvious in the late 19th – early 20th century. When characterizing globalization, it should be noted that in addition to the traditional factors of internationalization, new ones are emerging. Among them, there is a need to unite the efforts of countries to implement ambitious projects in the area of space systems, create a world economic infrastructure, hydrometeorological services, warning about possible natural and man-made disasters, standardization of production, transport and communications, etc. An obvious manifestation of globalization is the emergence of global, worldwide problems; accelerated growth of international trade, financial, and investment flows. These characteristics of the globalization process fix the development, which can be called quantitative: bigger, faster, more precisely, more powerful. Another meaning of the concept “global” – generality, universality – characterizes the world economic integrity one way. 6.8 billion people on the planet live in countries with market-driven economies. With the beginning of structural transformations in post-socialist countries, there is an increase in homogeneity in the world development from the point of view of the universality of market principles of economic management; uniformity is increasing at the country and international levels; unification and universalization occur; an economic environment is being formed in individual countries, regions, and in the world as a whole as functioning on the basis of a set of general principles, rules, equally perceived values, and some common purposes. Researchers J.J. Lambin, Th. Levitt, K. Ohmae and many others consider three hypotheses as the basis for the concept of homogenization: world needs are becoming more homoge-

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4 Валлерстайн И. (2006), Геополитические мироотношения сдвиги. Вопросы экономики, № 4, с. 83.
6 Кніп А., Шиндлер Б. (1991), Перша глобальна революція. Доклід Римського клуба. Прогірс-Пангея, Москва, с. 11.
neous due to technology, transport, and communications; consumers are willing to put aside specific preferences in order to benefit from a lower price and good quality product or service; standardization of products, which makes it possible to reduce production costs contributes to the homogenization of world markets. J. Nesbitt in his works writes about the emergence of features of a new and universal international lifestyle and notes that in the mid-1980s, “a strongly-pronounced approach of the distant echelons of the world community in terms of per capita income and a number of other indicators to the industrial core started ... Moreover, there is some reason to believe that convergence will gradually accelerate.” Within the general trend, there is objectively a certain cyclicality, which can lead to a temporary slowdown or recovery of these processes. If external conditions are available, such shifts can become abrupt, for example, the global economic crisis.

Studies show the diversity of national models. At the level of the national economy, regional trends are at play, contributing to the diversity of cultures, norms of behavior, as well as increasing differences in the quality and mode of life. However, not only purely economic, but also non-economic factors are considered: natural, geospatial, social, cultural, political, legal, historical, ethnic. J. Nesbitt and P. Eburdin, for example, note that there is an intense tendency to counteract increasing homogenization. This is a backlash against uniformity, a desire to preserve the uniqueness of one’s own culture and language, counteraction to foreign influences. In different states, the opposition to homogenization, primarily cultural and ethnic in the area of ethnographic features, as well as social and political, finds different expressions. The desire to preserve individuality in small countries is a lot acute, while large countries are able to resist the negative impact of globalization processes for a long time.

In the definition of the concept under discussion, “globalization”, there are definitions that emphasize the planetary, global dimension of transnational economic and cultural ties. Experts from the International Monetary Fund define globalization as the increasing economic interconnection of all countries of the world as a result of the increasing volume and diversity of cross-border flows of goods, services, capital and labor, as well as faster and wider diffusion of technologies. According to UNIDO (United Nations Industrial Development Organization), “globalization is the restructuring and transformation of the world economy, changing the rules of the game for all participants, in the process of which the gap between the countries that reached the critical industrial mass needed to compete globally and those who fell behind becomes wider.”

When analyzing the process of economic globalization, revealing its essence, it is necessary to note one of the most important aspects: a change in the ratio of endogenous and exogenous factors in the development of national social organisms, a change in the role of national states as organizational and political instruments that ensure the functioning of such organisms. M.A. Shepelev notes that “back in the day, the world economy was a field where sovereign states acted, then in the conditions of globalization it turns into an independent entity acting on the field of national states”. As a result, M.A. Shepelev, analyzing the process of globalization of the world economy, concludes that, firstly, globalization at the present stage is an objective process of forming a single world economic, financial, informational, and humanitarian space, which causes a decrease in the role of state barriers on the way of the movement of information, capital, goods and services, and, secondly, the role of supranational institutions for regulating the economy is increasing. Economic globalization is the diversification, expansion, deepening and consolidation of the entire system of transnational economic and cultural ties, which ultimately makes them planetary and global. We find this definition more complete, although it must be supplemented with a characteristic of the very development of human, of human society as a subject of the biosphere. For this purpose, the process of globalization, which is observed

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9 Там само, с. 148.
11 Шепелев М.А. (2001), Криза глобалізації: перспективи світового геоекономічного процесу і їх політичні наслідки. Грант, № 1, с. 86-92
12 Эльянов А.Я. (2004), Глобализация и догоняющее развитие. Мировая экономика и международные отношения, № 1, с. 3 – 17.
today in the economic area of the Earth, in our opinion, should be considered from the perspective of the functional economic theory of human development in the environment (hypereconomy).

This theory considers human as an element of the ecosystem, which, in parallel with other natural elements, participates in the combined and alternative exchange of material particles and energy in the ecosystem. But by reason of his psychological essence, a human exaggerates his contribution to the results and reduces the costs associated with the use of natural resources, develops "destructive arrogance, thereby delegating the work expected by nature to be done by him to conjugated natural systems and thereby reducing the relevance and demand for himself by the nature itself". According to this theory, conflicts between nature and man can be smoothed over if the efficiency of human activity is sought on the basis of compliance with the overall effect of natural processes, both in terms of goals and mechanisms of manifestation.

The ecological safety of development as a social and natural process should probably be supplemented by the condition for the safe development of mankind in other respects, including continuous development in time. This was done by A.N. Chumakov in his study "Historical process in the categories "culture", "civilization", "globalization", who considers global problems to be one of the manifestations of the globalization process\textsuperscript{13}. A.Ya. Elyanov in his work "Globalization and Catching-Up Development" finds it expedient to single out those of them that reflect a real or predicted imbalance in natural and social systems, fraught with depletion of the planet’s biosource potential\textsuperscript{14}. Needless to say that these characteristics of globalization still cannot be taken as a definition of a concept, much less a broad definition for all spheres of human activity, and not just social and economic or environmental protection. Despite the fact that the main difference between true globalization and the one that was observed at the turn of the 19\textsuperscript{th} – 20\textsuperscript{th} centuries is in the global environmental and resource problems. The escalation of these problems, threatening the very existence of mankind, plays an important role in increasing the interdependence of national economic systems, which is in the focus of attention of almost all scholars. And the point is not only the aggravation of environmental resource problems as such; first of all, it is in the globalization of the development problem caused by it, the more or less satisfactory solution of which requires consolidated efforts of the entire world community.

The sustainable development strategy aims to achieve harmony between people and between society and nature. This broader interpretation of the concept is perfectly in line with our ideas, since it is technically impossible to limit globalization only to economic or ecological or other particular explanations of the same. The concept of “globalization” should be defined using two features of it – anthropocentric and biospherocentric. The anthropocentric feature, broadly construed, means the survival of mankind (country) and the ability (capability) of its further constantly supported sustainable, continuously long and balanced development, so that our descendants would have no less opportunities than the present generation has to meet their needs for natural resources and ecological conditions of Earth and Space. The biospherocentric (ecological) feature of the concept is associated with the preservation of the biosphere as the natural basis of all life on Earth, its stability and natural evolution, so that the further development of mankind would not be ecophobic\textsuperscript{15}.

Analyzing the content of the globalization process, it should be noted that it is wrong to limit these issues only to the problem of ecology; although it is clear that without them globalization is impossible in essence. A total ecologization of all other types of economic and other activities is necessary. This synthesis of problems of ecology and “non-ecology” represents one of the fundamental ideas of the concept of “globalization”.

Globalization, as we can see, has different aspects: economic, political, cultural, environmental, and technological. The economic aspect is the most important component of the globalization process; it is a form of embodying the essence of globalization as a whole in the area of economic life arrangement. In this aspect, it appears to us as a common enthusiasm of transnational corporations, nation states and regional integration groupings for economic activity outside their borders, and the driv-

\textsuperscript{13} Чумаков А.Н. (2003), Исторический процесс в категориях «культура», «цивилизация», «глобализация». Материалы постоянно действующего междисциплинарного семинара Клуба ученых «Глобальный мир». Альпина Паблишер, Москва, с. 18-23.

\textsuperscript{14} Эльянов А.Я. (2004), Глобализация и догоняющее развитие. Мировая экономика и международные отношения, № 1, с. 3-17.

\textsuperscript{15} Афанасьев М.В., Якимкива Л.А. (2013), Время глобализации. Мировая экономика и международные отношения, № 10, с. 10-19.
ing force, the mechanism of economic globalization of the world economy are TNCs, whose interests go beyond the national borders of the state. The prerequisites for such activity are the liberalization of trade, the creation of offshore zones, the free-trade policy of many states, and elimination of inter-country barriers for investments. In our opinion, the process of economic globalization should be based on the development of productive forces, ensuring the unity of laws, norms and rules for the reproduction of capital in the world. Analysis of the hierarchical system of components and aspects of globalization makes it possible to identify the priority of its economic component, which finds different expressions depending on the typological characteristics of states and their economic policies.

A qualitative aspect of the globalization has the following features: a) new actors and levels of economic management taking center stage of international economic relations; a change in the nature and forms of their interaction; b) changes in the system of state regulation of the processes of interaction between actors and levels of economic management; c) national economies remain unique and specific, but the ties between them are becoming more unified and standardized; d) international production is being formed, the product of which is the result not only of the international movement of factors of production, but also of the work of the “single world conveyor”; e) blurring of boundaries between national and foreign economic factors of development; f) in the activities of TNCs, the center of influence is shifted to the use of the advantages of globalization. TNCs make it possible to concentrate capital in the implementation, distribution, and operation of the cutting-edge technologies, build economic relations depending on the needs of the world market, and to cooperate the advantages and resources of various economies to ensure the most efficient reproduction on a global scale.

Conclusions. The economic aspect of globalization reflects the achievement by internationalization of the maximum possible (planetary) scope; but at the same time, it is important to note that, firstly, economic globalization, in contrast to the internationalization of production and capital, means the formation of such conditions of reproduction when the domestic producer lacks considerably the possibility of violating the laws of organizing economic relations within the country, since it has to obey the accepted “rules of the game”. Secondly, if internationalization does not affect state sovereignty, then globalization is fundamentally different from internationalization in the fact that national borders are “blurred”, the qualitative state of sovereignty changes, and the foundation for a new, global community is laid. Having many features in common, globalization and internationalization are still two qualitatively different processes. It should be noted that globalization as a phenomenon is still not completely studied. Well defined systematization, structuring of this process and the forms have not been provided or sufficiently studied up until now. The functional structure of the process is characterized by a tendency towards domination of the financial sector, and it is here that the process has progressed quantitatively and qualitatively the most.

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