

Impact of globalisation on nation borders



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Globalization has had its impacts on world cross-border flows e. g flow of capital. There has been an increase in international economic activity which has expanded world trade and general capital flow. Goods are flowing across national borders easily through reduced trade barriers and new transportation methods. However, it cannot be stated that the world has become borderless. The aim of this paper is to show (through examining the U. S's border and trade between Canada) that borders still exist and impact daily trade. In fact, it can be anticipated to see that there are new types of borders or divides being formed within countries such as the U. S. Borders are being used to reinforce protection, define territories and influence prices of material imported from other countries. Borders can be viewed differently depending on their purpose and distance from which the border is being viewed. From those different perspectives we can see that the world still has borders, they just change in their function depending on different aspects (Globally, Transnationally or Realistic).

Economies of nations are correlated through trade of goods, services, information and even migration. Economic integration reduces barriers between national economies through governments lowering tariffs and other trade barriers strengthening trade and helps create a borderless world. Technological advances in communication have also promoted integration in the way that they ease access to knowledge of further consumers and products. Borders still have impacts on markets even close countries such as, U. S product markets and neighbouring country, Canada. The idea of having no borders and complete economic integration means having no trade barriers between countries. Canada and USA have eliminated

numerous barriers of trade between them, CUSFTA and NAFTA had eliminated barriers to bilateral trade for numerous goods before the recent trade agreements(Ceglowski, pg 22).

Geographically, these countries are in favourable locations for trade. Greater distances would lead to higher costs for transportation and services hindering the economic integration between them. USA and Canada share one long border which can easily be crossed through land or water. Over $\frac{3}{4}$ of the Canadian population lives within 100 miles of the U. S border therefore the two countries share a number of social, political, cultural aspects.

Majority of these countries' population speak the same language which all together encourages bilateral trade and other cross border activities. They currently exchange approximately \$1 billion goods and services per day, they're the world's largest bilateral trade flow. However, the border still affects economic activities between them. Research shows that Canadian provinces trade much more with other Canadian provinces than the U. S states of same economic size and distance. Ontario which is roughly the same distance from British Columbia and Washington traded 7 times more with B. C than Washington in 1990. Despite Washington being a larger economy there was an apparent home bias in Canadian merchandize(Ceglowski, pg 23).

There are other nontariff barriers such as licensing, health and safety regulations, gov't procedures that often impact trade. For example, in early 1990's Ontario established a 10% tax on all can beers with the aim to encourage container reusing. However, the U. S beer manufactures saw this

as a protectionist rule because they mostly sell their beer in cans which meant the tax would have a huge impact on their product(Ceglowski, pg 24).

If borders were non-existent and had no impact on trade, there would be no price difference or different currencies between same products in the two countries. In the case of USA and Canada, despite the distance being significantly lower than other trading countries, prices between a city in Canada and USA are higher than it would be between cities within the same country. Even between U. S. A and Canada, there is a difference in currency which is another indicator of a border. International transactions have risks which also act as barriers for international trade(Ceglowski, pg 25).

Borders still play critical roles in politics. Some may argue that their functions are changing rather than them fading. Malcolm Anderson considers borders as a dynamic element of the state; they're used as an instrument of state policy. When governments change the place and function of their borders, it's for specific benefits for their state and citizens. The policies and actions of state authorities are determined by clearly defined borders and borders are used as national identities. Moraczewska compares the role and place of borders according to their perception, importance and actions taken to execute rules within the borders. In her comparison, Moraczewska compares these aspects from a realistic, transnational and global aspect:

Figure 1. 0: Table comparing border roles, perception and importance from three aspects

(Moraczewska, pg 333)

	Realistic	Transnational	Global
Border Perception	Dividing line	Permeable Line	Virtual Line
Border Importance	Very important	Less Important	Not important
Action at Border	Infrastructure building	Gradual depletion of infrastructure	No infrastructure

From Moraczkeska's table it is clear that from a realistic, technical view, borders serve as an element of nationality and separation. It acts as a barrier against threats, the border acts to fragment regions with the aid of infrastructure made for securitization purposes and militarisation at the borders. At a transnational perspective, borders still play the role of fragmenting regions but it's not a solid dividing line. It's considered permeable where there's a gradual abolition of infrastructure which opens up flows of goods, money and people.

Globally, the borders are perceived as international markets. They're viewed as a "virtual line", a line only seen on a map but don't exist for global markets which reinforces the concept of the world as a whole becoming borderless. We can also see that globally, the importance of a border is downplayed. It's not viewed as a barrier but as a unifier for international flows. The border functions as a mixed market system and legal system. So the border is still connected with a territory but its function changes in the way that it divides one zone (economically, monetary, politically) from

another but it's not related to a nation-state but to a market. Borders between these different zones can be sources of profits/benefits or losses therefore, the idea of a borderless world isn't completely true even from a global perspective(Moraczeka, pg 334-336).

Whereas borders seem to be more porous when it comes to trade, U. S borders are becoming more securitized when it comes to immigration. After the terrorist attacks September 11, 2001, the U. S (and multiple other states) has become determined to gain more control over their external borders. The USA has reinforced visa requirements and immigration procedures to control international movement of people. The US has also began construction of hundreds of miles of fencing along its border with Mexico. This process doesn't only restrict material flow from Mexico to USA but also cuts off thousands of people who benefited from job opportunities(Newman, pg 149). Many other nations around the world such as Thailand, Uzbekistan, Iran, Brazil, Botswana, Spain have also strengthened their existing border barriers(Alexander and Hagen, pg 1197-1198).

U. S. A's border strengthened since the 2002 hearing. During this hearing, technology experts were asked to find a way to fight the war on terror using risk profiling techniques. Two years from this hearing, the US Department of Homeland Security announced a \$10 billion project (US VISIT) to restructure and manage US air, land and seaport of entry security. According to Accenture, this project is designed ' to operate far beyond US boundaries' enabling Homeland Security to assess security risks of all US-bound travellers, preventing potential threats from reaching the US borders. This biometric border brings extends the government's ability to examine and

govern multiple aspects of daily life. The US VISIT programme acts against the idea of porous international borders that are open for business. It objectifies and categorizes people as subjects and breaks them up into predictable risk factors for him or herself (e. g gender is taken as a possible risk factor for the subject) or to others (e. g illegal immigrants)(Louise, pg 339). This programme creates multiple borders even within USA itself. In 2003, Accenture organized workshops for American citizens suggesting that ‘well intentioned Americans should volunteer to help fight the war on terror’ however, insinuations of citizen profiling for the other ethnicities in America such as Arab Americans are never questioned for being more racial and ethnic targeting. This creates a divide between ethnicities within USA(Louise, pg 346).

Even though the U. S and other nations around the world have become more open to trade, borders between nations still exist and impact trade flows. The border between USA and Canada has large impacts on the trade flow and prices between the two nations. It can be seen that if two neighboring countries such as these still have border impacts despite the banishing of a lot of barriers and tariffs, countries trading from further will be faced with border impacts as well. This proves the idea of globalization making the world borderless irrelevant. We also saw that borders can be viewed differently and can have different roles. Borders viewed from a global aspect tend to play an integrative role were as from a realistic and transnational perspective, they take on a dividing role. Borders cannot be viewed from a single perspective; they continue to function differently in different scales. Throughout this paper it was also established that borders aren’t just the

markings or fences that separate one nation from another, virtual borders within countries (e. g USA) can be formed and are being formed. Therefore, it cannot be argued that the world is becoming borderless. Rather, borders are transforming.

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