Sovereignty@Bay: Globalization, Multinational Enterprise, and the International Political System

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Abstract
This article is concerned with only one aspect of the vast literature on MNE–state relations: the impact of the MNE on sovereignty, autonomy, and control. It argues that the mainstream literature of the sovereignty at bay era did not predict the end of the nation-state or conclude that sovereignty is critically compromised either in theory or practice. In fact, while the terms ‘sovereignty’, autonomy’, and ‘control’ appear frequently in these discussions, they are rarely defined or even used precisely. At the end of the day MNEs are international or cross-border entities which are of the existing inter-state system firmly rooted in national territorial jurisdiction. The problems posed by the traditional MNE for both states and the inter-state system tend to involve issues of jurisdictional asymmetry, jurisdictional overlap and control, rather than sovereignty in its formal sense. The hierarchical or Fordist structure of the traditional MNE reinforces the core values of the modern international political system: state sovereignty and mutually exclusive territoriality.

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corporations. For instance, a transnational—which is one type of multinational—may have its home in at least two nations and spread out its operations in many countries for a high level of local response. Political advancements are another important aspect of globalization. If we look at the political makeup of the international system, there have been a number of new institutions and organizations. We don't have to go that far back to see new developments such as international alliance institutions (e.g. the League of Nations, or more recently, the United Nations, which has been a cornerstone of international human rights law, as well as environmental law). In addition, the rise of non-state actors have brought a new dimension to international politics, one that is quite new from a centur...