Liberal Theory in International Relations - A Realistic Assessment of the Era of Globalization

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Abstract

A theory of international relations is a set of ideas that explains how the international system works. Realism and Liberal Theory are the two most important theories in the field of International Relations. They are different from each other in a number of ways. Realism focuses excessively on states and power struggle. Liberal theory, especially in the era of globalization, takes into consideration a plurality of factors such as communications technology, market economy, capital mobility, porous borders etc., to explain the nature of the international system. This paper while comparing the contest between realism and international liberalism, acquires a preferential slot in the hierarchy of international theories, attempts to highlight the flexibility, dynamism and broad–based approach of the liberal theory providing it an edge vis-a-vis realism.

Keywords: defensive and offensive realism, juridical authority, democratic peace theory, international liberalism, pluralism, globalization, statism, neo-liberal, liberal institutionalist, republican liberal, neo-realist, complex-interdependence, strong liberals, deterritorialization, security dilemma, power maximizers, security maximizer.

INTRODUCTION

The development of liberal philosophy is spread over a vast period starting from the Reformation period in the sixteenth century and continuing even today. Liberal thinking rejected feudal superstitions and religious dogmatism and gave rise to attitudes which resulted in the modernization of society. The liberal thought as it evolved through the writings of John Locke, Immanuel Kant, J.S. Mill, T.H. and Green emphasized upon the individual liberty, civil society, co–operative organization of the people and an enabling and less
These ideas developed a liberal tradition in international relations thinking which was later incorporated as liberal theory in international relations. The early liberals like Norman Angell and Woodrow Wilson who had witnessed the tragedy of the First World War were concerned with a peaceful international order based upon co-operation among nation states. However, the emergence of Nazi Germany, Fascist Italy and failure of the League of Nations prompted the first major theoretical critique of international liberalism by E.H. Carr in his celebrated work “The twenty Year crisis” (1939). For the next half century, realism prevailed in the international relations discipline even more clearly than among foreign policy makers, but by the 1980s, liberalism was again in contention, in the 1990s it was pervasive in the foreign policy discourse and was making a bid for ascendancy in the discipline\(^4\). The chief proponents of Post-World War I liberalism were/are Alfred Zimmerman, Norman Angell, James T. Shotwell and Woodrow Wilson. They are referred to as the liberal Idealists or simply the Idealists. E.H. Carr (1939), ascribed them as utopians\(^5\). However, with the failure of the liberal inspired Versailles settlement and the ascendancy of realist thought, the liberal ideas were remodelled as neo-liberalism. This stripped liberalism of its idealist trappings. Neo-liberalism emphasizes the scope for cooperative behaviour within the international system while not denying its anarchic character. The end of Cold War, the growing impact of globalization and a new wave of democratization in the 1990s each gave liberal theory additional impetus.\(^6\)

International liberalism is focused on peaceful coexistence, explains how nations can exist side by side, within a stable and ordered international system, it focuses upon self-restraint, moderation, compromise and peace. This is not necessarily the opposite of realist thinking where the world is in constant tension and conflict, but the liberals see the institutions and mechanisms other than conflict as a solution. Liberalism espouses an international system constituted of institutions which combine multiple states, whereas realism only sees anarchy and conflict inevitable between states\(^7\).

The liberalist way of thinking is constituted of four main pillars\(^8\)—

**Citizenship** – All Citizens are equal and possess certain basic rights to education, free press and religious tolerance.

**Legitimacy** – The legislative authority possesses only the authority invested in it by the people.

**Property** – The right to own property is key to individual liberty.
Trade – The most effective system of exchange is through the markets.

Liberalism, in stark contrast to realism, believes in the measurement of power through state economies, the possibility of peace and cooperation, as well as the concepts of political freedom and the individual rights. Francis Fukuyama believed that progress in human history can be measured by the elimination of global conflict and the adoption of principles of legitimacy and observed the extent to which liberal democracies have transcended their violent instincts. Liberalism offers an optimistic vision of global politics based on the human rationality and moral goodness. The liberal model of global politics is based on the following assumptions.

- Human being is rational and a moral creature.
- History is a progressive process, characterized by a growing prospect of international co-operation and peace.
- Mixed actor models of global politics are more realistic than state centric ones.
- Trade and economic interdependence make war less likely.
- International law helps to promote order and fosters rule governed behaviour among States.
- Democracy is inherently peaceful particularly in reducing the likelihood of war between democratic states.

International relations among liberal democracies of the West during the decades of the 50s, 60s and 70s were concerned mainly with trade, investment, travel and other issues. Those relations provided the basis for a new attempt by liberals to formulate an alternative to realist thinking that would avoid the utopian excesses of earlier liberalism. The label of neo-liberalism was used for this liberal approach. Neo liberals share old liberal idea about the possibility of progress and change, but they repudiate idealism.

Jackson and Sorenson have discovered variations in neo-liberalism, such as sociological liberalism, interdependence liberalism, institutional liberalism and republicanism. Sociological liberalism emphasizes upon cross border flows and common values, interdependence liberalism believes that transaction stimulate co-operation, institutional liberalism trusts the efficacy of international institution and regimes for international co-operation. The Republican liberalism picks up upon the democratic peace thesis, an idea that liberal democracies enhance peace because they do not go to war against each other. An influential version of the theory of democratic peace was set forth
by Michael Doyle. Doyle finds that the democratic peace is based on three pillars:

- The first is peaceful conflict resolution between democratic States.
- The second is common values among democratic states— a common moral foundation.
- The final pillar is economic cooperation among democracies.

The Republican liberals are optimistic that there will be a steadily expanding ‘Zone of Peace’ among liberal democracies even though there may be occasional setbacks.

Liberalism within the international relations revolves around three interrelated principles:

- Rejection of power politics as the only possible outcome of international relations; it questions security/warfare principles of realism
- It promotes mutual benefits and international cooperation
- It emphasizes upon international organizations and non-state actors for shaping state preferences and policy choices.

Liberalism originally arose from both deep scholarly and philosophical roots. With the theory’s prime principle being international cooperation and peace, the early influences are seen in some important religious practices sharing the same goal. It was later in the 17th and 18th centuries in which political liberalism began to take form that challenged nobility and inherited equality. Followed shortly after was the Enlightenment where the liberal ideals began to develop with writings of philosophers like Voltaire, Locke, Smith, and German thinker Immanuel Kant. In part, liberal scholars were influenced by the Thirty Years' War and the Enlightenment. In Kant’s Perpetual Peace, one such idea was the Democratic Peace Theory. Kant's democratic peace theory has since been revised by neoliberals like Robert O. Keohane and Joseph S. Nye. They have concluded that liberal democracies despite peaceful relations amongst themselves are likely to go to war against non-democracies. Despite, being prone to warfare like non-democracies, the democracies do not fight with one another because of capitalist ties. Democracies are economically interdependent and therefore more likely to resolve issues diplomatically. Furthermore, citizens in democracies are less likely to think of citizens in other democracies as enemies because of shared morals.
Realism is arguably the most dominant theory of international politics. It refers to various kinds of realism. These include classical realism, neorealism or structural realism, defensive and offensive realism and neo-classical realism. Moreover, there are specific theoretical formulations associated with realism such as balance of power theory, hegemonic stability theory, security dilemma, as well as power transition theory. The classical realists, inclusive of both E. H. Carr and Hans Morgenthau, advanced claims about national interest and argued that the morality of politics would always be tied up to specific political interests.

The realist thought constitutes of three main pillars

**Statism** - is the centrepiece of realism. At the theoretical level this means the state is the pre-eminent actor and all other actors in world politics are of lesser significance. Second, the state sovereignty signifies the existence of an independent political community, one that has juridical authority over its territory.

**Survival** - the primary objective of all states is survival, this is the supreme national interest to which all political leaders must adhere.

**Self-help** - no other state or institution can be relied upon to guarantee a state’s survival.

For the realists, global politics is about power and self-interest. The theory of power politics is based upon two core assumptions:

- People are selfish and competitive; egoism is the defining characteristic of human nature.
- The state-system operates in the context of International anarchy, which means in the international arena there is no authority higher than the Sovereign state. The division of realism into classical realism and neo-realism or structural realism does not mean they are rival schools, rather it is the emphasis on different assumptions which forms the basis for such a classification. Though the common themes of most realist schools are the same, the classical realist emphasize more on human nature and the neo-realist on the international anarchy.

Mearsheimer’s idea of offensive realism is very important in understanding the realist’s perception of how an international system work.
Mearsheimer's assumptions of an international system are as follows.

- International system is anarchic, which means there is no central authority above the independent States.
- Great powers inherently possess some offensive military capability.
- States can never be certain about other states intentions.
- Survival is the primary goal of great powers.
- Great powers are rational actors. They are aware of their external environment and they think strategically how to survive in it.

Mearsheimer develops the idea of states effort about their survival. He says “apprehensive about the ultimate intention of other states and aware that they operate in is self-help system, states quickly understand that the best way to ensure their survival is to be the most powerful state in the system. The stronger a state is relative to its potential rivals, the less likely it is that any of those rivals will attack it and threaten its survival.” Such an approach triggers a debate within the neo-realists above the primary motivation of States within an anarchic international order. Mearsheimer, who is an offensive realist, argues that the combination of anarchy and endemic uncertainty about the action of others, forces states to continually accumulate power. This means that the primary motivation of states is to improve their position within the power hierarchy. In this view, all states would be ‘hyperpowers’ or ‘global hegemons’, which means that perpetual great power competition is inevitable. The security dilemma reflects the basic logic of offensive realism. The essence of dilemma is determined by the measures a state takes to increase its own security that decreases the security of other states. Thus, it is difficult for a state to increase its own chances of survival without threatening the survival of other states. The best defence is a good offence. Since, this message is widely understood, ceaseless security competition ensues.

However, defensive realist such as Mastanduo argues that while states can be expected to act to prevent other states’ from making gains at their expense, thereby achieving relative gains, they do not necessarily seek to maximize their own gains. In other words, the primary motivation of states is to guarantee their own security, which means that power is only a means to an end. However, neither offensive realism nor defensive realism offer a persuasive model of global politics. While the former suggests endless war and violence, the latter suggests that the international affairs are characterized by peace and stability. Neither offers a complete and realistic picture. Defensive realists view the states as ‘security
maximizers', placing the desire to avoid attack above a bid for world power. The offensive realists portray the state as 'power maximizers' as there is no limit to their desire to control the international environment. Whatever strand of realism we may talk about whether it is Thucydides, Sun Tzu, author of The Art of war, Machiavelli, Thomas Hobbes or structural realism a certain element of pessimism stands throughout which makes international politics replete with constant power struggle and conflict with a wide range of obstacles standing in the way of peaceful co-operation.

There are a number of liberal schools of thought but the common factor in all is the idea that the international behaviour of the states is dependent upon their domestic economies which are mutually linked. These schools argue that economic interdependence - the intertwining of state economies will discourage conflict as this would result in the damage to all. This element of theory has two different explanations for why this is so, the first suggests that economic prosperity leads to a satisfaction of the state and therefore less enthusiasm or motivation for risking the level of prosperity and secondly, the spread of democracy itself would lead to peaceful coexistence, the underpinning of the Democratic Peace Theory. This does not mean that democracies are any more peaceful per se, but "democracies rarely go to war against each other."

Classical and neo-classical theories of realism were criticized by the liberals and the feminists for their narrow and partial views. For classical and neo-classical realists, power seems to be the only important element in international politics. It reduces other aspects of politics such as cooperation, people's freedom, nature of government, values & beliefs of the people, and motivation of the leaders to a negligible level. Again, while highlighting the selfish and evil nature of man, the realists were discarding the human instinct of love and affection. This is only a partial view of reality.

REALISM IN THE CONTEMPORARY ERA

The realist paradigm will remain relevant for understanding, explaining, and shaping international politics in the twenty first century. An examination of the contemporary international system reveals a system in which anarchy endures, states with military capabilities are still the primary actors, and the inter-state power competition is widespread. Looking forward, there are no indications that these features will disappear shortly. However, in the contemporary international system, non-state actors also exist alongside with traditional states. The most important of these are the international
institutions. The international institutions decree rules and norms “that stipulate the ways in which states should cooperate and compete with each other.”\textsuperscript{xl} The growth of various kinds of non-state actors challenges and even weakens the state-centric concept of international relations and replaces it with a transnational system in which relationships are more complex.\textsuperscript{xl} After the end of the cold war, democracy and human rights were promoted and the US emerged as a dominant political power. This did not stop the world turbulence though. While realism faded and liberalism emerged, the theory of realism did not vanish altogether. A rather insightful example is the 9/11 terrorist attack targeting the US. The theory of realism in international relations can explain the circumstances of the war that followed against terrorism following the attacks. In recent years, the economic crisis affected almost all nations around the globe and the states stepped in to protect their economies. It is evident that realism is still very much alive in the international relations field, where important aspects of political life, such as power, sovereignty, security and war among others, are the focal points of the current world order.\textsuperscript{xl} The realist theory continues to be one of the important tools for understanding the events in the sphere of international relations. Realism takes an explanatory rather than a normative approach to the study of International Relations, and through its analytical character provides a pragmatic framework for the examination of current issues in the international arena.

\section*{LIBERALISM IN THE CONTEMPORARY ERA}

Modern liberalism is not completely collectivist, nor is it completely individualistic. It has elements of both the doctrines.\textsuperscript{xl} Liberalism is a long historical tradition that continued its journey into the twenty first century with the onset of globalization and free trade in the late 1970s. Liberal thinkers argue that the new economic trend has enormous impact on the nation-state and the international order. Neo-liberals like C. B. Macpherson, T. Friedman, John Rawls, Francis Fukuyama and K. Ohmae argued, in different ways, against the Keynesian philosophy of state intervention in economic life. In the era of globalization, neo-liberal theorists in IR favoured a free play of economic forces and a minimal role for the state in economic life. Organizations like the WTO, APEC, NAFTA, IMF and the World Bank which help to promote free trade among nations, also promote world peace and security by enhancing the economic prosperity of the nation-states and the world.\textsuperscript{xl} The diversification of liberal theory in sociological, institutional, and interdependence of liberalism actually uphold the views of the pluralists. These branches of liberalism minimize the excessive importance of the state in IR and suggest that non-state actors are also very significant in IR today\textsuperscript{xl}. 
Pluralists are against the monopoly of the state as an actor in international affairs. In all modern societies, plural forces for socio-political and economic activities are in existence. They are engaged in socio-political-economic development of the state and are securing international cooperation and harmony.

**COMPARISON BETWEEN NEO-REALISM & NEO-LIBERALISM**

The study of international relations is a worldwide pursuit with each country having its own theoretical orientations, preoccupations and debates, beginning in the early twentieth century. The neo-realist and neo-liberal debate is not particularly contentious, nor is the intellectual difference between the two theories significant. The neo-liberals and the neo-realists share an epistemology, they focus on similar questions and agree on a number of assumptions about man, state and the international system. The main points can be summarized as follows:

1. Both agree that the international system is anarchic. Neo–realists say that anarchy puts more constraints on foreign policy and the neo-liberals minimize the importance of survival as the goal of each state.
2. The neo-realists believe that international cooperation will not happen unless states make it happen. The neo-liberals believe that cooperation is easy to achieve in areas where states have mutual interests.
3. The neo-liberals think that actors with common interests try to maximize absolute gain. The neo-realists claim that the neo-liberals overlook the importance of relative gains. The neo-realists believe that the fundamental goal of states in cooperative relationships is to prevent others from gaining more.
4. The neo-realists state that anarchy requires states to be preoccupied with relative power, security and survival in a competitive international system. The neo-liberals are more concerned with economic welfare or international political economy issues and other non-military issue areas such as international environmental concern etc.
5. The neo-realists emphasize the capabilities of states over the intentions and interests of states. The neo-liberals emphasize intentions and preferences.
6. The neo-liberals see institutions and regimes as significant forces in the international relations. The neo-realists state that neo-liberals exaggerate the impact of regimes and institutions on state behaviour.
A REALISTIC ASSESSMENT OF THE LIBERAL THEORY IN THE CONTEMPORARY ERA

The liberal theory is a coherent group of ideational, commercial and republican theories that share common assumptions about international relations. Such theories explain not only cooperation among liberal states, but pertain to liberal and non-liberal politics, conflictual and cooperative situations, security and political economy issues, and both individual foreign policy and aggregate behaviour. Such theories challenge the conventional assumption that realism is the simplest, most encompassing and most powerful of major IR theories. Liberalism is an inside-out approach to international relations, because the liberals favour a world in which the endogenous determines the exogenous. In 1990s, Fukuyama reinforced the neo-Kantian position that liberal-democratic polities constitute an ideal which the rest of world will emulate. He asserted that the projection of liberal democratic principles to the international realm provides the best prospect for a peaceful world order.

Two contradictory trends are visible. Globalization has undermined the nation-state in a number of ways. The state cannot prevent its citizens from turning to a range of sub-national and transnational agents to secure their political identities and promote their political objectives. Also, decision making on a range of environmental, economic and security questions has become internationalized, rendering national administration less important than transnational cooperation. But the other trend is the reassertion of the state with added force to meet the threat of anti-western Islamic militancy and the state intervention in commerce to contain the effects of economic meltdown after 2007.

However, theories based on the liberal approach can explain a number of phenomena for which the realist, the institutionalist, and the non-rational theories of international relations approach an absent persuasive account. First, the liberal approach provides a plausible theoretical explanation for variation in the substantive content of foreign policy. Neither realism nor institutionalism explains the changing substantive goals and purposes over which states conflict and cooperate. Both focus instead on formal causes, such as relative power or the distribution of information and on the formal consequences, such as conflict and cooperation per se. Second, the liberal approach offers a plausible explanation for a historical change in the international system. The static quality of both realist and institutionalist theories, and their lack of persuasive explanations for fundamental long-term change in the nature of international politics are recognized as weaknesses. The global economic development over the past five hundred years has been closely related to greater per capita wealth, democratization, education.
systems that reinforce new collective identities and greater incentives for trans-border economic transactions. The realist theory accords no such shifts to the theoretical importance, but analyses enduring patterns of state behaviour, reflecting cyclical shifts in power, as in the rise and decline of great powers. Third, the liberal approach offers a plausible explanation for the distinctiveness of modern international politics. Among advanced industrial democracies, a stable form of interstate or intra state politics has emerged, grounded in reliable expectations of peaceful change, domestic rule of law, stable international institutions, whereas realists offer no general explanation for the emergence of this distinctive mode of international politics.\textsuperscript{10}

In interpreting such cases, the major difference between the realist and the liberal theories lies not, as is often claimed, in the observation that the realist states are concerned about security threats, or even with balancing security threats. In fact, both theories are concerned with security issues. Where the two schools genuinely differ is on the sources of security threats themselves, with the realists attributing them to particular configurations of power (against which states balance), whereas the liberals attribute them to extreme conflict among ideological, institutional, and material preferences. While making a comparative assessment of the liberal and realist approaches, we should bear in mind the complex, diverse, plural nature of contemporary international relations where non–state actors are defining the interdependent nature of global politics in a significant way. With the end of World War II and the onset of cold war, realism became the pre–eminent theory of international relations. Among the reason for dominance of realism was that the cold war, characterized as it was by super power rivalry and a nuclear arms race, made the politics of power and security appear to be undeniably relevant and insightful.\textsuperscript{10} However, with the end of the cold war, more and more aspects of world politics came to be shaped by developments that ran counter to realist expectations. These included the end of cold war itself, the growing impact of non–state actors, the advance of globalization and the increased significance of human rights. The critics of realism have also objected to its tendency to divorce politics from morality arguing that this has tended to legitimize military escalation and the hegemonic ambition of great powers.\textsuperscript{10}

The liberal view is disposed towards international cooperation, balance and harmony. However, this cooperation does not arise spontaneously, instead it is a consequence of economic, political or institutional structures. Neo–liberal thought, also known as pluralism, rejected the singular simplicities of the realist approach. Whereas realism considered state as the only really significant actor in international politics, the new school of liberal thought emphasized a plurality of actors in the international system.\textsuperscript{10} An important
precursor to this thought was the interdependence model of international relations which highlights the linkages between actors in the international system and their sensitivity and vulnerability to the effects of decisions and actions rather than independence and self-sufficiency. The commercial liberals have drawn attention to the capacity of free trade to generate free trade and prosperity. The republican liberal highlights the pacific tendencies inherent in democratic governance in line with democratic peace thesis. The liberal institutionalists argue that stability and order can be introduced into state systems by the establishment of international organizations.

Power has always been an essential component of international politics. Its importance has not diminished. As long as states driven by their national interest and security exist as the basic primary unit in global politics, their importance will remain. However, over the last few decades the composition of the world has considerably changed. It has now become more complex; new variables and actors are influencing the decision making of nation states. The alliances are now being forged not only among nation–states, but also among non–state actors and non–state actors and nation states. The realist backlash to the overzealous liberal stance becomes sharp when the undermining of the nation–state as a result of forces of globalization is interpreted by liberals such as Ohame as heralding the demise of the nation state. This view however is premature as despite the challenges of globalization, nation-states still remain the preferred form of political community.

THE GLOBALIZATION DEBATE

The most important aspect to be borne in mind is that all the assessment of the contemporary scenario has to be situated in context of globalization. Globalization is affecting the structure of the world in a manner which only a liberal outlook can comprehend. Globalization is the spread and intensification of economic, social and cultural relations across international borders. It covers almost everything; economics, politics, technology, communication etc. The economic aspect of globalization is perhaps the most important aspect of globalization. A growing level of economic interconnection between two national economies has led to intensified interdependence. True economic globalization, however, leads to a consolidated global market place for production, distribution and consumption. Some scholars call it ‘deep integration’. Globalization is pushed by several factors: the most important is technological change which is driven by relentless economic competition between firms. The economic liberals have an optimistic view of globalization. They believe that economic globalization has the potential to bring increased prosperity to all and that the same challenges the state. The realist mercantilists assert that states adapt to
challenges of economic globalization and remain strong players. The neo – Marxists believe that economic globalization is an uneven, hierarchical process.\(^{1}\)

The debate about globalization within international relations is the latest incarnation of a longer running dispute between state-centric and non-state centric theorists. The neo-realist worldview is one that sees international politics through the eyes of the self-interested, self-contained and above all sovereign state as actor. Realism is predicated on the state centric ontology. It is this state, according to realists, that is dominant and in many accounts the only significant actor on the international stage. Yet according to the globalisation thesis the days of the nation state are over.\(^{1}\)

Globalization challenges practically all of realism's most cherished analytical assumptions. The critique can be outlined as follows\(^{1}\).

- The sovereignty and policy making capacity of the nation-state are both compromised by the proliferation of cross-border flows.
- Globalisation is associated with a proliferation of issues that are global in scope and scale. (such as climate change and threat of global pandemics). These are issues which nation-states never had the capacity to deal with.
- A range of genuinely transnational institutions of global governance have developed taking us beyond the era of the nation state.
- This new and multi-layered and multi-level politics landscape is populated by a more disparate range of potentially consequential actors and while this may include some nation-states, the nation-state is no longer the principal actor in world politics.
- The emergent transnational arena of political deliberation associated with globalisation has increased the relative salience of matters of ‘low politics’ while relegating those of ‘high politics' with which realism was principally concerned.
- The process of economic globalisation, in increasing the mobility of capital and hence its capacity to flit from one national jurisdiction to another, has enhanced the power of capital relative to state, with the effect that the whole areas of domestic policy making have essentially been depoliticized.
- These globalisation engendered challenges to realist assumption constitute not only a refutation of realism as a theoretical doctrine but the passing of the era of the nation state with which it was inextricably linked.
The problem with any debate involving realists and the proponents of globalisation is the existence of unbridgeable theoretical chasm. Realists feel duty bound to deny the significance of globalization just as their critics feel obliged to embrace it. However, neither reaction respects the complexity and indeterminacy of the world system today. Realism /Neo-realism, (neo) liberal inter-governmentalism and cosmopolitanism are lenses through which contemporary trends might be interpreted. However despite the antagonism between realist/neo-realist sceptics and neo-liberal/cosmopolitan globalists, some like Barry Buzan has taken a balanced view. Buzan accepts all the points raised by globalists as posing fundamental challenges for realism. Yet despite all this, he manages to defend realism not by challenging globalization thesis itself but by departmentalizing it. He makes four core claims:

- Globalisation is an economic phenomenon whose implications are largely confined to certain domains that realism was never concerned with.
- Although the salience of such domains has increased, a significant portion of international politics retains its realist character.
- Often independently of the process of economic globalization, states have under certain highly specific conditions, effectively pooled their sovereignty in developing mechanism of transnational governance that reflect their mutual self-interest.
- Both economic globalization and involvement of states in such mechanism of transnational governance are extremely unevenly distributed, with the effect that the lion's share of the content of international politics remains essentially statist and hence realist in character in spite of globalization.

Buzan has evolved a midway position between realism on one hand and the position of cosmopolitans like Held and neo–liberals like Joseph Nye and Robert O. Keohane on the other. A similar compromise position has been adopted by Sean Kay in his article ‘Globalization, Power and Security’ in which he demonstrates that power remains the key independent variable sharing modern international relations. Globalization is a manifestation of new means through which power is exercised and distributed.

Sean Kay in this article observes that "Globalization forced state to reconceptualise the meaning of power. As neo–liberal institutional scholars demonstrate, under conditions of interdependence, power becomes diffuse – and it works through multiple channels, involves a host of new actors, removes existing hierarchies among issues and reduces the utility of military
force. Consequently, globalization reflects a pattern of linkage strategies and transnational networks, while power arises from the ability to set the agenda of international politics and to work within the rules and procedures of international institutions. Writing about state power, Sean Kay further says that "Globalization and asymmetrical power dynamics do not eliminate state power, but rather provide additional channels for its expression and accelerate its application. Globalization can be an important tool for large states to enhance their power – especially at the economic level. Globalization also provides alternative avenues for small or weak states to challenge more powerful states or to dissuade them from exploiting existing vulnerabilities."

Sean Kay succinctly concludes, "The core concept of power remains the most important independent variable shaping international outcomes. This supports the realist school of international relations. However, defining the independent variable of power has become more complicated for realists as power takes new forms and is exercised through new channels. Realists must therefore re-adjust the definition of power to account for the new avenues of power that globalization provides. Globalization is not a guarantor of peace, nor is it a precursor of conflict. Rather globalization is a means through which new manifestations of power are exercised. The power to affect which direction the world will take in the 21st century lies with a new generation of leaders and strategic thinkers who are themselves, a product of this evolving global era."

THE COUNTERATTACK OF STRONG LIBERALS

Despite the complexity of the contemporary international relations, the neo-realists are not easily prepared to cede the ground. Their spare and parsimonious theory is built on two assumptions that history is the same thing over and over again and there is anarchy leading to insecurity and risk of war. This is where the strong liberals begin their counterattack on neo–realism. They maintain that qualitative change has taken place. The strong liberals assert that today’s economic interdependence ties countries much closer together, economies are globalized, production and consumption take place in a worldwide marketplace. It would be extremely costly in welfare terms for countries to opt out of that system. Today there is also a group of consolidated liberal democracies for whom reversion to authoritarianism is next to unthinkable, because all major groups in society support democracy. These countries conduct their mutual international relations in new and more cooperative ways. For them there is no going back, historical change is irreversible. Strong liberals include Rosenau, Slaughter, Ikenberry, Cerny."
Further, the liberals underline the need for a more nuanced view of peace and war. Peace is not merely the absence of war, as most realists believe, there are different kinds of peace. The ‘warm peace’ between the countries of the security community of liberal democracies, is far more secure than the ‘cold peace’ which was prevalent between the superpowers during the cold war. The destructiveness of the war and therefore its futility on that count inspire the liberals to cooperate with each other. The liberal approach believes in ‘liberal peace’ predicated upon liberal democratic values, a high level of economic interdependence and a dense network of institutions facilitating cooperation is for more secure. Jackson & Sorenson further opined that there is no world government but in several areas the world has moved far beyond the neo-realist condition of raw anarchy. Liberals are thus better equipped than most realists when it comes to the study of change as progress.

However liberal theory faces certain difficulties while accounting for several world developments. The liberal theories of integration did not allow for setbacks in the process of cooperation in Europe. In the developing world, a number of very poor countries have experienced lack of development and even some instance of state collapse. Also, some intriguing questions have not been answered satisfactorily. For instance, how secure is democratic peace? What is the exact link between various liberal elements in international relations such as democracy or transnational relations?

Some scholars such as Andrew Moravcsik have attempted to address the lacunae in liberal approach in a non-ideological and non-utopian way. He explains that the fundamental actors in international politics are rational individuals and private groups. The policies of states represent what individuals and groups in society want. In the international systems, each state seeks to realize its preferences to get what it wants under the constraints imposed by the preferences of other states. This reformulation of liberal theory avoids prior assumptions about the prevalence of cooperation over conflict or the unavoidability of progress. At the same time, it contains both a domestic component (state preferences) and an international ‘systematic’ component (state preferences constrained by other states). The core element in the theory is the set of preferences pursued by states. The preferences may be influenced by liberal factors. To the extent that they are, peace and cooperation may follow. To the extent that they are not, conflict may prevail.

Another recent attempt by strong liberals to update liberal thinking is the theory of structural liberalism by Daniel Deudney and G. John Ikenberry. They seek to identify the major features of the relations between western liberal democracies. Five elements of that order are singled out -
Security co-binding refers to the liberal practice of states locking one another into mutually constraining institutions, such as the NATO. Penetrated reciprocal hegemony is the special way in which the United States leads the Western order. The semi-sovereign and partial great powers refer to the special status of Germany and Japan. They have imposed constraints on themselves as great powers, an important part of this is that they have foregone the acquisition of nuclear weapons. The features of these trading states are an anomaly seen from the lens of neo-realism, but from a liberal view they are an integrated part of Western political order. The civic identity expresses common western support for the values of political and civil liberties, market economics and ethnic toleration. Deudney and Ikenberry argued that these features of Western liberal order are so strong that they survived the collapse of common external threat - the Soviet Union. In short, the liberal order rests on a liberal foundation and not on a particular balance of power or a certain external threat.

CONCLUSION

Liberal theory in international relations in the contemporary era of globalization stands for the following ideas: (a) a modern liberal state that encourages human activities for the development of society. (b) a state and non–state actors as partners in development process. (c) a peaceful state based on democratic principles as the best promoter of a peaceful international order. (d) free economic systems within the state and at the international level. (e) interdependent national and international boundaries. The world presents a picture of rapidly shifting alliances, numerous activities and variables all intertwined with each other. All these together exercise an important influence upon the decision making process. This complex interdependence necessitates a more flexible, comprehensive paradigm to examine the functioning of international politics. Keohane and Nye in their book ‘Power and Interdependence’ elaborated upon three aspects. First, complex interdependence assumes that there are multiple channels for access between societies, including different branches of the state apparatus as well as non- state actors, as opposed to the unitary state assumption characteristic of realism. Second, a complex interdependence assumes that for most
international relationships force will be of low salience, as opposed to the central role that force is given in realist accounts of the world. Finally, under complex interdependence there is no hierarchy of issues; any ‘issue area’ might be at the top of the international agenda at any particular time, whereas realism assumes that security is everywhere and always the most important issue between states.\textsuperscript{xl}

Many liberal theorists have been at the debate on globalisation. For hyper-liberals’ globalisation is not only a reality it is a positive force for good. Globalisation breaks down artificial barriers, and by unleashing the force of production, it can contribute to enhanced happiness for humankind. Thus, the hyper-liberals welcome globalization.\textsuperscript{xl} However, Keynesian influenced liberals or those of a reformist stance perceive certain problems with the unfettered operation of free market and are therefore sensitive to some unwanted consequences of globalization. They support globalization but emphasize the need for market reform\textsuperscript{xl}. Globalization has certainly impacted upon the manner in which various state and non-state activities are happening throughout the world. A very distinctive feature of globalization is deterritorialization. This term highlights the changing nature of geography and the creation of new relationships between different groups of people. Territory is not disappearing, but it is becoming less important to human affairs. Deterritorialization involves the shrinking of time and space, as well as the creation of new sets of social relations and new centres of authority. Time and space have become less significant obstacles to human interaction as technologies make it easier and quicker to travel across large distances or communicate with people around the world. The lowering of time and distance barriers allow people to become involved in the lives of other people in other parts of the planet much more easily. However, this compression is extremely uneven. Globalization is not occurring at the same pace everywhere and some areas of the globe are left behind, as advanced areas exploit technology and upgrade communication and transport infrastructure\textsuperscript{xl}.

The realistic uncompromising position with state–centric model leads them to interpret globalization as a creation of states, for states, particularly dominant states. Developments such as an open trading system, global financial markets and the advent of transnational production were all put in place to advance the interests of western states in general and the US in particular.\textsuperscript{xl} However, the liberals adopt a consistently positive attitude towards globalization. For economic liberals, globalization reflects the victory of the market over irrational borders. For liberals, globalization marks a watershed in world history, in that it ends the period during which the nation-state was the dominant global actor, world order being dominated by balance
of power. The global era is characterized by a tendency towards peace and international cooperation as well as by the dispersal of global power in particular through the emergence of global civil society and growing importance of international organizations.\textsuperscript{1l}

Peter Sutch and Juanita Elias in their book ‘International relations The Basics’ maintain that the success of neo–liberalism cannot be underestimated.\textsuperscript{1l} In an article that builds upon the work of Vasquez that showed how influential realism was in IR from 1945 to 1970, Walker and Morton show that from 1995 to 2000 ‘Liberalism surpassed Realism as the leading guide to inquiry’.\textsuperscript{1l} Some have gone as far to suggest that the fact the neo–realism and neo–liberalism share the scientific, methodological and epistemological approach to IR means that this debate is not really a debate as such or at the very best it is an intra-paradigm rather than an inter-paradigm debate.\textsuperscript{1l} This may be the case but academically their positions dominate mainstream IR and have two clear voices in policy debate concerning security and international political economy. Although denounced as utopianism by Carr, liberalism has a long history and broad range of different methods. While neo-liberalism is beyond doubt the dominant form of liberalism in mainstream IR there has been a resurgence of interest in normative or cosmopolitanism liberalism with its emphasis on human rights, economic justice and democratisation. The basics of liberal IR theory allow one to adopt a balanced approach towards the subject without merely accepting Carr’s assessment of the political traditions.\textsuperscript{1l}

Globalization has not done away with the power struggle of nation-states but by increasing the cross-border flows, it has opened up immense possibilities for cooperation. The liberal institutionalist approach holds the key for the future of its prescriptive thrust to reform and transform. This appears to be an appropriate approach for the 21st century when the state alone lacks the capability to solve problems of the global nature. A liberal order which does not deny the existence of the state but is not obsessed with it either is a better paradigm for understanding and navigating through the labyrinth of international politics. An obsession with the classical nature and role of the state is also not very relevant in the changing times. Globalization led to two distinctive tendencies. First, the massive extension of the project of liberal capitalism across different parts of the world, particularly in the Eastern and Central Europe that had been under socialist rule during the Cold War. Second, the forces of globalization coincided with a series of spectacular collapse of post-colonial developmental projects, most specifically, in Africa, leading to the rise of failed states. The combined result of all this is a redefinition of the meaning of the state. The state today is not entirely superfluous, but its legitimacy is deeply contested, its authority fragmented
and challenged by a host of extra-territorial or sub-state categories. Apart from this, globalization is impacting upon the meaning of territoriality and sovereignty. Sovereignty and coercive authority are delinked. Sovereignty now depends on a broad range of performance criterion whose ethical foundations is determined by the dominant Western powers. The European Union and the US recognized the states of Croatia and Slovenia not on the ground of demonstrated effectiveness in the physical or hierarchical military control of their territory, but because of their commitment to endorse liberal democratic human rights.

In view of the reinterpretation of the traditional concept of sovereignty, it would be prudent not to rely excessively on the state centric approach in international relations. While not denying the significance of the state, the truth is that globalization has resulted in the emergence of a variegated world of several non-state actors and transnational processes overlapping and influencing one another. In such a scenario a complete reliance on the realist approach will elude the comprehension of the complexity of international relations. A world such as the one created by the forces of globalization is better explained by the liberal theory with all its emerging strands. The liberal theory, though by no means complete, appears to be more flexible, open-ended and offers a realistic (appropriate) paradigm to understand the fluid nature of global politics in the era of globalization.