

# Is the globalisation of policy and decision making an erosion of sovereignty?

Globalisation is a process which has been occurring over centuries, as cultures become more integrated and communication, travel and trade between peoples from all corners of the world becomes easier. This ever more prominent reality has led to the inevitable globalisation of decision making which began in earnest with the invention of the Bretton Woods system following the economic crash of 1929. In recent years, the growth of Bretton Woods institutions such as the IMF and WTO, as well as the rise to prominence of the EU and UN has lead people around the world to believe that the globalisation of decision making has gradually worn away a state's authority to govern itself.

The original pillars of globalised policy and decision making are the Bretton Woods institutions, the IMF and the WTO. With 188 members (including Ireland), the IMF produces annual economic reports and makes recommendations based on them. To libertarian thinkers such as Robert Nozick, the IMF comes across as the big bad wolf of supranational bodies which strips nations of their ultimate right to self-determination. Recent events certainly give this view some credence. During the EU-IMF bailout one of the most contentious issues between the bodies and the Irish government was Ireland's low rate of corporation tax which, at 12.5%, still remains well below the European average of 26.3%. This is something the EU is still pushing the Irish government to change, blurring the lines between its policy of integrated taxation and barefaced interference in Irish economic affairs. The leverage the IMF and EU have held over Ireland since the bailout and the pressure they can apply could easily be taken as an erosion of sovereignty. It seems to justify Nozick's belief that only a 'minimal state' is justified and that in this situation the IMF and EU are acting as what you might call the 'maximum state'.

However, you do not have to be a die-hard libertarian intent on protecting national autonomy to see how the globalisation of policy and decision making has eroded sovereignty. Thomas Hylland Eriksen argues that there exists in our globalised world 'a series of clashing scales'. Eriksen argues that since the introduction of the single currency in Europe there has been an increase in one size fits all decision making which has eroded a nation's ability to implement effective localised solutions. This argument can again be applied to Ireland's recent EU-IMF bailout. The

bailout, funded by the European Central Bank, committed €67.5 billion to rehabilitating the Irish economy. In return, Ireland agreed to implement massive public expenditure cuts under policies of austerity. The overall cut of €18.5 billion proved disastrous for Irish communities, despite the fact that it greatly contributed to the economy's recovery. This shows us that decision making on a global level does not always adequately make up for its erosion of national sovereignty. To paraphrase Eriksen "what's good for Ireland is not necessarily what's good for Tullow."

As I have already eluded to, the EU has been time and again accused of eroding sovereignty through its policies on trade, immigration, and finance. This idea was obvious during the Brexit campaign of 2016. According to Lord Ashcroft's report nearly half (49%) of leave voters said that the biggest single reason for their wanting to leave the EU was that they believed "decisions about the UK should be taken in the UK". This reflects the feelings of an electorate disenfranchised by the globalisation of decision making, something which they see as having stripped them of their right to sovereignty.

It could also be argued however, that this idea of a global hegemony controlled by supranational bodies, is a hugely misleading one. Those claiming that globalised decision making destroys sovereignty often fail to recognise that they have a seat at the table, be it through the European Parliament or the round table discussions of the IMF. The many positives of globalised decision making are also often under sold. Many leave voters, for example, failed to recognise the access the EU gave their nation to a free market of 515 million Europeans, for the opportunity that it was. People often enjoy the benefits of a globalised society without wishing to accept the rules and regulations needed to govern one.

Thanks to globalisation, the nation is no longer the ultimate cog in the machine of global affairs. The supranational body has made isolationism a thing of the past and the flow of people, capital, and goods across the world occurs now with an ease we could not have imagined just a few decades ago. To govern this melting pot, our institutions have had to reform and evolve. It is an inescapable fact that sovereignty has been eroded by these processes, the question remains to be: at what cost?