

POWER MUST CHANGE HANDS

OTHERWISE IT WILL GET

SPOILED AND ROT.

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(a) Power as a Dynamic Force requiring periodic redistribution

(b) Democratic Backslidings and Rise of Competitive Authoritarianism

(c) Thesis Statement

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(a) Colonial legacy of Exploitation

(C) Hegemonic Perils: Risks of Prolonged Dominance

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"Power tends to corrupt, and absolute power corrupts absolutely."

(Lord Acton, British Historian, 1887)

These timeless words by Lord Acton reveal the dynamic nature of power as a force that often leads to stagnation when concentrated unchecked. In contemporary times, few national governments are more authoritarian and inward-looking as those with authority have concentrated power within themselves. **Steven Levitsky and Lucan Way** in their study titled **"Elections without Democracy: The Rise of Competitive Authoritarianism"** (2002) defined new trend of competitive authoritarianism. According to them, political leaders view formal democratic institutions as means of obtaining and exercising political authority. Such regimes fail to meet conventional minimum standards of democracy. Today, autocrats are far more sophisticated. They stand for elections, freedom of press and rule of law while undermining the institutions that make democracy possible. They rife against corruption while engaging in same corruption, cronyism and

rabid hatred for dissent. Therefore, individual-centric model of politics today perpetuates the power ambitions of political elites rather than serve the collective good.

In a series of alarming developments around the world, the trend towards greater authoritarianism is most significant. **Abuse of power is as old as man himself.** Italians under Mussolini brought nationalism into governance. Across the border, Adolf Hitler also introduced Nazism to his native Germany and the rest of the world. It took **Second World War** to defeat Germans and Italians and move towards system of law-based and participatory governance. Following the **collapse of Soviet Union**, Francis Fukuyama, a political scientist came to a conclusion that **"history has ended."** For him, world history was a conflict among different ideologies. There were running battles between **European powers and native elites** of the colonized areas. Colonists believed that they were bringing civilization to backward lands. While elites were convinced

that they had full rights to manage their lands by keeping in sight the aspirations of the people they would govern. Hence, most of the countries have not been able to rid themselves of colonial legacy of exploiting social divides. This has resulted in irresponsible and unaccountable national governments whose primary objective is hanging on to power.

To begin with, prolonged concentration of power often leads to an autocratic drift where leaders consolidate authority by suppressing opposition. In **May 2024**, **Emir of Kuwait Mishal Al-Ahmad** announced the dissolution of Parliament and suspension of certain articles of the constitution. According to **Human Rights Watch's 2024 Report**, Kuwaiti authorities are using provisions in the penal code and cyber-crime laws to restrict hate speech against the government. Authorities have also discriminated against Bidun group who claim Kuwaiti nationality by rejecting their citizenship claims. This authoritarian drift in Kuwait makes it difficult to foresee a return to political normalcy in the near future.

Moreover, centralization of power creates fertile grounds for corruption and nepotism. This erodes public trust and undermines institutional integrity. **2024 Article in 'The Economist'** titled **'Damaging Dynasties'** argued that dynasts impeded economic growth in Asian countries. This is because their interests and those of their cronies collided with the need for reforms. Countries in **Southeast Asia** are also governed by **'nepo-babies'** such as Bongbong Marcos in Philippines and Kim Jong Un in North Korea. **Political dynasties** have also been a familiar phenomenon in **West**. **Kennedys**, **Bushes** and **Clintons** are prominent examples in **the US**. **Growing mismatch** between clan-dominated politics and public demands can **unleash dynamics** that ultimately yield accountable governance.

Furthermore, when power remains unchallenged, it erodes legitimacy and ignites social unrest. **In 2022, Sri Lanka** faced an unprecedented socio-political crisis due to increasing authoritarianism under President Gotabaya Rajapaksa. Similarly, in **September 2022**, the

death of young Iranian woman, **Mahsa Amini**, by officials lead to countrywide protests against clergy authoritarianism. This was a major blow to the 21st century autocratic regime. Furthermore, **Vladimir Putin in Russia** came to power through public corridors. After Russia's full-scale invasion of **Ukraine in 2022**, western sanctions and decreased economic growth has increased masses dissatisfaction and distrust over Putin's regime. Hence, democracy is taking its revenge in the form of mass opposition against authoritarian leaders in their domestic political systems.

Moreover, Lust for power leaves individuals with no compunction for trampling the constitution, law, social norms, liberty and rights of people. In the political sense, individuals stay in power through means other than the electoral process or a faux electoral process. For instance, **Democracy Report 2024** released by **Gothenburg-based V-Dem Institute** downgraded **India** to the status of 'electoral autocracy'. It blamed Modi and his Hindu nationalist BJP government for diminishing freedom of media,

increased pressure on human rights group and spate of attacks against Muslims. For decades now, Indian state has used coercive legal powers to suppress dissent. It has also used constitutional mechanism to delegitimize votes.

The judiciary has largely acquiesced and money has gushed into Indian politics. **Reporters**

without Borders describes India as one of the most dangerous countries for journalists, ranking India **161 out of 180 countries in press freedom in 2023**. Resultantly, when deviation from democratic norms to secure power persists for as long as it has Indian politics, deviance becomes the norm.

In addition, as democratic societies struggle with the challenges of contested online sphere, leaders have stepped up efforts to increase their own power, both at home and abroad. In this regard, elements of techno-authoritarianism in **China** include biometric databases consisting of finger prints, blood samples, facial images and DNA. The most extreme version exists in **Xinjiang** where

Chinese Communist Party is carrying out brutal campaign of repression against ethnic **Uighur population**. This shows that digital repression intersects with global rise in reduced checks on executive power and authority.

Conversely, the world has witnessed a number of democratic transitions take root across Middle East and Asia. Although democracy does not solve all problems. But it provides constitutional means to construct power, limit its exercise and force periodic changes through elections. Poor governance, corruption, inefficiency, lack of accountability and twisting of rules to favour cronies are part of democratic evolution.

In **December 2024**, **South Korean democracy** faced and overcame political crisis. President Yoon Suk-yeol declared martial law. Yoon's attempted power grab was thwarted by legislators who outmaneuvered military forces and nullified the decree. Hence, the more states practice democratic norms, the better the system will become.

Furthermore, distribution of power among institutions and individuals safeguards

against tyranny and corruption. It prevents concentration of authority in the hands of a few.

For instance, **Panama Papers** released in 2016

revealed the name of Sharif family having registered offshore companies which corrupt politicians and businessmen around the world use for tax

evasion and money-laundering. This was considered

as shameful betrayal by Sharif family to the

popular mandate in Pakistan. In **2017**, Supreme

Court of Pakistan dismissed Nawaz Sharif from

holding public office based on corruption accusations.

Hence, strong institutions are pivotal in combating

corruption by ensuring accountability through

leadership transitions.

"Political language is designed to

make lies sound truthful and murder

respectable, and to give an appearance of

solidity to pure wind," said George Orwell. The

weakening of public voice has its own demerits.

It cannot provide the kind of political stability

needed to meet various challenges the country

faces. One can also not expect the economic

revitalization in an environment of political

confrontation. Same happened with **America**, the champion of democratic norms. Democratic breakdown due to rising economic inequalities, cognitive capitalism and economic insecurity for middle-income households. The result was **Trumpism** where hate politics and totalitarianism were at an inflated stage. Thus, public interest is essential for economic reforms in societies divided by identity politics.

Similarly, delay in confronting authoritarian inroads can prove fatal to the rule of law and governance. **Botswana** demonstrates how institutional transparency and inclusivity can transform a fragile post-colonial state. While **Zimbabwe** demonstrates the destructive consequences of extractive and leadership-driven governance. Good governance necessitates leadership opportunities for all, particularly the youth; rejection of corruption; and promotion of policies centred on human development. This creates a vision of governance that inclusively addresses the needs and grievances of under represented groups within a state.

In conclusion, every debate on power boils down to the concern about elite interests over common man's needs. Power can be an asset if used justly and efficiently. In societies where the mindset of leadership is visionary, pro-people and pro-development, power is not used for corruption, nepotism, silencing the opposition and patronizing mafias. Power needs to be used for strengthening political pluralism, human rights, good governance and improving quality of life of people. Otherwise, abusive use of power will cause nothing but suffocation, anger and antagonism among people. In such scenarios, leaders are bound to lose credibility and prestige at national level. In addition, many countries that once seemed budding with democratic promise now appear mired in power grabs by elites. And in enorable rise of autocratic states in contrast with Western democracies has made some experts wonder whether democracy is worth pursuing. Nonetheless, leaders should possess an ethical element of

self-restraint and need for achievement,
affiliation as well as power.



Globalization and National Economics

: Negative Impacts

• Outline:

(A) Introduction:

- (a) Globalization as multi-dimensional phenomenon
- (b) National Economies and Globalization of Markets
- (c) Thesis Statement

(B) Historical Evolution of Globalization:

- (a) Early Stages of Global Integration
- (b) Post-WWII Economic Reconstruction and Liberal Order
- (c) Recent Trends of Deglobalization

(C) Impact of Globalization on National Economies:

1. Positive Impacts:

1.1 Technological Diffusion and Digital Economy:

- (a) China's Digital Silk Road (2015)

1.2 Globalization of Finance and Capital Mobility:

- (a) India's PLI Scheme (2021)

1.3 Global Outsourcing and Job Creation:

- (a) Bangladesh's BGMEA 2022

Report

2. Negative Impacts:

2.1 Loss of Cultural Identity:

(a) Tim Hortons' Expansion in Pakistan

2.2 Decentralization and Loss of Economic Sovereignty

(a) Mexican Trade Agreements: NAFTA, USMCA

2.3 Environmental Degradation:

(a) Amnesty International 2020 Report

(D) Challenges and Future of Globalization of Markets:

1. Geopolitical Tussle: Clash of Economic Visions

(a) Corridor Wars: BRI vs IMEC

2. Regionalism and Emerging Economies:

(a) De-Dollarization Efforts by BRICS

3. Economic Disparities and Trade Blocs:

(a) RCEP Free Trade Agreement (2022)

4. External Shocks and Crisis Transmission:

(a) Global Supply chain affected by Russia-Ukraine War

(E) Conclusion:

“Globalization as a concept refers both to the compression of the world and intensification of consciousness of the world as a whole.”

(Roland Robertson, *Globalization: Social Theory and Global Culture*, 1992).

Since its earliest appearance in 1960s, the term ‘globalization’ has been used to describe a process, a condition, a system, a force and an age. According to World Health Organization (WHO), globalization can be defined as ‘increased interconnectedness and interdependence of peoples and countries.’ Thus, this deep-rooted phenomenon characterized by global economic, political, cultural and environmental integration makes the existing national borders and boundaries irrelevant. Globalization of markets signifies a paradigm shift where national economies are enmeshed in transnational networks. The process is propelled by trade liberalization, favourable digital ecosystems and decentralized financial systems. Consequently, globalization amplifies several

challenges for national economies. These include displacement of workers, concerns about sustainability of economic growth, loss of cultural identity and economic disparities between Global North and Global South. In response, developing countries are opting for bloc politics and rising protectionism amidst trade and corridor wars waged by developed world. Therefore, despite rising geopolitical tensions, globalization remains integral to geo-economic chessboard where nations need to balance global integration with national aspirations.

Since ancient times, humans have sought distant places to settle, produce and exchange goods. But not until the 19th century did global integration take off. Following centuries of colonization, **first wave of globalization** was encouraged by railroads, telegraph and other breakthroughs. The globalization trend eventually waned in the catastrophe of World War I, followed by post-war protectionism, the Great Depression and World War II. Then **second wave of globalization** began in the mid 1940s when United States led efforts.

to revive international trade. Francis Fukuyama, in 1989 article 'End of History' asserted the triumph of liberal democratic order and market economies. Then 9/11 incident happened and the world discovered that the interconnectedness could be misused by non-state actors who did not share the philosophy of US-led liberal democratic and economic world order. Additionally, with China leading the rise of Asian economies, it became evident that global power could shift towards Asia.

Kishore Mahboobani, in his 2008 Book 'The New Asian Hemisphere' argued that the 21st century could witness serious challenge to Western commerce, thought and power. It is implied that the world is heading towards deglobalization with intensifying US-China global rivalry, trade protectionism, rise of far-right groups and populism. However, countries should not ~~aspire for~~ this future as international cooperation is imperative for tackling common existential challenges like Climate Change.

To begin with, globalization has increased the pace of cross-border technological transfer. This has contributed to rising domestic

productivity levels and reshaping innovation environment in advanced and emerging countries. Similarly, increased investment in digital technologies by national markets has made digital economy as an important instrument of Globalization. For instance, **China's Digital Silk Road (DSR)**, announced in 2015 as part of Belt and Road Initiative, promotes global spread of Chinese technology including 5G, AI and e-commerce platforms. Hence, national governments are incentivizing foreign partnership to improve indigenous capabilities in a globalized world.

Likewise, this technological cooperation has been an important driver of financial globalization. The global diffusion of information technology made it possible to trade financial currencies, stocks and other securities. Countries like **Japan and Mexico** replaced traditional trading system with electronic ones. This gave investors direct access to markets and reduced the role of intermediaries. Similarly, many states are improving tax regime with better incentives to attract global capital. For instance, in 2021,

India launched 'Production Linked Incentive (PLI) Scheme' to attract foreign investment in manufacturing sector. Thus, with foreign capital moving quickly across borders under globalization, financial stability has created better macroeconomic conditions.

Moreover, globalization plays major role in shaping labour markets by driving job creation in export-oriented industries. As countries integrate more in global supply chains, multinational corporations relocate production or service operations to countries with competitive advantages such as lower labour costs. **Bangladesh** has become favourite destination of outsourcing for global clients. **Bangladesh Garment Manufacturers and Exporters Association (BGMEA) 2022 Report** states that the textile industry employs more than 4.4 million workers. Therefore, countries are able to diversify their economies by producing higher-value employment.

Negatively, globalization is responsible for blending local cultures and traditions with dominant Western culture. As a result, national economies may experience shifts in consumer behaviours. This severely impacts traditional

Industries such as local entertainment, food production, and craftsmanship. For example, Canadian coffee chain 'Tim Hortons' entered Pakistani market in 2023 which drew large crowds and generated record opening day sales. In 2024, Tim Hortons opened new outlets in Islamabad and Rawalpindi due to growing popularity among masses. In this way, erosion of local identities are linked with economic implications.

Furthermore, globalization is contributing to the decentralization of power. As states become more interconnected through international organizations and trade agreements, they may experience external pressures that limit their ability to make independent decisions. North American Free Trade Agreement (1994) and its successor United-States-Mexico-Canada Agreement (USMCA) in 2020 undermined Mexican control over domestic policies. According to 2024 Study by Carnegie Endowment for International Peace, Mexican agriculture has been a net Loser in trade with United States. Resultantly, loss of control over

(I) economic strategies can affect country's ability to prioritize domestic industries and employment.

In addition, economic integration via globalization exacerbates resource exploitation and environmental hazards. As developing countries open up to global markets, they often exploit their natural resources to meet the demand of industrially advanced countries. This leads to over extraction of minerals, fossil fuels and agricultural products.

According to **Amnesty International 2020 Report**, multinational oil companies like **Shell and Chevron** has caused immense environmental pollution through oil spills and gas flaring in **Niger Delta Region**. Hence, national economies may initially benefit through increased exports and foreign investments but the long-term environmental impacts can be profound.

Furthermore, the increasing competition between states to ensure their dominance has led to certain initiatives taken to counter or balance against core competitors. China is the primary beneficiary of globalization as this process has accelerated its rise as an economic superpower. Since

the commencement of **Belt and Road Initiative (BRI)** in 2013, western countries are reshaping their strategic outlooks to contain China's influence. Thus, United States is forging diplomatic, economic and technological alliances with like-minded countries, prominently India. In 2023, **India-Middle East-Europe Economic Corridor (IMEC)** emerged as a captivating alternative for economic integration. IMEC, while promising, is still in early stages and is oriented towards connecting India with Europe through land and sea routes. While BRI is a multi-dimensional network with extensive geographical coverage and more global impact. Therefore, these geopolitical rivalries among developed and emerging economies are shaping new principles of globalization and disrupting global trade relations.

Consequently, globalization, once seen as a unifying force, now faces challenges from regionalism and emergence of trade blocs. With organizations like **BRICS**, emerging economies like Brazil, Russia, China are seeking more influence in world politics. With **currency swap agreements among BRICS countries**, emerging economies

are reducing their dependence on dollar by trading in their native currencies. In **2023, China and Saudi Arabia** entered into \$7 Billion currency swap agreement which allows them trade in their respective local currencies, Yuan and Riyal. The de-dollarization strategy of BRICS is also being solidified with creation of **New Development Bank (NDB)** and **Contingent Reserve Arrangement (CRA)** as counter-weights to Western-centric financial institutions like **World Bank and International Monetary Fund.**

In this way, the interplay between multilateralism and regionalism will shape the economic future of the globalized world.

Additionally, trade wars and regional trade agreements expose economic imbalances between peripheral and semi-peripheral countries. Amidst US hegemonic ambitions, **Regional Comprehensive Economic Partnership (RCEP)**, signed in 2022, by 15 Asia-Pacific countries including China, Japan, Australia, Southeast Asian countries among others. In response to protectionist measures by US, the pact allowed signatories to eliminate tariffs on imported goods and to manage global uncertainty from the

Covid-19 pandemic, Russia-Ukraine war, China-Taiwan dispute and US-China trade war. In this way, anti-western bloc is altering the financial landscape to be more balanced and inclusive.

Moreover, globalization exposed national economies to shared vulnerabilities and rapid transmission of crisis. Countries are diversifying their economic bases and sources, there can be risks of supply shortages with over-dependence of single state. For instance, **International Energy Agency** analysis showed that European Union's dependence on Russian natural gas rose over 40% between 2018 and 2020. When Russia invaded Ukraine in 2022, it cut 80 billion cubic meters of pipeline gas supplies to Europe, plunging the region into crisis. Similarly, **Covid-19 pandemic** sent shock waves through world economy and triggered economic crisis and recession.

In conclusion, globalization is the most vibrant, contested and debated issues. Economic interdependence remains the obvious and significant manifestation of globalization. Globalization of markets that reflects the union of national and

markets
Separated into massive global marketplace carries both opportunities and challenges associated with trade liberalization and investment flows. Regardless of the downsides, globalization is here to stay. If globalization is to succeed, it must promote equitable economic growth. In the future, the world may witness a more fragmented globalization where regionalism and protectionism play equally significant role. As geopolitical tensions rise, globalization will become a more advanced and uneven process.

