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Tun Myint
Carleton College

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Globalization and the Institutional Dynamics of Global Environmental Governance

TUN MYINT*

ABSTRACT

This paper is concerned with globalization and the institutional dynamics of global environmental governance. How do the phenomena of globalization shape the study of the institutional dimensions of global environmental governance, and how do these phenomena influence the practicality of law and state-centric politics? These questions guide the direction of this paper and its aim to advance theories and research methods for the study of the dynamics of institutions for governance. By synthesizing the conceptual findings of the literature, this paper develops an analytical framework of globalization and analytical themes to advance the systematic study of the dynamics of institutions, which are inherent in the design, function, and effectiveness of international and global environmental institutions and governance.

INTRODUCTION

As we progress further into the twenty-first century, the institutional order of the world is in the process of transformation. The reasons are partially rooted in the changing attributes of the biogeophysical world and the evolving phenomena of human values and

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cultures. Scholars maintain that this global transformation is due to the increased momentum of global interdependence, democratization, expansion of trade, technological innovation, and environmental degradation. This global transformation reconfigures the future of nation-states, as well as the future of the international system as a whole. Some of the major forces shaping the institutional architectures of global environmental and societal changes are the phenomena of globalization. This paper is concerned with the consequences of the phenomena of globalization and the institutional dynamics of global environmental governance. How do the phenomena of globalization shape the study of the institutional dimensions of global environmental governance and influence the practicality of law and state-centric politics? These questions guide the direction of this analysis.

There is no universally agreed upon definition of globalization. However, it is generally understood that globalization is one of the major forces shaping the future of nation-states, as well as the future of a state-centric world order. Because the phenomena of globalization are transforming human institutions, globalization's impacts on human institutions and human-environment interactions deserve systematic study. Understanding how globalization shapes the practicality of state sovereignty and the structure of state-centric world orders is useful in order to formulate a research framework and advance methodologies to analyze governance processes of social-ecological systems.


2. For discussions of globalization and state identities, see generally GLOBAL TRANSFORMATION READER, supra note 1; GOVERNANCE WITHOUT GOVERNMENT: ORDER AND CHANGE IN WORLD POLITICS (James N. Rosenau & Ernst-Otto Czempiel eds., 1992). See also Robert O. Keohane, Governance in a Partially Globalized World “Presidential Address,” “American Political Science Association, 2000,” 55 AM. POL. SCI. REV. 1, 1 (2001); Young, supra note 1, at 307.

3. See Elinor Ostrom, A General Framework for Analyzing Sustainability of Social-Ecological Systems, 325 SCIENCE 419, 419-22 (July 24, 2009) (discussing analytical and methodological definitions of social-ecological systems); Young, supra note 1, at 308 (discussing globalization of socio-ecological systems); Everett Dale Ratzlaff, Applications of
In this paper, I explore how the phenomena of globalization may shape scientific inquiry into the institutional dimensions of global environmental and societal changes. First, I discuss four different theses of globalization. Second, I identify five phenomena of globalization. Third, I discuss the institutional dimensions of globalization. Fourth, I discuss how these five phenomena of globalization and the institutional dimensions of globalization shape scientific inquiry into the institutional dimensions of global environmental and societal changes. Finally, I argue that the analytical framework needs to consider how the phenomena of globalization characterize the institutional dynamics of global environmental governance.

I. FOUR THESES OF GLOBALIZATION

The definition of globalization is broad. It conveys different meanings in different contexts because the fundamental ideas of globalization are not born out of theory or philosophy; they are rooted in the evolitional and historical events and aspirations of the people of the world. The first humans migrating out of Africa, the Asian continental people traveling over the ice bridge across the Bering Strait to the Americas, the seaworthy Vikings sailing out of the Nordic region, Marco Polo trading along the Silk Route, and Christopher Columbus landing in the Americas are all examples of adventures and actions that shaped the historical and institutional evolution of humankind. In this view, globalization is an evolutionary phenomenon of human interactions at multiple layers, creating conditions to further develop linkages and interdependencies among all domains of societies, including the economic, social, cultural, legal, and political realms. Understanding


4. See also Alfred C. Aman, Jr., Introduction, 1 IND. J. GLOBAL LEGAL STUD. 1 (1993) (defining globalization as “complex, dynamic legal and social processes” distinct from concepts of universality or homogeneity); Jost Delbrück, Globalization of Law, Politics, and Markets—Implications for Domestic Law—A European Perspective, 1 IND. J. GLOBAL LEGAL STUD. 9, 9-11 (1993) (defining globalization as a “process of denationalization of clusters of political, economic, and social activities” distinct from internationalization).

5. Throughout this paper, I will use the term “layer” to describe spatial scale such as local, national, international, and global. I will use the term “level” to describe institutions in the sense of rules such as collective choice rule, operational choice rule, constitutional choice rule, and metaconstitutional choice rule. For a discussion of the levels of institutions, see Elinor Ostrom, Understanding Institutional Diversity 54-62 (2005).
this process will enable us to distinguish globalization from internationalization, which is narrowly construed as state-to-state relations. To treat and interpret globalization as internationalization is to miss globalization's distinct meaning. Globalization challenges the notion of state-centric international institutions and, in the context of this paper, international environmental institutions.

The fundamental distinction between globalization and internationalization is that "globalization denotes a process of denationalization" and destatization, "whereas internationalization refers to the cooperative activities of national actors." To some degree, the causes and consequences of globalization are motivated by and associated with the common good and bad of humanity and human aspiration, whereas internationalization is largely motivated by national interests that are dictated mostly by powerful states. "The key feature which underlies the concept of globalization and distinguishes it from internationalization is the erosion and irrelevance of national boundaries in markets which can truly be described as global." In assessing the debate over globalization, David Held puts forth three theses of globalization: (1) the hyperglobalist thesis of globalization, (2) the skeptic thesis of globalization, and (3) the transformationalist thesis of globalization.

I would add a fourth thesis of globalization. The fourth thesis is embedded in the expression of the antiglobalization social movements around the world. These social movements raise awareness of the economic, political, and social consequences of globalization. I would dub the fourth view of globalization as the standardization thesis. It states that globalization is a standardization project of both hegemonic states and their partners (e.g., multinational conglomerates and global nongovernmental organizations (NGOs) jointly advancing control over people as citizens of a state-centric world and consumers of conglomerate capitalism). In developing this thesis, I draw extensively upon critiques of globalization, which treat globalization as a tool of hegemony to expand its control over human orders.

These four theses explain the position and status of states and their partners in the era of globalization. Understanding the states' and their

7. See Walker & Fox, supra note 6, at 380 (emphasis omitted).
8. Id.; see Delbrück, supra note 4, at 10-11.
partners’ positions and statuses in globalization will enable us to appreciate a meaningful distinction between internationalization under a neoliberal economic order, controlled and commanded by states and their partners, and societal orders, maintained by human associations and relations across various types of borders and boundaries. These four theses of globalization serve as a contextual background to understand the five phenomena of globalization that are explored later in this article.

A. The Hyperglobalist Thesis of Globalization

Hyperglobalists view globalization as advancing the political-economic order of the world toward a post-state-centric system centered on structures of conglomerate capitalist markets. Their view of globalization begins with the thesis that globalization is "a new epoch of human history in which traditional nation states have become unnatural, even impossible business units in a global economy." This view is based on the logic of the neoliberal economic order that celebrates the emergence of a single global market, or "market civilization" as some hyperglobalists would assert. For instance, the way in which global capital inflows and outflows occur within and across markets of nation-states is frequently cited as an example of "borderless" behavior in a single global market that nation-states are unable to control. Hyperglobalists also argue "that economic globalization is constructing new forms of social organization . . . that will eventually supplant traditional nation-states as the primary economic and political units of world society."

Globalization, according to the hyperglobalists, is "primarily an economic phenomenon . . . [where] politics is no longer the art of the possible but rather the practice of sound economic management." Therefore, for the hyperglobalists, "the rise of the global economy, the emergence of institutions of global governance, and the global diffusion and hybridization of cultures are interpreted as evidence of a radically new world order, an order which prefigures the demise of the nation-

11. Id. at 3.
13. See OHMAE, supra note 9, at 8, 57.
15. Id. at 4.
If we are living in the hyperglobalists' world, then regard for nation-states as the fundamental subjects of international law is no longer useful because globalization has prefigured "the end of the nation state." We might be living in a system where the "mercy" of the market's "invisible hand" configures "the framework of human action."

Yet, this hyperglobalist view is flawed in that it preterms the crucial alliance between states and conglomerate capitalists in building market civilization. It is an improbable task for multinational conglomerates to build what the hyperglobalists call "a new epoch of human history" without crucial coordination between states. Karl Polanyi calls this alliance between states and self-regulating market structures the "double movement," which consolidates the logic of market civilization. In this sense, the hyperglobalists' market civilization cannot exist without these two fundamental institutions—the state, as a regulator, and the market, as a presumably self-regulating entity.

Hyperglobalists correctly state that globalization, to some extent, contributes to the denationalization of various nation-states' policies and laws. The point to clarify is that denationalization does not mean the end of states and their roles in global politics. The hyperglobalists have gone too far in arguing that globalization has ended the era of nation-states because civilization has reached an era in which the market governs human activities. According to hyperglobalists, Adam Smith's thesis that the "invisible hand" governs human activities is the proven source of global order. Although hyperglobalists make an explicit claim about the demise of nation-states in the global era, they fail to offer an explicit policy prescription for maintaining global order in their supposed single global market. One could assume that the market will govern itself and order will be preserved as consequences of market-oriented economic activities. But the fallacy of the hyperglobalists'
argument is rooted in its monocentric view of globalization that is defined solely within the domain of economic activities. Globalization is not only an economic phenomenon, but it is also a phenomenon rooted in multifaceted human activities in all key domains of society—cultural, economic, educational, legal, political, and social. The hyperglobalists' conception of globalization as a largely singular process equated mainly with economic interconnectedness, fails to connect various dimensions of globalization with the multiple domains of society.21

B. The Skeptic Thesis of Globalization

Skeptics argue that globalization is not a new or historically unprecedented phenomenon. Their arguments rely on global statistical evidence showing the flows of trade, investments, and labor that have occurred predominantly between the national economies of the Westphalian state-centric world system. They describe globalization, which is nothing more than the integration of national economies that has been happening since the beginning of the nineteenth century, as an exaggerated "myth."22 Skeptics contend that the hyperglobalists' thesis of globalization is fundamentally flawed and politically naive because hyperglobalists underestimate the enduring power of national governments to regulate international economic activity. Therefore, the skeptics' world is not a globalized world, but rather an internationalized world where states still play the central role of regulating economic activities. In the skeptics' world, state-centric international laws and policies are still made by the power and legality of sovereign states, and states are the key actors in maintaining world order. The skeptics' view mirrors the realist view, where states are pivotal institutions in organizing world order. Although the skeptics' view is partially right in asserting that globalization is not a new phenomenon, it fails to consider the relatively recent, but transformative, intensity and magnitude of the impacts of globalization in all domains of human society. This transformative intensity and magnitude of globalization is due to the resilience of human aspiration and human curiosity about the world. By contrast, the state itself is a relatively recent phenomenon in human societies and history.23

23. See Ernst Cassirer, The Myth of the State 166-68 (Doubleday 1955) (1946) (explaining that Machiavelli was the first thinker to truly appreciate the meaning behind the new political structure of the "state").
Currently, states and their partners are eager to "regulate" or control this human curiosity and aspiration within the fictitious notion of power that they aspire to retain in a state-centric, internationalized world.

This view could provide a powerful argument for the skeptics, which would still support their "internationalized world," where states play the central role of regulating economic activities. If they recognized that globalization is a consequence of human aspiration to control the surrounding world, which leads to standardization of things, artifacts, and human beings into parts and parcels of supposedly predictable orders, they could then posit the following: at the center of these orders, the Leviathan state fictitiously emerged as a central force of organizing human security and order. In this argument, even while recognizing globalization and its origins, the state can remain at the center of human order. To do so, states, like many other human institutions, will have to adapt to new conditions brought by globalization.

C. The Transformationalist Thesis of Globalization

The transformationalists view globalization as an evolutionary process that serves as "a central driving force behind the rapid social, political, and economic changes that are reshaping modern societies and world order." In the view of transformationalists, the ways and speed in which the processes of globalization reshape modern societies and world orders are historically unprecedented. Unlike hyperglobalists and skeptics, transformationalists make no claims about the future trajectory of globalization so as to predict where global order is heading. Transformationalists believe, however, that globalization "is reconstituting or 're-engineering' the power, functions, and authority of national governments." Although transformationalists would not dispute the fact "that states still retain the ultimate legal claim 'to effective supremacy over what occurs within their own territories,' [they] argue that this is juxtaposed . . . with the expanding jurisdiction of institutions . . . of international governance and constraints of obligations from international law." This denotes the fact that states in the era of globalization are unable to make policy decisions and laws based solely on domestic political and social factors. This fact is transforming the ways in which a state is able to act on its own national interests without interfering with the interests of others.

25. Id. at 8.
26. Id.
In contrast to the hyperglobalist and skeptic theses, the transformationalist thesis of globalization captures the overarching scheme of the process of globalization. Transformationalists tend to see globalization as a multifaceted contextual phenomenon of human civilization. In this respect, they are able to explain the transforming roles of states and the concept of sovereignty as reconfigured, rather than diminished, as in the hyperglobalist view, or as in the skeptic view where “nothing has really changed.” In the transformationalist view, “world order can no longer be conceived as purely state-centric” because decision-making authority “has become increasingly diffused among public and private agencies at the local, national, regional, and global layers.”

Nation-states are no longer the sole centers or principal forms of governance or authority in the world. Thus globalization, in the transformationalist view, is changing the ways in which states and nonstate actors influence each other and shape political and governing processes within states and the international arena.

In the transformationalists’ world, the state’s central governance concern is how it can best readjust its economic, legal, political, and social structures to meet the challenge of globalization. However, to be able to outline strategies for governance in the globalization era, transformationalists must at least presume into what type of trajectories globalization might lead the world order in the future. This is the principal shortcoming of the transformationalist thesis of globalization. Because transformationalists fail to project or define globalization in terms of where it will lead the world order, they are crippled in prescribing strategies that various global actors should take. For example, hyperglobalists have implicitly proposed that market forces should govern a single global market. However, transformationalists accept the fact that globalization is transforming and reconstituting the power and authority of national governments. They assert that a new “sovereign regime” is displacing conceptions of statehood as an “absolute, indivisible, territorially exclusive and zero-sum form of public power.” Therefore, in the world of the transformationalists, the traditional law-making authority of states is weakened, and states have to yield to the pressure and interests of nonstate actors and international institutions. Perhaps this is where transformationalists have the advantage over hyperglobalists and skeptics because this conception is a crucial foundation for

27. Id. at 9.
29. HELD ET AL., supra note 10, at 9 (citing David A. Held, Democracy, the Nation-State, and the Global System, in POLITICAL THEORY TODAY 197 (David A. Held ed., 1991)).
understanding new institutions for the organization of governance in a complex world.

D. The Standardization Thesis of Globalization

The standardization thesis of globalization is the most enticing theory of globalization. It views globalization as a project of standardizers who seek to comprehend and control their worlds. In this view, standardizers are hegemonic nation-states, monoculture-and-mono-vernacular-promoting NGOs, and conglomerate multinational corporations who command and control the neoliberal economic and state-centric order of the world. I believe that the standardization thesis is one of the most powerful critiques of globalization because of its logic, which begins with how humans construct their world for predictability and legibility, aiming to control the uncertainties of a nonergodic world. James C. Scott, one of the strongest critics of state leaders and their subjects for thinking and acting like states, contends that globalization is a logical tool for hegemonic states and groups to expand total control over resources and people across the globe. In treating globalization as a tool to expand the hegemonic position of states and groups, Scott conveys that the process of globalization requires eliminating indigenous languages and cultures that stand in the way of hegemony’s expansion.

The standardization thesis focuses on what globalization may eliminate, diminish, or replace, such as diverse human institutions, religions, cultures, and vernaculars. This is because local, indigenous, and tacit vernacular practices all stand in the way of standardization. While standardization theorists acknowledge globalization’s benefits, they also argue that the disappearance or transformation of these indigenous institutions, religions, cultures, and vernacular practices is


32. See JAMES C. SCOTT, SEEING LIKE A STATE: HOW CERTAIN SCHEMES TO IMPROVE THE HUMAN CONDITION HAVE FAILED 19-22 (1998).

33. Scott, supra note 30, at 3-9; see also Michael Goldman, The Birth of a Discipline: Producing Authoritative Green Knowledge, World Bank-Style, 2 ETHNOGRAPHY 191 (2001) (analyzing the World Bank’s Nam Theun 2 dam project in Laos as an illustration of hegemonic behaviors of dominant groups who treat indigenous institutions as roadblocks to standardization).
the "dark side of standardization." As a hegemonic power looks to assert its influence on a people or a state, the hegemon needs a different form of order. The forms of order that are embedded in "local knowledge, however quaint, [are] illegible" and stand in the way of the standardization project.

Among others, Scott provides several conceptual examples to illustrate the processes of standardization and discuss its dark side. For example, in the United States, the Dawes Act of 1887 granted land titles and property rights to Native Americans by removing them from their tribal institutions and making them subject to the laws of the standardizers. Property deeds and land records also required a standardized form of identification, which helped assimilate Native Americans into the institutions of the standardizers. In this process of standardization, the institutions of the standardizers replaced the Native Americans' institutions.

After outlining specific examples, such as the Dawes Act of 1887, Scott then generalizes about the identity of the standardizers behind these antivernacular processes. He asserts:

The neo-liberal new order, I believe, can be usefully seen as a vast anti-vernacular machine. Its immanent logic, never fully realized, is to replicate the institutional order and practices of the developed, liberal democracies of the North Atlantic. . . . The institutional lords of this project are the great multinational institutions controlled by these liberal democracies: the World Bank, International Monetary Fund (IMF), World Trade Organization (WTO), European Union (EU), and the Organization for Economic Cooperation and Development (OECD).

Scott then puts forth the view that these bodies are perceived to be promoting "harmonization" and "standardization" under the auspices of "cosmopolitan universals." Scott extends his argument:

They are, of course, anything but universals. Any practice, any institution that becomes internationally hegemonic, began, once, as vernacular practice at a particular time and in a particular place. Most of the

34. Scott, supra note 30, at 3.
35. Id. at 5.
36. Id. at 3-19.
37. Id. at 23-24.
38. Id. at 25.
practices we are describing are the vernacular practices and institutions of North Atlantic capitalist democracies, now “cross-dressed” as cosmopolitan universals.\textsuperscript{39}

In this view, globalization is a vehicle for standardization projects undertaken by hegemonic groups.

The standardization thesis raises two fundamental puzzles about the sources and dynamics of human institutions. The first puzzle is about the areas of human affairs that need standardization to make life more predictable and enjoyable. For instance, the evolutions of road names in Durham and Guilford, Connecticut, which Scott uses in his illustration of standardization, demonstrate the first puzzle.\textsuperscript{40} Historically, the majority of roads in small towns across America were named according to where the roads lead or what the roads meant in the local knowledge base. For instance, for the residents of Durham, the road leading to Guilford was known as Guilford Road. Similarly, for the residents of Guilford, the road leading to Durham was known as Durham Road. If we imagine each neighboring town surrounding Durham calling the road leading to Durham “Durham Road,” we can see the problem for modern organized society with hospital ambulance services, highway patrol, and postal services. The majority of these historical names have been replaced by route numbers and categories of roads (i.e., local roads, county roads, state roads, and national highways) that are familiar to modern dwellers. In the case of roads, it is perhaps better to be standardized for the sake of expediting ambulance services to save lives and to simplify driving directions. However, this standardization occurred at the expense of local knowledge and histories. In addition, standardization also creates the potential danger of the reach of oppressive state leaders who might take power by military coup and exercise raw power to control populations, since roads are essential for such an operation. This is the first puzzle raised by the standardization thesis: Which areas of human livelihoods are better when standardized and which are not?

The second puzzle deals with the attractiveness of having a center of power, a center of order, or gargantuan organizations governing human affairs. It is concerned with the consequences of human desire and the need to control, to some extent, other people and resources to increase predictability and order for the standardizers. Why do people need a place of power from where leaders and other institutions rule to provide order in their livelihoods? The standardization thesis provides a

\textsuperscript{39} Id.
\textsuperscript{40} Id. at 4-5.
conceptual framework to understand both the need for and the danger of standardization in organizing human order. Globalization, in the standardizationist view, is rooted in anthropocentric and near universal human desire to control the nonergodic world and predict the future. In that sense, globalization is a conceptual framework that serves as a vehicle to justify standardization and organize orders in the vernacular of the standardizers.

The weakness of the standardization thesis lies in three oversimplified assumptions about human institutions. First, it assumes that physically larger entities always dominate and control the world order. The forces and power of standardization are largely attached to states and larger entities, such as the World Bank and the International Monetary Fund, but this is far from the reality in human societies and ecosystems. Second, the standardization thesis assumes that power corrupts, yet human aspiration is not that simple. Not every powerful individual and entity desires to dominate or acts like a hegemon. Third, it assumes that globalization is a unidirectional phenomenon. The forces of globalization are mainly assumed to resonate in hegemonic entities such as nation-states. These forces are then assumed to dominate and eliminate smaller and weaker cultures and societies. This is also far from the reality of a globalized world, where both smaller entities and larger entities influence one another in a complex exchange. While the standardization thesis has a more normative force and sharper critique of globalization, these three assumptions weaken its force, giving rise to logical questions about globalization's role in transformation and the dynamics of human societies.

The remainder of this article will examine the phenomena of globalization from the conceptual frameworks of the standardizationists and the transformationalists, in part because the hyperglobalist and skeptic perspectives offer limited insight into the institutional consequences of globalization phenomena. However, these two views serve as cautionary tales against falling into the panacea of institutional transformation all across the globe. In the following section, I will discuss the phenomena of globalization in the transformationalist and standardizationist views.

II. THE FIVE PHENOMENA OF GLOBALIZATION

For analytical purposes, it is helpful to frame the institutional consequences of globalization in the context of the “phenomena” of globalization (see Figure I below). Using these phenomena to analyze

41. NORTH, supra note 31, at 11-15.
how globalization is challenging the sovereignty of the traditional nation-state and the state-centric world order, we will observe the challenges globalization imposes on the state-centric world order. If we consider how these phenomena of globalization characterize multilayer institutional arrangements of social and ecological systems, we can, perhaps, generate hypotheses about the extent to which the challenges from globalization impose institutional dimensions of global environmental and societal changes. It is helpful to connect the five phenomena of globalization to institutional consequences of globalization, as shown in Figure I below.

Based on the considerable insight of the literature on globalization, I would assert that there are at least five clear phenomena related to the institutional dimensions of globalization: (1) globalization fosters the existence of global infrastructure; (2) it creates the harmonization of institutions at multiple layers and scales; (3) it diffuses the jurisdictional and political borders of nation-states; (4) it facilitates the global diffusion of identity, culture, and ideas; and (5) it encourages a process of denationalization or destatization.

A. Fostering Global Infrastructure

Nation-states and nonstate entities are now facing external challenges from the process of global infrastructure adjustment. The World Wide Web, the global financial market, and telecommunication infrastructures are just some of the global infrastructures over which nation-states lack absolute control. These global infrastructures invade nation-states' systems and gradually weaken the sovereign control of information flow and collective citizen actions. The ongoing policy challenges facing nation-states attempting to control or censor the Internet reveals states' ambiguous position in coping with challenges from global infrastructure adjustment. The impacts of global infrastructure on social systems, such as nation-states and local communities, have a direct, if not simultaneous, effect on ecological systems at multiple scales. In fostering global infrastructure, globalization promotes the harmonization of institutions.

42. See generally OHMAE, supra note 9, at 1-5 (setting out the argument that globalization has rendered nation-states unsuitable as economic units in favor of what Ohmae terms "region states").
B. Harmonization of Institutions

Institutions at multiple layers of the political and economic order of the world, such as international organizations, nation-states, and local communities, are now under pressure from the pervasive market economy to harmonize their economic activities and policies. For instance, nation-states in the Association of Southeast Asia Nations (ASEAN), the EU, and NAFTA are all in the process of harmonizing areas of their economic policy toward a more regional-market-friendly environment. To some extent, this harmonizing is occurring globally. The world market, for example, is becoming more global since the Uruguay Round of talks on the General Agreement on Tariffs and Trade, which led to the creation of the WTO. These challenges will intensify and create profound impacts on the making of national policy to harmonize with international standards. Meanwhile, the international competition for production and the competition to gain global financial access also pressure national policies to be harmonious with international policy. In some cases, nation-states are forced to copy and implement the policies drawn up by international institutions, such as the World Bank and the IMF.43

Harmonization of national policies also occurs when nation-states integrate their policies. Gradual regional integration of ASEAN and the EU is the most advanced phenomenon of the harmonization of national policies through regional integration policy frameworks. Understanding the extent to which the harmonization of policies across a set of nation-states affects institutional diversity and compatibility requires a systematic investigation of linkages, networks, and multilayer arrangements. In addition, it requires a deeper investigation of the consequences of centralization, decentralization, interplay, and fit among institutions. This cluster of harmonization mechanisms addresses the consequences of globalization as standardization affects institutional diversity and compatibility.

C. Diffusion of Jurisdictional and Political Borders

Globalization challenges the notion of political borders drawn between nation-states. Some scholars, for instance, argue that for a process to be qualified as “globalization,” there must be evidence that the existence of national or other important boundaries have become

43. For example, IMF financial packages proffered with conditions were given to Mexico after the peso crises in 1995, and to Indonesia, Thailand, and Korea after the 1997 Asian financial crisis.
irrelevant. The ASEAN Vision 2020 and the goals of the EU after 1992 are both examples of where the political borders of nation-states and local communities are becoming ever less relevant to citizens’ daily lives. Diffusion of borders can still be a subjective argument of globalization, but in the world market today, the international economic system behaves as a single, unified economic system, despite the continued existence of formal national boundaries. This diffusion creates the fluidity of political space and thus challenges the practicality of legal jurisdictions and boundaries.

Diffusion of jurisdictional and political borders is also induced by the activities of nonstate actors such as multinational corporations, international NGOs, and social movements. For instance, villagers in the eastern part of Burma caught up in gas pipeline projects initiated by Total, a French energy company and the Union Oil Company of California (UNOCAL), a U.S. energy company, were able to initiate lawsuits in a federal court in Los Angeles against UNOCAL. The villagers from Burma reached a favorable outcome in the case when UNOCAL agreed to settle. The villagers’ lawsuit was possible because of the diffusion of ideas and jurisdictional borders. The Doe v. UNOCAL case illustrates the fundamental nature of the diffusion of jurisdictional borders and ideas enforcing corporate social responsibility, particularly in the area of human rights. As jurisdictional and political borders become diffused, fundamental tenets of human agency such as cultures, national identities, and ideas are also diffused through globalization.

D. Diffusion of Culture, Identities, and Ideas

Global diffusion of culture, ethnic identity, and ideas is another phenomenon of globalization. This phenomenon fosters the spread of initially localized practices throughout the globe. Some examples of global diffusion include the presence of McDonald’s, an American fast food giant, in Tiananmen Square and the increasing number of Chinese restaurants across America. The notion of being able to grab prepackaged sushi in a conventional Midwestern grocery store would have seemed like science fiction only forty years ago. Even racial or ethnic identities are diffused through interracial marriages, friendship, cultural acquisition, and migration. Indeed, the international movement of people (i.e., migration) has imposed a profound challenge to national identity and the notion of citizenship. For instance, Delbrück argues

44. See generally OHMAE, supra note 9, at 3-48.
that "[w]ith the change of many European nations into de facto immigration countries, the traditional understanding of what constitutes the 'nation' or the 'State people' is no longer tenable." How this diffusion of culture, identities, and ideas across the globe shapes institutional change and diversity must be incorporated into the study of the effects of globalization on institutional dimensions of global environmental and societal changes.

The most common perception about cultural diffusion of globalization is that the world cultures are dominated by the culture of globalizers through the diffusion process. This diffusion process is widely believed to have been brought by economic integration through trade and communication technology. For instance, Benjamin Barber asserts that diffusion occurs "by the onrush of economic and ecological forces that demand integration and uniformity and that mesmerize the world with fast music, fast computers, and fast food—with MTV, Macintosh, and McDonald's, pressing nations into one commercially homogenous global network: one McWorld tied together by technology, ecology, communications, and commerce." There are two important consequences to global social changes due to this diffusion process. The first is that of the standardization thesis, which claims that the world's cultures are homogenized by globalizers. The second consequence is that the diffusion of cultures, identities, and ideas tend to reduce the diversity in the world as world cultures are homogenized by dominant ones. Scholarly research to understand the circumstances under which the smaller cultures and identities diminish or thrive against dominant ones is needed to understand the consequences of the diffusion of cultures, identities, and ideas. What is certain is that these diffusions widen the structure of human preferences, choices, and incentives, thereby extending the behavioral frameworks of human actions and interactions beyond the familiar borders of institutions. The major

46. Jost Delbrück, Global Migration–Immigration–Multiethnicity: Challenges to the Concept of the Nation-State, 2 IND. J. GLOBAL LEGAL STUD. 45, 46 (1994) (internal citation omitted).
48. See, e.g., PAUL WAPNER, ENVIRONMENTAL ACTIVISM AND WORLD CIVIC POLITICS 99-104 (1996) (discussing the diffusion of ideas as it relates to grassroots environmental activism and the ability of transnational environmental activism to "reorient the . . . political dimensions of rural life"); Terrence Guay, Local Government and Global Politics: The Implications of Massachusetts' "Burma Law," 115 POL. SCI. Q. 353, 356-64 (2000) (discussing the influence of international affairs on domestic state law and policy, as well as the increasing involvement of transnational corporations and NGOs in lawmaking and policy decisions); Matthew O. Jackson & Leeat Yariv, Diffusion of Behavior and Equilibrium Properties in Network Games, 97 AM. ECON. REV.: PAPERS & PROC. 92 (2007) (discussing diffusion's effect on social structures).
consequence of this widening of human preferences, choices, and incentives is denationalization or the destatization process of globalization.

E. Denationalization and Destatization

Along with the diffusion of people and culture, the identity of the nation-state and its institutional attributes are being challenged in both economic and political domains. The emergence of the euro currency and the idea of a European citizenship identity are examples of the processes of globalization denationalizing nation-states in Europe. For fear of losing national identity and traditional culture, some national governments, including the governments of Burma, China, and Singapore, have attempted to block global cultural influences, propagated by multimedia, movies, and the Internet. The concept of the so-called “Asian Value” has been promoted to justify their attempts to curtail access to global information. The traditional concept of national identity is increasingly scrutinized now due to the nature of global society, wherein people can easily access information about different countries and cultures. Globalization in general sets conditions for states to engage in outward-looking policies to redefine state sovereignty and power in the global age.

In all layers of human governance—individual, household, neighborhood, local, subnational, national, international, and global—the ways in which individuals and groups interact and organize governance processes changes over time. The five phenomena of globalization have altered the attributes of institutions at multiple layers of human governance and changed the rules of human interaction. Global expansion of individual freedoms, innovations in telecommunication technology, and the global architecture of the Internet have aided the intensification of these phenomena of globalization. In the following section, I will analyze how these five phenomena relate to the attributes of institutions.

III. THE CONSEQUENCES OF GLOBALIZATION ON INSTITUTIONAL ATTRIBUTES

Globalization has imposed four consequences on institutional architectures: (1) institutional change, (2) institutional diversity and complexity, (3) institutional compatibility, and (4) institutional robustness (see Figure I below). These four dynamic aspects are fundamental to the architecture of human institutions, which are designed to govern common pool resources, such as rivers and forests. These four institutional attributes shape the dynamics of human-environment interactions. Globalization's impact on these four dynamic aspects needs to be unpacked into analytical themes.

A. Institutional Changes

Institutional change is strongly associated with institutional adaptation, transformation, leapfrogging, hybridization, speed, and scale. Denationalization or destatization is one of the major consequences of globalization, and it has induced institutional changes for both nation-state and state-centric international organizations. Institutional changes occur in many different steps, from adaptation to transformation. Some institutions incorporate with others in order to meet the challenges of globalization. Hybridization occurs when institutions evolve into new functional forms without relinquishing the central characteristics of their original forms, which serves as part of the new institutional design. For instance, a modern national constitution incorporating indigenous institutions and contemporary rule of law is a hybrid institution.

Hybridization has been a major aspect of globalization, in areas as diverse as music, culture, food, and technology. For instance, if one visits different global fast food giants, such as KFC or A&W in some areas of Bangkok, one can order fried chicken served with rice in lieu of French fries. If one listens to a composition by Ravi Shankar, a well-known Indian musician, one notes significant hybridization of sounds and instruments. In the automobile market, hybrid or crossover cars, SUVs, and vans have gained consumers' attention in response to rising gas prices and changing consumer preferences. In modern warfare, a hybrid army from the United States—a combination of soldiers from the U.S. Army and personnel from private security firms—is engaged in war in Iraq and Afghanistan. In this case, the trend of privatization may have caused hybridization of institutions.

Hybrid institutions exist in the legal realm as well. For instance, in South Africa, the rule of law and traditional customary laws coexist to
govern social and political problems. Hybridization of institutions in the Rhine river basin is another example. When the International Commission for the Protection of the Rhine introduced the Rhine Action Program (RAP) in 1986, the original forms of institutional arrangements among riparian states were kept intact as described in the language of two 1976 Rhine conventions. The RAP, as a hybrid institution, recognized the roles of nonstate actors such as industries, environmental NGOs, and citizens.

Within the literature of institutional changes vis-à-vis environmental institutions, there is a relevant policy question of institutional leapfrogging. Can societies that lag behind in developing institutions to address environmental governance adopt environmental institutions that were developed and successfully implemented long ago in other societies? If institutional leapfrogging is possible, then institutional experts from developed societies are highly valuable and could transplant copies of institutional designs that are well developed and functioning effectively in home societies to host societies. An affirmative answer to this policy question will be valuable for policy consultants and experts around the world. However, institutional change does not always occur in simple steps of adaptation, leapfrogging, or transformation. Under what circumstances is institutional leapfrogging possible? Why are some societies successful in leapfrogging, while others are not? How do the five phenomena of globalization affect institutional change? These theoretical and empirical questions beg more investigation into the nature and origins of institutional changes, as scholars address institutional dimensions of global environmental change.

B. Institutional Diversity

One of the consequences of globalization for human institutions is that it can either induce or reduce institutional diversity. The phenomena of globalization induce institutional diversity by pressuring monocentric arrangements to loosen up for alternative arrangements. Meanwhile, the phenomena of globalization can reduce institutional

diversity when monocentric actors fear that the phenomena of globalization may have negative effects on the identity of their society. Consequently, consolidation of institutions and identity has become a mechanism to reduce diversity. One of the questions that needs to be addressed to understand the relationship between globalization and institutional diversity is why and under what circumstances do the phenomena of globalization induce institutional diversity. The presence of institutional diversity can be detected by examining whether the institutional architecture is based on a polycentric structure of institutional arrangement or a monocentric structure of institutional arrangement. The analytical themes within institutional diversity are institutional linkages across different scales, networks, and multilayered structures.

Institutional linkages show the existence of distinct authority, accountability, responsibility, roles, and rights of actors across multiple layers of institutions. In a monocentric system, these distinctions are almost irrelevant because authority, accountability, responsibility, roles, and rights are concentrated at the central entity. The structure of military command and control, especially during the conduct of war, is probably the best example of a monocentric institution, aside from absolute monarchical and dictatorial systems. The linkages are central features of networks of diverse institutions that exist in a more polycentric system. The dynamics of these networks are critical elements of institutional diversity. Another central feature of institutional diversity can be detected through the existence of multilayered structures and nested structures of institutions within each layer. Multilayered and nested institutional structures struggle for compatibility among them. Therefore, it is important to understand how phenomena of globalization influence institutional compatibility.

C. Institutional Compatibility

If institutional diversity is a fact of human life for many societies, then how do diverse institutions coexist in a society? The modern history of military coups in Thailand is one example of persistent institutional clashes between monarchy and democracy. The monarchy, as a centralized institution, is often in direct conflict with democracy, a functionally decentralized institution. The history of military coups in Thailand since it became a constitutional monarchy in 1939 demonstrates the significance of institutional incompatibility as a problematic tension between centralized and decentralized institutions. Institutional compatibility is also one of the central problems in building democratic regimes in many other societies. The institutional
compatibility problem is further shaped by the phenomena of globalization, especially harmonization of institutions and development of global infrastructures.

Institutional compatibility problems persist in dense institutional environments where multiple institutions interact around a particular governance issue. When institutions encounter a persistent problem of fit, there is a need to be compatible because the alternative is institutional clash. The harmonization aspects of globalization induce institutional compatibility by either fostering global institutional infrastructures that are congruent with diverse institutions or requiring the harmonization of institutions. However, the diffusion of culture and boundaries could either induce or hinder institutional compatibility.

D. Institutional Robustness

While no institution is robust in a permanent sense, the study of robustness of institutions is a valuable endeavor for understanding how the phenomena of globalization affect institutions. Literature addressing the systematic investigation of institutional resilience, vulnerabilities, scale, regime effectiveness, designs, and multilevel structure of institutions has much to offer in this respect. As illustrated in Figure I below, among the five phenomena of globalization, the diffusion of culture, ideas, and identities and the diffusion of jurisdictional and political borders tend to reduce the robustness of institutions. The harmonization or integration (i.e., not consolidation) of institutions is an attempt to build robustness. Whether robust institutions are effective in solving particular environmental governance problems has been one of the central concerns of regime effectiveness studies. While an institution may be robust, it may not

53. Resilience is a property of a robust institution. Robustness encompasses the healthy state of an institution. Resilience represents institutional property that enables an institution to recover from shocks. For example, the Obama Administration's stimulus package is an institutional mechanism of resilience used to recover from the shock imposed on the overall health and robustness of the U.S. economy.

adequately address some social dilemmas, such as providing equity jurisprudence. Locating institutions within multilevel networks or polycentric structures tends to increase institutional robustness. Some multilevel institutional structures, such as federalism generally, the organization of the Swiss Federation, and the structure of the EU, are examples of institutional arrangements that tend to address the institutional robustness problem. To some degree, the multilevel arrangement also fends off the negative consequences of the effects of globalization.

IV. ANALYTICAL THEMES

To identify the analytical themes of the effects of globalization on institutional dimensions of global, environmental, and societal changes, it is important to understand how the phenomena of globalization influence characteristics of institutional architectures (i.e., change, diversity, compatibility, and robustness) at multiple layers, from local to global. The clusters of analytical themes illustrated in Figure I below are not an exhaustive list. However, these analytical themes are driving forces in the literature on international and global environmental institutions.

Using illustrations in Figure I below, I will briefly explain how the five phenomena of globalization discussed in preceding sections relate to the analytical themes. How do these five phenomena of globalization relate to the analytical themes of institutional dimensions of global environmental change? How do these analytical themes relate to one another? To be more specific, for instance, how does institutional adaptation under the characteristic of institutional change relate to institutional resilience under the characteristic of institutional robustness? These analytical themes will guide assessment of the influence of globalization on institutional dynamics of global environmental governance.

There is a significant amount of literature from multiple academic disciplines that addresses these analytical themes. However, the existing literature on globalization tends to treat it as mainly a macro-conceptual phenomenon that only occurs at the global layer. I framed globalization in this paper as consisting of human phenomena that shape questions of governance and order at multiple layers. To understand the forces that globalization exerts on governance, we need to treat it as a dynamic force that affects institutional dynamics at multiple layers, from individual to global. This approach is far more important in the study of global environmental governance, which addresses the consequences of individual behaviors and livelihoods and
impôses direct consequences on social-ecological systems to the behaviors and livelihoods of communities at multiple layers. The analytical themes serve as a theoretical lens to unpack the effects of globalization on institutional dynamics.

As a preliminary attempt to conceptualize the relationships between analytical themes, I identified their sources in the characteristics of institutions (e.g., "institutional characteristics" in Figure I below). Figure I illustrates how the five phenomena of globalization affect attributes of institutions. The analytical themes show how each of the institutional attributes may be analyzed. If we want to understand how globalization influences the institutional dynamics of governance, I would posit that a systematic study of institutional dimensions of global, environmental, and societal changes needs to effectively address the analytical themes that are identified in this conceptual map.

CONCLUSION

This paper has illustrated that it is insufficient to theorize globalization from a single academic discipline. The weakness of such an attempt is discussed in four theses of globalization. At the same time, it is also incomplete to theorize globalization from a point of view of a single scale or domain of society. Theorizing globalization from only the point of view of a nation-state or a multinational corporation or an NGO misses multifaceted dimensions that are rooted in the changing nature of cultures, identities, and ideas originating in the aspiration and livelihoods of individuals and groups. This theoretical puzzle is congruent with global public policy dilemmas faced in governing global environmental problems that require solutions at local, national, and international layers to address global problems. Designing an institution from a point of view of either a local or national or international layer to address global environmental problems will not be sufficient to achieve projected goals of global environmental governance. Therefore, it is necessary to understand the phenomena of globalization and how the phenomena affect institutional dynamics that structures preferences and incentives of individuals and groups.

In so doing, this paper discussed the five phenomena of globalization and how these phenomena affect characteristics of institutions. The purpose of the discussion was to propose an analytical framework, as well as analytical themes, for future research on the effects of globalization on institutional dimensions of global environmental change. How the phenomena of globalization affect the characteristics of institutions is a crucial conceptual step to connecting analytical themes within the existing literature on institutional dimensions of global
environmental change. The future research agenda needs to address how the phenomena of globalization affect characteristics of institutions designed to address institutional dimensions of global, environmental, and societal changes.
FIGURE I: PHENOMENA OF GLOBALIZATION AND ANALYTICAL THEMES

Note: + = induce, − = reduce