



Mains Practice Question

Q. Discuss the role of non-state actors such as transnational corporations and international non-governmental organizations in shaping international relations. (250 words)

21 Feb, 2023 GS Paper 2 International Relations

Approach

- Start your answer by briefly introducing non-state actors like transnational corporations and international non-governmental organizations (INGOs).
- Discuss the role of transnational corporations and INGOs in shaping international order.
- Conclude accordingly.

Introduction

- International relations have traditionally been the **purview of states, with nation-states being the primary actors in shaping global governance.**
- However, with the rise of globalization, there has been an increasing recognition of the role of non-state actors in shaping international relations. Non-state actors such as Transnational corporations (TNCs) and International non-government organizations (INGOs) have become important players in global governance, and their influence has been on the rise in recent years.

Body

- **The Role of Transnational Corporations in shaping international relations:**
 - TNCs are **business entities that operate in multiple countries**, with operations that span national boundaries. TNCs have **significant power and influence in the global economy**, and their role in shaping international relations has been widely recognized. TNCs exert influence through various mechanisms, including economic power, political influence, and social influence.
 - **Economic Power:**
 - TNCs have significant economic power, with many TNCs having a **larger GDP than many countries**. This economic power gives TNCs significant **influence over governments**, as they are often major contributors to a country's economy.
 - They can use their economic power to **lobby governments to create policies that favor their interests**.
 - For example, in the 1990s, the **tobacco industry lobbied against regulations** that would limit smoking, arguing that it would hurt their business.
 - **Political Influence:**
 - TNCs can use their economic power to **fund political campaigns and lobby politicians to support policies that benefit their interests**.
 - They also have significant **influence over international organizations** such as the **World Trade Organization (WTO)**, which sets the rules for international trade.
 - Further, they can lobby the WTO to **create rules that favor their**

interests and protect their intellectual property rights.

- **Social Influence:**

- They also have significant social influence, as they often operate in countries with **weak or non-existent labor and environmental regulations**.
- They can use their social influence to promote corporate social responsibility (CSR) initiatives, which can help **improve their image and reputation**.
 - CSR initiatives can also help TNCs **gain access to new markets**, as consumers increasingly demand products and services that are socially responsible.

- **The Role of International Non-Governmental Organizations (INGOs) in shaping international relations:**

- INGOs are non-governmental organizations that **operate at the international level**. INGOs are often focused on promoting human rights, environmental protection, and social justice.
 - **Human Rights:**
 - INGOs have been instrumental in **promoting human rights at the international level**.
 - INGOs such as **Amnesty International and Human Rights Watch** have been involved in monitoring and documenting human rights abuses around the world.
 - They are also instrumental in advocating for the **creation of international human rights treaties**, such as the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.
 - **Peace and Security:**
 - They have also played a critical role in **promoting peace and security** at the international level.
 - INGOs such as the International Crisis Group and the **International Committee of the Red Cross** have been involved in conflict prevention, resolution, and post-conflict reconstruction efforts.
 - These organizations often work with governments and other stakeholders to promote peaceful solutions to conflicts and prevent the escalation of violence.
 - **Poverty Reduction:**
 - INGOs have also been instrumental in promoting poverty reduction at the international level, such as **Oxfam and CARE International** have been involved in **promoting sustainable development and poverty reduction initiatives in developing countries**.
 - These organizations often work with local communities and governments to promote economic development, improve access to education and healthcare, and reduce poverty.
- **Negative Implications of these non-state actors:**
 - **Economic Dominance:** They often engage in practices such as transfer pricing, tax evasion, and environmental degradation, which have negative impacts on the economy and environment of the host country.
 - For example, the oil company Shell has been accused of environmental degradation in Nigeria, where it operates oil fields.
 - **Subduing the Sovereignty:** They usually try to influence the internal affairs of countries, such as elections or policy-making processes, thereby subduing the sovereignty of countries.
 - Ignoring or violating national laws and regulations, which can have negative impacts on the sovereignty of countries.
 - For example, **Greenpeace NGO**, which is a **global environmental organization** that creates **hinderance in the development process** of countries in the name of protecting environment.
 - **Cultural imperialism:** TNCs often promote cultural imperialism, which can lead to the erosion of local cultures and values. For example, the spread of American fast-food chains

and Hollywood movies around the world has been criticized for homogenizing cultural diversity.

Conclusion

- The non-state actors such as TNCs and INGOs have become increasingly important players in shaping international relations. While they have the potential to promote positive change and address global issues, they also have negative implications, such as economic dominance, subduing sovereignty, and cultural imperialism.
- Therefore, it is crucial for global governance to recognize and regulate the role of these non-state actors to ensure that their actions align with the goals of international cooperation and sustainable development.

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