

**The European Union and Globalisation:
reflections on strategies of individual states**
Morten Kelstrup, COPRI

The European Union and Globalisation: reflections on strategies of individual states

Table of contents

1. Globalisation, Europeanisation and the perspectives of individual states	1
2. Old and new globalisation	8
2.1. On the meaning of globalisation.....	8
2.2 Strategies in regard to economic globalisation.....	11
3. EU and the present process of Europeanisation.....	17
3.1. The EU as an unfinished project encompassing different goals and strategies.....	17
3.2. The EU's latest developments and prospect for further Europeanisation	20
4. The EU and globalisation	23
5. Strategies of individual states towards Europeanisation	27
5.1 On integration policies.....	27
5.2 Does membership of the EU represent a strategy in relation to globalisation?	29
6. Conclusions.....	33
Literature.....	36

The European Union and Globalisation: reflections on strategies of individual states¹

1. Globalisation, Europeanisation and the perspectives of individual states

Major developments in European politics are related to two simultaneous processes: the process of *globalisation* and the process of *Europeanisation*. As Helen Wallace has recently remarked: “For too long the debates on globalisation and on Europeanisation have been conducted in separate compartments and in different terms” (Wallace, 2000, 369). *The purpose of this paper* is to support the effort in bringing the two debates together. The paper will discuss the two processes, discuss how they interlink, and have a special focus on possible strategies and dilemmas of individual states that are confronted with both processes.

In general, it is very difficult to get a clear understanding of either of the two processes which are in focus. Thus, the challenge of treating them in combination is so much greater. *Globalisation* is a term used in many different ways. Some will say that it is an “essentially contested concept” and thus a concept on which it is impossible to reach agreement. Recognising that the contestations of the concept are important, I do not find it fruitful to declare these “essential”, but find that we should at least try to specify the ways in which we understand the concept. In a preliminary way I shall take *globalisation* to refer to the development of social systems which transcend the borders of the nation states, i.e. the formation of so strong links across borders that they are, essentially, beyond control

¹ An earlier version of this paper was presented at the Fifteenth Nordic and Third Baltic Sea Peace Research Conference in Riga the 8.-10. December 2000.

of the individual state.² In this perspective globalisation in its main features implies “denationalisation”.³ *Economic globalisation* is a major aspect of globalisation, implying the emergence and strengthening of a more or less global economic system, encompassing i.a. intensified trade, financial flows and investments across state borders. Globalisation also refers to other dimensions, for instance the creation of so strong cultural, ecological and other kinds of relations across national borders that control by the nation states is undermined. A major problem in the debate about globalisation is that the concept very often is used as a (more or less) “empty signifier”, i.e. a concept which has a very unclear - or no - denotation, but which has important connotations.⁴ Thus, reference to globalisation often has a legitimising rather than an analytical function, for instance when it is argued that “because of globalisation we are forced to dothis or that”.

Europeanisation can be taken as designating processes of economic, socio-cultural and political integration in Europe.⁵ The

² My understanding of globalisation is close to that of Ulrich Beck. After expressing the view that defining globalisation is like “nailing a pudding to the wall” (!), he writes i.a.: “Lässt sich nicht doch ein gemeinsamer Begriffsnenner aus den verschiedenen Globalisierungs-Dimensionen und - Kontroversen herausfiltern? Sehr wohl. Durchgängig wird eine zentrale Prämisse der Erste Moderne umgestossen, nämlich die Vorstellung, in *geschlossenen und gegeneinander angrenzenden Räumen von Nationalstaaten und ihnen entsprechenden Nationalgesellschaften zu leben und zu handeln*. Globalisierung meint das erfahrbare Grenzenloswerden alltäglichen Handels in den verschiedenen Dimensionen der Wirtschaft, der Information, der Ökologie, der Technik, der transkulturelle Konflikte und Zivilgesellschaft,...”, Beck, 1998, 44.

³ For an elaborated argument for using the term “Denationalisierung” in stead of “Globalisierung” - and an empirical investigation of the degree of denationalisation for major states, see Zürn, 1998. 65ff. The problems are complicated, though, because globalisation might provoke reactions, i.a. in the form of re-nationalisation.

⁴ The distinction between the *denotative* and *connotative* meaning of the term globalisation leads to very different kinds of studies, the first seeking for phenomena “in the world” which can be talked about as (the empirical basis for) globalisation, the last being in particular preoccupied with the way in which the concept globalisation appears and is used in different discourses. A major difficulty is that we cannot entirely separate the two views.

⁵ Helen Wallace defines Europeanisation as “the development and sustaining of systematic European arrangements to manage cross-border connections, such that a European dimension becomes an embedded feature which frames politics and policy within the European states” (Wallace, 2000). I

concept is not used as frequently now as it was just a few years ago, but maybe it is even more relevant now than before. We find periods of Europeanisation in Europe's early history, for instance with the Roman empire and in Europe in the 11th and 12th . century (Wallace, 2000). Yet, when we speak of Europeanisation in our time, it is mainly linked to the processes of European integration after the Second World War, in particular to the development of the European Community, now the European Union. These processes have now a concrete, institutional history of more than 50 years. It is in particular since the break down in 1989-90 of the division of Europe and of the Cold War that these processes have changed from being mainly West-European to becoming basically pan-European. In general, we know rather well what we mean when we talk of the processes of Europeanisation, and the history and character of European integration has been extensively described and discussed in a huge body of literature. Yet, we also experience great uncertainties in understanding the exact character of European integration, not least in the interpretation of the present situation of the European Union and its future line of development.

It is important to distinguish between two different perspectives on Europeanisation. In one perspective Europeanisation is treated as a *dependent variable*, i.e. as that which is to be explained. Thus, the major perspective is (as in the so called integration theories) how we explain the different processes in the formation of new internal coherence, for instance related to the formation of common social, legal and political institutions and common policies in Europe. In another perspective Europeanisation is treated as an *independent variable*, a variable on the basis of which one is to explain other phenomena. The major perspective is then on the consequences of

believe that this definition puts too much emphasis on cross-border arrangements. It is important to define Europeanisation in a way which makes it relevant for other periods in European history than the present. And it is important that we can speak of Europeanisation also as processes which take place within nation states. I believe, though, that this is included in my definition, although a more elaborate discussion would include a discussion of different dimensions of integration (see i.a. Kelstrup, 1992).

Europeanisation. There might be international as well as national consequences, and sometimes one might speak of “the Europeanisation of domestic politics” or “the Europeanisation of the nationstate”, implying a different perspective than the first, and thereby also implying different research questions.⁶

It is difficult, not only for academic analysts but also for practitioners as politicians, administrators and other social actors, to analyse the processes of globalisation and Europeanisation. A major difficulty which is relevant for analysts as well as for practitioners, arises because *the two processes, globalisation and Europeanisation, are undergoing simultaneously and are working in combination*. It raises important problems of interpretation, not only of the two processes, but of their combination. For instance, it is a major problem *whether - in relation to globalisation - the EU is “part of the problem or part of the solution”?* Europeanisation might be seen as furthering globalisation, but it can also be seen as a positive reaction to globalisation which makes it possible to exercise political influence on the ways in which globalisation transforms societies. Another

⁶ Thus, I agree with Börzel and Risse who state that Europeanisation is often used in the following two ways, and that the lack of clarity in regard to these different meanings has given rise to considerable confusion in the literature:

“1) On the one hand, scholars have used “Europeanization” to describe the “emergence and the development at the European level of distinct structures of governance, that is, of political, legal and social institutions associated with political problem-solving that formalizes interactions among the actors and of policy networks specializing in the creation of authoritative rules” (Risse, Cowels, and Caporaso, 2000:2). Others have referred to this process as “Europeification” (Andersen and Eliassen 1993) or “Vergemeinschaftung” (communitarisation). Here, Europeanization is the independent variable which impacts upon domestic processes, policies and institutions.

2) On the other hand, Europeanization depicts a “[a] set of processes through which the EU political, social and economic dynamics become part of a logic of domestic discourse, identities, political structures and public policies” (Radaelli 2000: 3, cf. Ladrech 1994: 69). Here Europeanization connotes the processes and mechanisms by which European institution-building may cause change at the domestic level”. (Börzel and Risse, 2000, 3).

It should be noted that we might distinguish in the same way in regard to globalisation. Thus, there is a difference between a perspective which focuses on the phenomenon of globalisation and tries to explain it, and a perspective which focuses on the effects of globalisation, for instance on domestic matters, and characterises these as consequences of the processes of globalisation. In the globalisation debate, the latter is dominant.

important problem is *whether participation in the process of Europeanisation implies that the participating states are bound to follow certain strategies towards globalisation?* These are some of the questions to be discussed in the following.

The contention of this analysis is that individual actors - states as well as non-state actors - are confronted with the problem of finding strategies in relation to both globalisation as well as to Europeanisation. An interesting approach to the topic could be to analyse in which ways different actors articulate their interpretations of the two processes and their strategies towards them.⁷ In practice it might well be questioned how consciously actors will develop and articulate their strategies. Very often practitioners do not have comprehensive analyses of their social situation and the major dynamic features of the social systems in which they participate, and it might be impossible to speak of or identify formulated strategies. In my view it is an important task - if one wants to develop an actor-oriented analysis - not only to analyse the articulation which actors have of their own situation and strategies, but also to attempt as an analyst to identify different implicit and possible strategies.⁸ In the perspective of this paper the task of an actor-oriented analysis is to identify implicit and possible strategies of actors in regard to such major processes as globalisation and Europeanisation, also in situations in which one cannot find much evidence of articulated strategies. In general, we might argue that it is a problem if actors do not have - or have very insufficient - interpretations of the social systems to which they relate, in particular a problem for themselves!

⁷ For analyses which aim at identifying discourses on globalisation and Europeanisation, see for instance Manners (2000) and Rosamond (2000).

⁸ By actor-oriented analysis I mean analysis which consciously try to identify not only social agents but also social actors and, eventually, also interpret the possibilities of action for a given actor or type of actor in regard to one or more social systems. Such analysis requires not only analysis of the social system in question, but also analysis of the processes which lead to the formation of social actors. Further, it is important to analyse the factors which influence their capacities and the possible roles the actors in question might have within the social systems.

One way in which social and political science can be of practical use, is to relate to the analysis that certain social actors have of specific social systems, either in clarifying or criticizing their analysis or, maybe, in expanding them..⁹

In spite of the somewhat “overloaded” problematique which is implied from the general questions just presented, the substantial practical questions implied should not be strange or unknown for political observers and practitioners. For instance, it is obviously a problem for a country like Denmark - having a very open economy and being already very integrated in the EU - not only whether Denmark should pursue further integration in the EU or not, but what kind of integration policy Denmark should follow. In the Danish debate it is also recognised as a major problem how to deal with different kinds of globalisation. Yet, it is a problem in which way one should understand the interplay of globalisation and Europeanisation. An important theme in the recent Danish debate on adherence to the Euro was whether we - in the discussion of EU's relation to globalisation - shall or shall not see the EU as a contribution to the management of the problems stemming from globalisation. Some regard in this perspective the EU as a means to ensure “globalisation with a human face”, others see the EU as “globalisation with a human facade”! Probably, there is a rather general agreement that important strategic choices depend on the way in which the interrelationship between globalisation and Europeanisation is interpreted.

In parallel, the Central and Eastern European states which have only recently gained or regained their independence from the Soviet Union and from communist dominance, have severe strategic questions to consider before accession to the EU a) in regard to their policies towards economic globalisation and b) in regard to their position within the overall European structure. They have to deal with the opening of their economies and thereby with the possibilities and

⁹ Obviously, there is a danger that the social science in question might be too linked to the interests of the actors.

effects of economic globalisation, but they also have to find, articulate and differentiate strategies in their relation to the EU. Maybe it is rather easy for many in the CEE-states to make *the first strategic choice: the wish to join the EU*. If they - above all - want to consolidate their regained openness and to prevent the possibilities of “sliding back” into past patterns of external or internal dominance, this is quite understandable. It is an important strategic choice none the less. Yet, it is obvious that the CEE countries (as all other countries) might have severe problems 1) in relation to their participation in a more globalised world, i.e. in relation to *globalisation*, and 2) in regard to which policies they shall pursue in regard to the more concrete development of the EU, i.e. in regard to the future *Europeanisation*. The difficulties involved in these processes, for instance related to unemployment, internal social problems, and emergence of new cleavages, are probably of a magnitude which surpasses Denmark’s problems in regard to globalisation and Europeanisation.

One might argue that the first strategic choice of the CEE states, the choice of applying for membership of the EU, might well too much hide other kinds of strategic considerations. It is necessary also for these states to choose which policies to follow in regard to globalisation and also which policies to follow within the EU - in regard to institutions and policy output - *after* a possible membership. In this perspective the decision to become a member of the EU may be seen as a rather big and unclear package of strategic choices that, if the overall strategy is successful, might well freeze the later situation as a member. That can be seen as a strategy for actors wanting a certain model for society.

The analysis below proceeds through the following steps: 1) a brief discussion of different meanings of globalisation, of effects which different kinds of globalisation might have on individual states, and of different strategies which states might pursue in response to what I call old and new globalisation; 2) a brief discussion of Europeanisation, i.e. of the character of the EU as a social

(economic, political and legal) system, of the present agenda of the EU, the effects which the development of the European Union might have on individual states and the strategic choices states might have in responding to Europeanisation; and 3) some perspectives on the interrelationship between Europeanisation and globalisation. On this basis the paper discusses 4) some of the strategic problems and dilemmas which individual states might have in dealing simultaneously with globalisation and Europeanisation, in particular the way in which membership of the EU and policies within the EU might represent a specific set of strategies in regard to globalisation. Finally, 5) the paper is concluded, also with a discussion of some of the questions which are relevant for further analysis and discussion.

2. Old and new globalisation

2.1. On the meaning of globalisation

As mentioned, globalisation can be understood as the formation or strengthening of social systems which essentially are beyond control of the individual state. Thus, in a broad sense, globalisation might be taken to refer to processes which undermine the ideal-type picture of a world system which consists of states with their “corresponding” societies and economic systems. Globalisation can be understood as processes which undermine what Ulrich Beck calls the “container theory”: the understanding that a state, a society and an economic system correspond to each other. Or, as mentioned, as processes of denationalisation.

Today, there is a huge and differentiated debate on globalisation, on different ways of understanding and interpreting the concept and not least on the many processes involved and their effects. I shall here only refer to a few perspectives. We might distinguish between different schools or basic attitudes towards globalisation. Using the terminology of Held et al. (1999) we might distinguish between the “*hyperglobalists*”, the “*sceptics*” and the “*transformationalists*” (Held

et al., 1999, 10). Basically, the *hyperglobalists* go very far in interpreting globalisation as signifying a new global age, the emergence of a new global economy, and a new global civil society, processes which inevitably lead to the end of the nation states. On the other hand the *sceptics* do not see processes of globalisation as very or essentially new. Globalisation is rather regarded as a new buzz word, sometimes as a fad, which is used to denote well known phenomena of international economic interdependence (or world capitalism) and internationalisation. Between these we find the *transformationalists* who accept that there are new dimensions to globalisation, that we are reaching historically unprecedented levels of global interconnectedness, and that these processes are transforming state power and world politics in important ways. Yet, as Held and McGrew remarks:

“In comparison with the sceptical and hyperglobalist accounts, the transformationalists make no claims about the future trajectory of globalization; nor do they seek to evaluate the present in relation to some single, fixed ideal-type ‘globalized world’, whether a global market or global civilization. Rather, transformationalist accounts emphasize globalization as a long-term historical process, which is inscribed with contradictions and which is significantly shaped by conjunctural factors” (Held et al., 1999, 7).

Without digging into the debate here, I shall take a point of departure in a transformationalist view which attempt to balance different perspectives. On the one hand it is, in a fundamental way, *not* new that we have an international economic system. One might reasonably argue (as many have done) that the relative economic interdependence (measured as crude trade and investment ratios) was as great at the end of the 19th century as it is in regard to trade and investment today. Thus, economic globalisation is in basic features not new, but at least as old as capitalism, maybe older. In parallel we might argue that some of the major problems of dealing

with economic globalisation - successfully or unsuccessfully - are equally old. Within capitalism we have for long experienced uneven development and processes of marginalisation. An interesting perspective is that in regard to strategies through which states can secure structural adaptation and competitiveness, states might learn from earlier “strategies of modernisation” (Senghaas, 1981).¹⁰

In this perspective I shall claim that we do have an “old economic globalisation”. But I shall also argue that there *are* new dimensions in the present process of globalisation. In the economic area we are experiencing an *unprecedented integration of the financial markets* and an extraordinary mobility of financial capital. We see the development of what sometimes is called a “*new economy*” in which information, knowledge and research has become a major factor of production and in which the ability to learn and adapt structurally is of major importance.¹¹ In addition, we see the emergence of “*risk societies*” and new problems in the public and private management of risks. To this we might add important dimensions in other aspects of globalisation, relating to ecology, culture and communication. Some of these processes are the result of much faster communication which changes the basic relations between *time and space*.

There are special problems in understanding political globalisation. In many ways globalisation in economic and other social systems affect “the political”. Yet, it seems far too simplified to claim that we experience a “political globalisation”- for instance in the form of emerging institutions able to exercise “global governance”.

¹⁰ Parts of the following discussion is inspired by Senghaas, 1982. It is interesting, not least to a Dane with interest in the possible fate of the welfare state under globalisation, to reflect on the experience of the Nordic countries in the last part of the 19th century and to see this development described as examples of structural adaptation which i.a. is successful because of a relatively just allocation policy (“Verteilungsgerechtigkeit”), Senghaas, 1982, 113ff. This is a perspective which at times seems to be forgotten.

¹¹ One might link the discussion of this to the change from a “fordistic” to a “post-fordistic” mode of production, see i.a. Brand et al., 48ff.

While we on the one hand do see important developments in regard to institutions and international regimes, we also see a transformation of what is and is not political, sometimes briefly described as a “dislocation of politics” (see for instance, Beck, 1998, 13ff). Further, there are important developments in regard to the globalisation of security. One might argue that security problems have - with the world wars, the Cold War and nuclear interdependence - been globalised rather early. Yet, with the new development of terrorism, we see a new escalation of globalisation in the security sphere, linking security and risk in a much more direct way than earlier.

One might add that globalisation is not global in the proper sense of this word, but has developed in a very uneven way. Some parts of the world seems more globalised than other parts. Another important perspective is that globalisation is closely linked to fragmentation, a revival of “the local” (“glocalisation”) and of different kinds of “*reactions*” to *globalisation*. It is, of course, an important perspective to understand in which way globalisation provoke new tensions and conflicts, not least in which way reactions to globalisation might cause new conflicts. This is, though, not the perspective of this paper.

2.2 Strategies in regard to economic globalisation

Naturally, individual states have major problems in regard to globalisation. *If* we interpret globalisation as mainly a new round of global capitalism, the problems of the individual states are rather similar to the problems which other states - and states in earlier periods - have had in regard to their position more or less in the “periphery” of capitalist development. The developmental policies of states might be characterised as different ways of reacting to the pressure of being marginalised (“Reaktionsweisen auf Peripherisierungsdruk”, Senghaas, 1982, 41ff). Basically, states might choose between different types of dissociative or associative strategies towards the new markets - with more or less success. Obviously, it is interesting to find out how some states and their national economies succeed in “catching” up with the economic

development of the more advanced economies even in situations where they had become somewhat marginalised. The Scandinavian countries might here be taken as examples of states which in earlier phases of economic globalisation actually managed to catch up and develop economically and socially.¹² Basically, the states which wanted to catch up, followed policies which combined autocentric development, adaptation and openness.

The “new” dimensions of globalisation seems to have changed this picture somewhat. Accepting a transformationalist view which interprets the new dimensions of globalisation as important and the discussion as having a new quality, we might see globalisation as a broad phenomenon which has been expanding fundamentally in the last fifty years. It is a process which has been supported, in particular, by a neoliberal ideology and policy. The pressures for open economies have grown as compared to other periods. With growing global competition it might be questioned whether it is still possible for individual states to follow autocentric or semi-autocentric economic policies. At the same time, the political pressure for political cooperation and for formulation of common policies, and even further for establishing international regimes or other systems of “governance” which can “regulate” the international economy, has grown.

In a crude picture we might claim that in the earlier phases of capitalism it was up to the individual states (if they could!) to define and pursue policies concerning the relationship of their primarily national economies to the international political system, but that the picture now - with the “new globalisation” - has changed. The changes away from national strategies might be exaggerated, and certainly it is still a major problem for states what they can do to further “their” economies. But the new globalisation does not leave as much room as earlier for autonomous state strategies, and the states

¹² For a differentiated analysis of the European experience, also the experience of the Scandinavian countries, see Senghaas, 1982.

(not least within the EU) have to abide to rather demanding rules of non-discrimination and free movement of factors of production. On the other hand, the new globalisation opens for possibilities of more regional regulation and “governance”, and also, to a certain degree, for more global regimes and “governance”.¹³ The major point here is that there are important, if not very clear, differences in the position of individual states in regard to “old” and “new” globalisation. A major change is that today the questions of international, regional or - maybe - global strategies are of greater importance than earlier.

It corresponds to this picture that the ideas of “global governance” have gained great importance in regard to the new globalisation. In a somewhat crude picture we might say that in the last decades the international political economy has become dominated by a *neoliberal strategy or ideology* which essentially contains a wide liberalisation of markets, including goods, capital and other factors of production. This political strategy concerning international liberalisation has also had an institutional side, mainly related to the basic thoughts and regulations within the Bretton Woods institutions (the World Bank, the IMF and GATT/WTO). These institutions have in many concrete ways contributed to the neoliberal strategy that some blame the EU for causing.

To a certain degree this movement has been met by other political trends. One of these emphasises the importance of “governance”, regional and global, and maybe also forms of governance which are more obliged to basic humanitarian goals. A major part of this question for “global governance” is carried by a *social-liberal strategy or ideology*.¹⁴ This strategy mainly reflects a *wish* for another kind of

¹³ It should be emphasised that this is a very tentative and insufficient observation of the effects of “new globalisation”. We need much more discussion and analysis on this point. For applicant countries this basic risk environment is just a part of the frame in which they have to decide anyway, also if no clarification is achieved.

¹⁴ We might also speak of a “social-democratic” strategy, since it is supported by many European Social Democrats. Yet, it is probably more exact to speak of a social-liberal strategy, emphasising that the strategy fundamentally accepts the liberalisation of economic markets. It should be added that it, obviously, is too simplistic only to speak of a neoliberal and a social-liberal global strategy. It will at

governance, and international institutions, regimes and actors can only to a limited degree be said to constitute effective systems of such more regulative “governance”. The ideas of “global governance” and also of “regional governance” are very important, and they can be seen as attempts to move in the direction of stronger governance systems, also making such policies part of the political options for the actors. But it shall also be included that in many dimensions we should rather speak of *ungovernance*, since we *lack* governance in regard to many aspects of the “new phase of globalisation”.

In some ways there is a paradox in the relationship between individual states and globalisation. We might claim that in the important, early phases of globalisation major policies are still formed at the state level. The states are themselves pursuing policies which lead to the opening of borders and thus to different kinds of globalisation. Yet, the states are also challenged by the developments that follow this opening of borders, this globalisation. In most areas the major response to these challenges have to come from the states themselves since they - still - are the most important social actors. Yet, from a certain stage of globalisation, the position of states to formulate and implement policies are undermined and transcended by globalisation.

Said differently, we find *two stages* in the position of individual states towards globalisation, although there might not in practice be any clear distinction between the two stages. First, the individual states are in the early phase of economic globalisation challenged to adapt their societies to the conditions of the world market. If we link the discussion to the new globalisation, we might say that they are challenged to adapt to the globalisation of the new economy. The pressure from competition will lead from internal conflicts about wages to what we paradigmatically might call “competing nation states”. The central problem in this phase of adaptation becomes:

this point in this paper complicate the picture too much to include further differentiations of strategies, but this should certainly be done in further analysis.

How can “our” state become competitive? How can our economy - and population - prosper? There are severe dilemmas in regard to such a competition between states. One dilemma is that the states might turn to protectionism, but that they, through this, eventually, initiate countermeasures from other states - with the overall danger of initiating a spiral of very counterproductive measures. If this option is excluded, other forms of adaptation is needed. For instance, a traditional wage-earner strategy is that unions press for higher wages. But “insight” from union leaders in the global competitiveness might lead to the understanding that in order to have a growing economy, lower wages might give advantages, in particular if the competitiveness is - at the same time - strengthened, and thereby result in higher real wages in the long run¹⁵. A tendency seems to be that the traditional strategies bound to class conflicts become corporative. A result is that the traditional labour market model with relatively independent organisations is substituted by a more or less consensus-oriented national system. And the strategies and competition moves from being *intrastate* to becoming *interstate*.

A second stage in the relationship between the individual state and the process of globalisation might appear, though, when it becomes difficult or impossible to decide what exactly belongs to the state’s economy. For instance, it might be a problem whether it is relevant to support the affiliations of a multinational company when it is known that the firm will transfer any profit from the state’s territory to its foreign stock holders. The competition between “our” economy and “other economies” loses its meaning when it is impossible to decide or control what is “ours” and what is not. One might say that in this second stage of economic globalisation the ability of the state to control the economy lessens, governments are undermined. In parallel one might claim that this makes regional or inter-regional

¹⁵ In modern states another competitive factor is the level and composition of the levied taxes, that as well as wage-restraints become a parameter on which the states compete. This parameter can, just as the protectionist barriers, be limited or excluded as a viable option through international cooperation, i.e. through minimum taxes or VAT in the EU.

(and maybe global) regulations more relevant.

There are very different perspectives for economic “modernisation” or “development” in relation to the first and second phase of economic globalisation. Of course, the discussion of modernisation and development is very complicated since both of these terms are problematic. We might argue that we have a need for a reinterpretation of these concepts in the light of globalisation (see also Hettne and Söderbaum, 1999). What I am arguing here is that the old discussion of different “*modernisation strategies*” of “*less developed*” societies should be linked to the new discussion about possible strategies in regard to different phases or degrees of economic globalisation. Obviously, we have not - in spite of critical views on an old-fashioned and ideological terminology - deconstructed all wishes for “modernisation” and “development”. Actors might have many motives, identities, powers etc., but prominent among these are also the wishes for prosperity and a stable, peaceful society. For all social groups a central question is: which kind of “modernisation” is wished for? For most it is an important problem whether it is possible - in an age of globalisation - to pursue a policy which links to the positive values of the “welfare state” or maybe only to the more moderate version which we find in the “social state”? Major problems are whether such a goal for modernisation is feasible, and central questions are whether the state - in order to reach such a goal - should pursue a policy which exposes the economy and society to processes of globalisation?

On this basis it becomes an important question whether a state in pursuance of “modernisation” and “development” should take part in regional integration. For European states this is in particular a relevant question, because the regional integration in Europe has developed very far. It is a strategic question with many implications whether it is more advantageous to follow a policy which includes participation in European integration than to follow a policy which keeps a takes “distance” to the integration in the EU? And a question linked to this is which kind of policy a state should choose to follow as

a member of the EU?

3. EU and the present process of Europeanisation

After these reflections on the way in which the “new” globalisation is challenging individual states, let us now turn to questions related to the process of ‘Europeanisation’. As mentioned already, I am using this concept referring to processes of economic, socio-cultural and political integration in Europe. I agree that it is interesting to study in which ways there has been transnational flows and different patterns of hierarchies and borders in Europe in earlier phases of history, and that it might also be relevant to use historical patterns in order to describe new developments (as for instance in the claim that Europe is becoming “neo-medieval”). Yet, my preoccupation in this paper is in particular with the recent and present development of the Europeanisation related to the European Union.

3.1. The EU as an unfinished project encompassing different goals and strategies

During the last half century we have seen the gradual emergence of the political, legal and economic set of formal rules, institutions and practices which we call the European Union. Today, we might well argue that the EU has become a new political system which authoritatively allocates resources among its members (Kelstrup, 1992, Hix, 1999). There is a major paradox in our understanding of the EU. On the one hand the practices of the EU are rather well known and described, often in great detail, in a large body of literature on European integration.¹⁶ On the other hand there are still major uncertainties and also basic differences in the interpretation of the character of this relatively new multidimensional entity.¹⁷

¹⁶ See for instance “standard” textbooks as Dinan, 1999, Peterson and Blomberg, 1999, and Rosamond, 2000a for further references.

¹⁷ Some still characterises the EU from an intergovernmental point of view. Others see the EU as, in practice, a federal system which is very close to having all the essential features of a state. Others distance themselves from the dichotomy between the intergovernmental and the federal and view the EU as a “new form of polity”, sometimes referring to it as a system of “multi-level governance”. Some

I shall not in this paper go into the discussion of the character of the EU and the very different approaches to understanding of politics in the EU (see i.a. Kelstrup, 1998 and Rosamond, 2000a). My major view is that we have seen a gradual and multidimensional institutionalisation of the EU as a very complex institutional and political system over a rather long period. We have seen the establishment of supranational structures along with intergovernmental structures and transnational structures in the EU. One of the major difficulties in the interpretation of the EU stems from this combination of the supranational, the intergovernmental and the transnational. Within the EU we have also seen the gradual emergence of an amazingly great number of very different decision-making processes (see Peterson and Blomberg, 1999). One basic pattern of decision-making in the EC/EU is intergovernmental negotiations. This has been supplemented by another basic pattern, the original “community method”. This is the system in which the traditional diplomatic, intergovernmental practices are supplemented by a strong, independent “negotiator”, more concretely embodied in the interplay between the Council of Ministers and the Commission, in particular characterized by the Commission’s right of initiative. These early EU decision modes have gradually been supplemented by elements of representative and corporate decision-making at the European level. Thus, one important development is that the European Parliament has gained considerable influence, a development which has moved the political system of the EU in the direction of a traditional federal state. Another important pattern in the EU is that of the EC Court of Justice (ECJ) which - through its interpretations of the treaties - actively has formed a “case law” based system which has contributed considerably to the European integration (Weiler, 1999). And in addition to this, national and

might even go as far as drawing a distinction between “state-like” political systems and “post-modern non-state polities”, thus interpreting the EU as a paradigmatic example of a “post-modern polity”. For discussions of approaches, see Kelstrup, 1998, Rosamond, 2000a.

transnational interest groups have gained important influence. Thus, the system as such has transformed the decision-making part of EU's political system into a very complex and "mixed" system which combine intergovernmental, supranational and transnational elements in a very unique and also rather dynamic way.

In the formation of the EU major steps have been taken in what we sometimes call *negative integration*. This is a purely analytical term which refer to the formation of free movement for goods, persons, capital and services through elimination ng of borders and other barriers. We have through the formation of the "common market" - and later supplemented with the single market and the legalisation thereof through the ECJ's practices - seen the emergence of a rather integrated European market economy. The latest - very important - step in this direction has been the realisation of the EMU and the introduction of the common currency, the Euro. In parallel to the intensive negative integration, yet somewhat later, the EC/EU has also developed *positive integration*. Also this is a purely analytical term, a term which refers to the acceptance of common, regulative policies in different issue areas. The EU today is a combination of negative and positive integration. In a brief formulation one might claim that the EU is *a neoliberal project*, namely in its realisation of negative integration, and *a social-liberal project*, namely in its realisation of many different kinds of common, regulative policies. Yet, even if one agrees on this, *it is still open for more exact interpretation and debate to which degree and in which areas the EU is respectively a neoliberal and a social-liberal project.*

To this we should certainly add that the EU - also today - is a very *unfinished project which does not have a clear final goal*. It is loaded with a very heavy agenda which - most likely - will lead to important internal transformations of the EU and most likely to a much enlarged EU. Thus, we can expect the EU to become an even more dominant political and economic system in Europe in the future. It is easy to enumerate major problems - or "challenges"- on EU's agenda. I shall return to this below. It is much more difficult to foresee the outcome

of the undergoing and foreseeable negotiations. Said in a different vocabulary: we can see that the EU is transforming itself - and thus *continuing the process of Europeanisation* - but we have great difficulties in describing the more exact pattern which will characterise the new and emerging European Union. Taking this as the general perspective, I shall give some views on how I see major features of the ongoing process of Europeanisation.¹⁸

3.2. The EU's latest developments and prospect for further Europeanisation

It has already been indicated that the European Union is in a new, very decisive phase, at the edge of taking further steps towards more intense economic and political integration. As mentioned, the EU is in a process of transformation, challenged with a very heavy agenda. On top of this agenda lies:

The EMU

A very important step in the European integration was the agreement in the Maastricht Treaty on the formation of the Economic and Monetary Union. Subsequently, the realisation in the beginning of 1999 of the third phase of the EMU, the so-called "Euro-cooperation" with the establishment of a common currency and a common set of institutions, represents an important step towards closer integration in Europe. It was in many ways a surprise that 11 of the EU-countries managed to start the Euro-cooperation. Analyses might differ concerning the prospects for the Euro-cooperation. Some see the most likely perspective as a relatively harmonious cooperation between the participating states, a cooperation which will lead to further cooperation and harmonisation. Others focus more on the many possible problems within the EMU, not least problems caused by unequal economic development within the EU or the reaction of

¹⁸ I have also discussed this in Kelstrup, 2000b.

EU's economy to "asymmetrical shocks". It is uncertain how the EMU will develop. Most likely important challenges will come when the EU runs into its first recession and serious economic crisis management is needed. We will most likely experience new problems and tensions in such a situation. A likely outcome is a growing "politicisation" of questions related to economic regulation and distribution - politicisation here understood as the emergence in EU's political system of disagreements on policies. We can expect, I believe, even further pressure for increased political cooperation (see also Kelstrup, 2000b). The reaction to such coming crises could well be important steps towards further integration, yet it could also easily be lack of political will to engage in common policies and thus a step backwards in the integration.¹⁹

The security development of the EU

The crisis in the former Yugoslavia and NATO's intervention in Kosova in 1999 did in many ways challenge EU's role in relation to European security. The crisis and subsequent war in Kosova exposed the European dependence of the US in the military field, and a reaction to the intervention has i.a. been for the Europeans to engage in further action within the security sphere. A spokesman for the Common Foreign and Security Policy has been appointed and it has been agreed that the EU in 2003 shall have a Rapid Reaction Force of 60.000 soldiers which can be used in crisis management and other "Petersberg tasks". The development of a European Security and Defence Policy (ESDP) was confirmed at the intergovernmental conference in Nice. Also in this area the general perspective is that the EU is taking important steps towards further integration. It is still uncertain how the ESDP will develop, whether the EU's action in military and security matters will be limited to peacekeeping or extend

¹⁹ This is true, I believe, quite independent of the position which Denmark has taken to stay outside the Euro cooperation, and Denmark will - notably - also as a non-Euro-member be affected by the future development. It is also unlikely that the fate of the Euro depends on whether the EEC-countries will or will not join the Euro cooperation.

beyond this, and how it will relate to NATO. The security dimension of the EU has in addition been challenged by the new security problems after the events of 11. September.

Cooperation in legal and home affairs: The creation of an “area of freedom, security and justice”

Since the Maastricht Treaty there has been intensified cooperation in legal and home affairs. In 1998 it was in the Amsterdam treaty specified as a goal to create an “area of freedom, security and justice”, and the Schengen Agreement was included in the Amsterdam Treaty. The initiatives have been followed with a plan of action and several declarations from the European Council. The policy field has developed into one of the most important for EU’s future cooperation.²⁰

The enlargement of the EU

A major perspective for the EU is that it is in a process of enlargement. At present 13 states, mainly from Central- and Eastern Europe, have applied for membership, and negotiations are going on with 12 of the applicant countries. A relatively tight schedule has been agreed upon for the process, and the Nice Treaty has included major adaptations in the EU institutions for the coming inclusion of more states. Even though in important parts of the EU there is scepticism towards aspects of enlargement, the commitments on future enlargement seems so established that changes in policy are unlikely. Enlargement can be understood as a very important perspective for the EU’s future. The positive perspective for Europe is that it is could be made possible, through the EU, to stabilise a peaceful, prosperous and united Europe. There are on the other hand many possible negative visions, for instance that the enlargement process will lead to frustrations, in particular in the

²⁰ See an elaborate description in DUPI, 2000, 145ff.

applicant countries. Enlargement might also create internal problems within the EU, making internal cooperation in the EU much more difficult, depending also on EU's institutional development.

Institutional change of the EU

The EU has undertaken new institutional changes at the intergovernmental conference in Nice in December 2000. The Nice Treaty was a result of intense negotiations, yet in many ways it only made small changes in EU's institutional structure. On the other hand, it did regulate important rules concerning voting weights for new members, and in this way it can be seen as a decision which makes the EU ready for the next enlargement. In Nice it was also agreed that the EU should discuss further institutional matters on an intergovernmental conference in 2004. Several leading politicians have in different ways formulated the wish for more fundamental institutional reforms in the EU, and this debate is now coming in pursuance of the Nice Treaty. It is clear that some of the leading participating members see a danger in having an EU with about 25 members if no additional institutional changes are made. This might lead to a loosening not only of the decision-making procedures in the EU, but also of the integration itself. A counter-move could be the constitutionalisation of EU's political structure and/or steps towards a more formal federation. This can be linked to a formal acceptance of the Charter of Fundamental Rights as part of a "basic law" for the Union. Thus, the most likely development seems to be that the process of institutional reform will continue at the next intergovernmental conference in 2004, and more generally that we can expect a continued pressure for further institutional Europeanisation.

4. The EU and globalisation

How are we then to interpret the interrelation between the process of Europeanisation and the process of globalisation? In the following I

shall very briefly discuss this and then return to some of the questions which individual states have in relation to the process of Europeanisation.

Obviously, the EU as it is today, has developed as part of a globalisation process. In so far as Europeanisation is the formation of economic and political - and maybe also social and cultural - systems which are beyond the control of the individual states, the Europeanisation is part of globalisation. On the other hand, some of the features of the EU might also be seen as responses to - in particular economic - globalisation. This shall be developed a little more in detail.

Basically, there are two very different perspectives on the EU and globalisation. In one perspective the EU furthers globalisation. The establishment of the “four freedoms” and other aspects of “negative integration” can, as mentioned, be seen as *parts of a neoliberal project* which furthers the free movement of different factors of production and increases the competition on the markets. The common European currency, the Euro, is also furthering this. Thus, the neoliberal part of the EU is not just something which was part of the early formation of the communities, it is still an important part of the EU and it is included in the present and future processes of Europeanisation.

On the other hand the EU has, as mentioned, in many ways developed “positive integration”, and in important aspects the EU is a regulative body which set standards in regard to goods, production, labour and environment, and also in regard to equal rights etc. By insisting on concerns with social aspects of labour, environment protection, health, employment, regional development etc., the EU is able to regulate aspects which could otherwise be neglected. There is an interesting tendency that the aspects of the EU which are directly related to “new risks” and “crisis management” lead to a very expansive, regulative policy (as it is seen at present in the BSE-case). If the Charter of Fundamental Rights becomes part of EU’s treaty and thus a basis for EU policies, this part of EU’s regulative policies could

be strengthened further. It seems reasonable - on the basis of this - to interpret the EU as being in important dimensions *a social-liberal project of governance*.²¹

To this one might add studies and observations about *EU's external policies*: EU's external agreements and its role in regard to other international actors and within international organisations. An important question in this regard is whether the EU is mainly to be seen as *part of a global, neoliberal project* which furthers economic globalisation also beyond the regional system of Europe, or whether the EU mainly is *an actor on the global scene which furthers "global governance" and the strategies of establishment of stronger and more regulative international institutions and regimes*. There are some signs that the EU - as an international actor, for instance within the WTO or within UN-conferences - is more oriented towards a social-liberal regulation (or *"globalisation with a human face"*) than other actors. One could also point to the EU's very comprehensive practice of establishing regulative agreements with other states or organisations (for instance other regional organisations). On the international arena, the EU might well be regarded as a "regime builder". Yet, this said, it seems obvious that *EU's global policies are relatively weak and unarticulated and that EU's actual policy is a mixture of a neoliberal globalisation strategy and a social-liberal global governance strategy*. One might add that although the EU has a very strong resource basis, it must still be characterised as *a rather weak international actor*, mainly because of the relative lack of internal coherence. One of the implications of the interpretation above of the perspectives for further Europeanisation, in particular of the Common Foreign and Security Policy but also in the economic field, is that this might change, and that the EU might become a stronger - and maybe even a very strong - external actor. Yet, as it is today, one still has to take severe reservations in characterising the

²¹ It should be discussed further what the essential elements are in the kind of regulative policy which is developing in the EU.

EU as a strong international actor.²²

It seems fair to accept that EU has important potentials in regard to management of borders and of processes of transnationalisation (see also Wallace, 2000). And it is interesting to take a speculative view and try to identify functions and policies which the EU could have in regard to the different dimensions of globalisation, also bringing this in closer dialogue with the policies in different issue areas. Obviously, the EU can (and does in some areas) 1) act protectionist, even in spite of international agreements (cf. disagreements within the WTO, in particular on EU's agricultural policy, i.e. regarding 'hormone beef'). The EU might also 2) increase the negotiating power of the participating states (or be relatively independent of the interests of some of the states) and thereby have important influence on changes in future international regimes. Moreover, the EU might 3) act as a role model for handling transnational processes by creating viable models as it has already done in some of its external agreements. And finally the EU can 4) develop new policies and come up with creative contributions to future regulations and future crisis management.

These are some important but rather vaguely identified aspects of EU's potential role in regard to different aspects of globalisation. In general, the EU has a very ambivalent relationship to the processes of globalisation. As a political entity, the EU constitutes a mixed political system in which competing forces are working. The EU is formed by neoliberal forces and follows a strategy which furthers liberalisation and denationalisation. But at the same time the EU is also formed by a social-liberal/social-democratic strategy which furthers the establishment of stronger "governance structures". This is true for EU's internal structures and in regard to EU's role in the international system. Fundamentally, the *EU still is a "battle ground"*

²² It might be stressed that it, in particular, will be relevant for the EU to choose its policies vis a vis the United States. If the new administration in the US follows an active, neoliberal foreign policy in combination with a "multilateralism à la carte" (as there are indications of), the EU might well have a serious dilemma in regard to cooperation or contestation in relation to the US.

on which neoliberal and social-liberal strategic projects compete, and it is a battle ground on which other, rather diffuse, global strategies might appear. It is not difficult to point to examples of conflicts between a neoliberal and a social-liberal strategy. It is, for instance, obvious in the competing discourses and policies on competition vs. environment, or market access vs. consumer protection. It is much more difficult to generalise about the relative strength of the two competing projects which I have identified here and the major internal conflicts in the EU.²³ Basically, the EU can be seen as an “open arena”, although not an arena without already institutionalised norms and institutions which represent some power structures. *If* one supports the development of the EU into a much stronger, regulative structure for regional governance and a much stronger role for the EU in regard to the institutionalisation of institutions of global governance, this would imply further European integration. Yet, it is also important that it is not *any* strengthening of the EU which leads to a stronger governance structure in or outside the EU. In addition, it is not *any* stronger governance structure which furthers the relative weight of social and human concerns.

5. Strategies of individual states towards Europeanisation

5.1 On integration policies

It is in itself an important and interesting topic to study the policies of individual states towards the processes of Europeanisation. I have at other places argued that in the study of state’s policies towards integration - “integration policies” - we are dealing with a topic which only partially, and only in relation to early states of integration, can be

²³ It shall be admitted that the identification of the competing projects is somewhat superficial in this paper. The perspective of analysing competing projects is, though, very relevant, and it is possible to pursue this perspective of strategy analysis much further. See in particular Johansen, 2000

considered as foreign policy.²⁴ If states have to choose whether to join an integration project, this might also be considered as a matter of foreign policy. But in the process of “adaptation” - before and after membership - domestic concerns are included to a degree which, in the end, not only leads to a dissolution of the distinction between domestic and foreign policy, but to a redefinition of the political arena and a diffusion of the old, nation state decision-making process.

As I have described elsewhere there are different dimensions of integration policies: “We might distinguish between *different dimensions of integration policies*. One aspect of a state’s integration policy towards a more or less integrated unit relates to its participation or non-participation in the new unit, for instance by *becoming a member* or not. Other aspects relates to the problems which a state has - when it has become a member - in defining and pursuing more concrete integration policies. Thus, a second aspect of integration policy relates to the state’s (or actor’s) *position* in the integration system, for instance whether it is a powerful or weak member, what rights it can claim for itself, whether it places itself in the centre of the decision-making structure or at its margin etc.²⁵ A third aspect refers to the views that the state/actor in question might have in regard to *changes* in the institutionalisation of the new integration system. Actors might have very different views on the preferable future of the integration system, and an important part of an integration policy has to do with the ways in which the state/actor in question attempts to influence the future institutionalisation of the integration system. A fourth aspect has to do with the wishes which a state/actor might have about the integration system’s *internal policy*

²⁴ For a broad discussion of integration policy, see Kelstrup 2000a. For a discussion on the basis of adaptation theory, see Mouritzen et al., 1996.

²⁵ It is somewhat unclear what we exactly mean by “position”. It is assumed, though, that the integration system has some kind of structure, and that an actor has at least some choice in “positioning” itself within this structure. But it should be discussed further how one can reach a more clear view of this aspect.

output, i.e. its political output in relation to the participating societies. We might here distinguish between the economic, socio-cultural, legal, political, military, and possibly other aspects of the policy output and relate these distinctions to sector policies. Thus, also the policy which a state/actor might wish to be pursued in regard to a specific sector - for instance in regard to participation in further economic integration, in regard to the character of the environmental policy of the new entity, or in regard to its security policy - is part of its integration policy. Finally, an aspect of integration policy has to do with strategies and policies in regard to the new unit's *external policy output*, i.e. its policies as an entity towards different subsystems in its external environment, towards other states, towards international organisations, or for instance towards external negotiations or crises."(Kelstrup, 2000a, 103-104).

5.2 Does membership of the EU represent a strategy in relation to globalisation?

It was argued above that the globalisation today includes not only old forms of economic globalisation but also qualitative new dimensions, new economic dimensions (for instance in relation to global finance), but in particular an intensification of other kinds of social systems across national borders, i.a. many different forms of denationalisation. In this process the situations of individual societies and states are being - or have been - changed. In a way this follows from the way we define globalisation: the establishment of social systems beyond the control of individual states will (tautologically!) lead to less control to states. But the view is presented in combination with a postulate that this is actually what we are experiencing.

A not quite as trivial observation was that the strategic question which states earlier (in regard to "early globalisation") have had concerning the kind of developing strategy has been changed considerably. One aspect is that the states might not be able to pursue state-based policies (which they might have had difficulties with earlier as well). Another is that a "semi-autonomous" (partially

delinked) growth strategy might not be feasible. Another again is that questions related to external forms of governance have grown in importance. In general, perspectives of global governance could grow in importance if international regimes were sufficiently strong, but perspectives related to *regional governance* are, in particular, becoming important. The discussion above on the situation and prospects of Europeanisation lead to the conclusion that for European states, questions of EU governance are extremely important, and that the prospect is that this is increasing very fast. How are then the problems which states have in regard to “new” globalisation compared to the problems that they have in regard to Europeanisation? How are they, we might further ask, to form their strategies in view of the dual strategies of the EU in regard to globalisation?

One way of approaching this question might be to ask another question, namely: Does membership of the EU represent a strategy in relation to globalisation? It follows from the analysis above that the answer to this question - in some aspects - is positive. The membership of the EU does in many ways prevent state interference in markets. EU’s negative integration does lead to intensified competition on markets and - in some respects at least - on labour markets. It is also, through the EU, prohibited to give national support to own industries. In many other ways, national “modernisation strategies” are undermined and integrated into a broader EU-modernisation project. So, the EU does represent a strategy which at one and the same time accepts globalisation and - to some degree - prevents certain state-based strategies towards globalisation. National regulations and policies are not totally excluded, but limited in important aspects.²⁶ So, *the EU excludes some strategies towards*

²⁶ It is interesting to discuss in which ways it - within the regulations of the EU - is still possible through state policies to strengthen a state or a society open to globalisation. For instance, support for research and education is not excluded. General advance in welfare policy is still possible (if not too costly). Maybe competition on “general knowledge-based infrastructure” is becoming more and more relevant. The promotion of education and full time employment for women is also a strong possible strategy, whereas the competition on low security for the work force and loose environmental policies

globalisation whereas others become feasible.

On the other hand, the EU - ambiguously - offer strategies in regard to globalisation which would not exist without the EU. As argued, within the EU it is not yet determined *which kind of strategy* in regard to globalisation that will be dominant. The EU can, as described, be interpreted as a battle ground for fights between different strategies, primarily, a fight between a neoliberal and a social-liberal (and social-democratic) strategy, yet also with sporadic inclusion of other strategies. One consequence is that it is of growing importance for the EU states to engage in the formulation and institutionalisation of different strategies within the EU.

Said differently: a choice of integration in the EU and the acceptance of the process of Europeanisation, is to accept rather much globalisation. It *could* at the same time be an engagement in other political projects - for instance projects of regional (and partially also global) regulation or, maybe, of other kinds of regulative projects. But whether such strategies will be successful or not, is rather uncertain. The choice of membership is a choice which excludes some and includes other national modernisation strategies.

On the other hand: what are the alternatives? Staying outside the EU is not equal to staying outside globalisation. And in relation to modernisation, some of the national strategies are probably problematic, even if they can be pursued. The choice of staying outside the EU might not imply that national strategies are feasible. They are affected by ofglobalisation. And in addition, there seems to be a tendency that European states outside the EU might well be bound through their agreements with the EU to accept the EU policies. For instance, it is not quite clear which "extra policies" towards globalisation Norway or Switzerland have which EU members do not have. Influence of national policies shall not be excluded (and there might be a tendency to do so in speaking about globalisation). But the situation seems to be that *if* the neoliberal policy continues to

be the dominant policy of the EU, then states - confronted with globalisation and Europeanisation- are exposed to a *negative choice or dilemma*: The dilemma of either accepting neoliberal practices outside the EU or to accept them, in a little different form, within the EU.

The *positive perspective* can be, though, that the establishment and success of the EU might become a major contribution to establishing “governance” in Europe, and even further, that the EU becomes a contribution to a positive development towards “global governance”, and maybe even “global governance with a human face”! The possible positive perspective in such a social-liberal vision of the EU is that globalisation in “our age” challenge the nation state, but that regional integration - and in particularly the development of the EU - emerges as a project which compensates for the loss of steering capacity in the state and thus as a major contribution to a “necessary” change of regional and global political structures. EU is, so to say, in this positive, social-liberal perspective a new actor with new possibilities, and therefore it is also an actor in which many can place their hopes for solutions to major global problems. The major vision in this approach is that EU can be developed politically, and that it constitutes an alternative to the an “inhuman” globalisation, the kind of economic marketisation which is furthered by neoliberals.

This interpretation - in which Europeanisation is seen as at least partially a solution to major problems of globalisation - includes at least two dilemmas. One dilemma is that it is rather difficult to know whether the EU will develop in the one or the other direction. As mentioned, it is a possibility that the vision of an EU as a “solution” to major problems of globalisation, remains a naive vision, while the reality might be that the EU just furthers and accelerates the process of globalisation.

Another dilemma is even more serious and has to do with the basics of a social-liberal ideology applied on a regional and global level. Very many will argue that the establishment of “governance” and regulative structures at the regional level (or beyond) represents

a serious danger of illegitimate and undemocratic dominance. Lack of representation, lack of obligation to basic democratic values etc. might prove to be very high costs of an increased capacity of governance on a supranational level. Therefore, it could be argued, *there are in relation to globalisation as well as Europeanisation two great dangers, one of lack of governance, another of illegitimate and unjust governance.*

Obviously, the debate on these problems should be continued. In an era of globalisation and Europeanisation it is of major importance to study - also on the basis of political theory - *how legitimate governance can be established "beyond the nation state"*. And this is not only a theoretical problem, it is a very practical problem, for instance for actors dealing with the future political structure of the EU.

6. Conclusions

In general, the discussion above has tried to analyse major features of the two processes, globalisation and Europeanisation. It has been accepted that processes of globalisation are "real" in the sense that they refer to important and ongoing transformations which have old as well as qualitatively new dimensions. These processes challenge individual states in what was once considered their "modernisation strategies" or "development policies", and they do in many ways undermine the national character of such policies, making policies of regional or global governance more relevant.

More concretely, European states are challenged by the process of European integration. This process has been interpreted as ambivalent or dualistic in regard to neoliberal and social-liberal ideology, but should at the same time be understood as being in a very intensified phase. Thus, European states - members and non-members of the EU - are confronted with the important and still unsolved question about how the EU's future policies should be, i.a. in relation to globalisation. One prospect is that the EU will further and

intensify globalisation pressures. Another is that the EU might develop to represent a system of regional governance with an important global role.

An overall conclusion is that much depends on the political process in Brussels, on the future intergovernmental conferences, but not least on the social and political practices within the EU. In many ways it is becoming even more important politically than before how EU's future development will be, and the perspective of pursuing different policies *within* the EU has growing importance.

Let it be added that a major purpose of this paper was to contribute to the difficult task of bringing the discussions on globalisation and Europeanisation together. As it has been illustrated, this task is not easy, at least not to the present author. It might be useful to reflect a little on "problem areas" in which we still need better conceptualisation as well as empirical investigation. Here are some questions that I find of particular relevance:

- In the debate on globalisation, is it possible - on the basis of interpretations already given above - to get a more precise understanding of different aspects of 1) economic globalisation and 2) the importance of other forms of globalisation? How can we differentiate between different positions of different states/societies in regard to different forms of globalisation?
- Is it possible to develop the thoughts on "modernisation" and "development" - in a period of globalisation - so much that one can specify different strategies (national, regional and international/global) and possibly make these applicable on the position which different states have within the global structure?
- How can we get at better and more applicable interpretations of "major strategies" of global and regional governance?
- In regard to the study of European integration: how can we "transcend" the debate between the intergovernmentalist interpretation and the "multi-level governance" approach and

get a better interpretation of the dynamics at play in EU's development? How does the perspective which look at different political strategies within the EU fit in such an endeavour?

- Evidently, we can be more exact in characterising EU's basic policies in regard to economic globalisation, but what will be the result of such an endeavour?

- How can the general debate on strategic choices in regard to the EU be linked to empirical analysis of the debates within different European societies, in member states as well as in applicant states?

- It has been shown that the problems of policies towards globalisation as well as the problems which states have in defining their "integration policies" lies beyond traditional foreign policy. How can we develop concepts which clarifies this transformation? And how can we include in our understanding that these "new" policies still have to be formulated by actors and in institutional contexts in which traditional concepts of foreign policy might dominate?

Obviously, many other important questions could be asked. One reason for enumerating some important questions here is to indicate that the paper represents reflections on an important topic. More developed analysis should include more detailed study of the way in which each individual state is related to economic and other kinds of globalisation, the degree to which national policies still can be effective, the options and conditions in regard to membership in the EU, and evaluations of the likelihood of alternative developments of the EU. Even with more detailed analysis, we are in relation to some of these topics dealing with great uncertainties. In a rather fundamental way we are, when dealing with the kind of topic treated in this paper, doomed to make rather tentative and general analyses.

Literature

Andersen, Svein S. and Kjell A. Eliassen (eds), 1993: *Making Policy in Europe. The Europeification of National Policy-making*. London: Sage.

Beck, Ulrich (Hrsg.), 1998: *Politik der Globalisierung*. Frankfurt am Main: Suhrkamp.

Beck, Ulrich, 1999: *Was ist Globalisierung? Irrtümer des Globalismus - Antworten auf Globalisierung*. Frankfurt am Main: Suhrkamp.

Brand, Ulrich et al., 2000: *Global Governance. Alternative zur neoliberalen Globalisierung*. Münster: Westfälischen Dampfboot.

Branner, Hans and Morten Kelstrup (eds.), 2000: *Denmark's Policy towards Europe after 1945: History, Theory and Options*, Odense: Odense Universitetsforlag.

Börzel, Tanja A. and Thomas Risse, 2000: "When Europe Hits Home: Europeanization and Domestic Change". *EUI Working Paper*, RSC, no. 2000/56.

Cowles, Maria Green, James A. Caporaso and Thomas Risse, 2000: *Transforming Europe. Europeanization and Domestic Political Change*. Ithaca, NY: Cornell University Press.

Dinan, Desmond, 1999: *Ever Closer Union?* London: Macmillan.

DUPI, 2000: *Udviklingen i EU siden 1992 på de områder der er omfattet af de danske forbehold*. København: DUPI.

Friis, Lykke, 1995: *Challenging a Theoretical Paradox: The Lacuna of Integration Theory*. Copenhagen: CORE working paper 2/1995, also published in *Global Society*, Vol. 11, no. 3, 1997, pp. 359-381.

Hay, Colin, 2000: "Globalisation, European Integration and the Contingent Convergence of European Social Models". Paper for the UACES conference in Budapest, Hungary, 6-8. April 2000.

Held, David, Anthony McGrew, David Goldblatt and Jonathan Perraton, 1999: *Global Transformations: Politics, Economy and Culture*, Oxford: Blackwell Publishers.

Hettne, Björn and Frederik Söderbaum, 1999 : "Towards Global Social Theory", *Journal of International Relations and Development*, Vol. 2, no. 4, pp. 358-368.

Hettne, Björn; Andreás Inotai & Osvaldo Sunkel (eds.), 2000: *The New Regionalism and the Future of Security and Development*. Basingstoke: Macmillan.

Hix, Simon, 1999: *The Political System of the European Union*. London: Macmillan.

Johansen, Helle, 1998: "Exploring the Colour of the Beast: Hegemony and Political Projects in the European Union", in Wivel (ed.), 1998.

Johansen, Helle, 2001: *Exploring the Colour of the Beast: Competing Models of Capitalism in the EU* (Thesis). Copenhagen: University of Copenhagen, Institute of Political Science.

Kelstrup, Morten, 1992: "European Integration and Political

Theory". In Kelstrup (ed.): *European Integration and Denmark's Participation*, Copenhagen: Copenhagen Political Studies Press, 1992, pp. 13-58.

Kelstrup, Morten, 1998: "Integration Theories: History, Competing Approaches and New Perspectives", in Wivel (ed.), 1998, pp. 15-55.

Kelstrup, Morten, 2000a: "Integration Policy: Between Foreign Policy and Diffusion", in Branner and Kelstrup (eds.), 2000, pp. 100-138.

Kelstrup, Morten, 2000b: "Danish Integration Policies: Dilemmas and Options", in Branner and Kelstrup (eds.), 2000, pp. 414-439.

Kelstrup, Morten, 2000c: "Legitimacy, Democracy and the European Union: Perspectives in the normative discussion of EU's future political structure", CORE working paper, 2000/1, Institute of Political Science, University of Copenhagen.

Kelstrup, Morten, and Michael C. Williams (eds.), 2000: *International Relations Theory and The Politics of European Integration: Power, Security and Community*, London: Routledge.

Ladrech, Robert, 1994: "Europeanization of Domestic Politics and Institutions: The Case of France". *Journal of Common Market Studies* 32 (19): 69-88.

Manners, Ian, 2000: "Between Europeanisation and Globalisation: The European Union as problem or solution". Paper presented at the UACES Conference in Budapest 6.-8. April 2000.

Mouritzen, Hans, Ole Wæver and Håkan Wiberg (eds.), 1996: *European Integration and National Adaptation. A Theoretical*

Inquiry, New York: Nova Science Publishers.

Peterson, John and Elizabeth Blomberg, 1999: *Decision-making in the European Union*, London: Macmillan.

Risse, Thomas, Maria Green Cowles and James A. Caporaso, 2000: "Introduction" in Cowles et. al., 2000.

Radaelli, Claudio, 2000: "Whither Europeanization? Concept Stretching and Substantive Change". *European Integration on-line Papers* 4 (8): <http://eiop.or.at/eiop/texte/2000-008a.htm> .

Rosamond, Ben, 2000a: *Theories of European Integration*. London: Macmillan.

Rosamond, Ben, 2000b: "Europeanization and Discourses of Globalization: Narratives of External Structural Context in the European Commission", Paper presented at the ISA in Los Angeles, 14-17. March 2000.

Senghaas, Dieter, 1992: *Von Europa lernen. Entwicklungsgeschichtliche Betrachtungen*, Frankfurt am Main: Edition Suhrkamp.

Staire, Peter, 1999: "Globalisation, the State and European Economic Integration". *Journal of European Area Studies*, Vol. 7, no. 1, 1999, pp. 39-53.

Väyrynen, Raimo (ed.), 1999: *Globalization and Global Governance*, Oxford: Rowman and Littlefield Publishers.

Wallace, Helen, 2000: "Europeanisation and Globalisation: Complementary or Contradictory Trends?" *New Political Economy*, Vol. 5, no. 3, 2000, pp. 369-382.

Weiler, J. H. H., (1999): *The Constitution of Europe. "Do the new clothes have an emperor?"* Cambridge: Cambridge University Press.

Wivel, Anders (ed.), 1998: *Explaining European Integration*, Copenhagen: Copenhagen Political Studies Press 1998.

Zürn, Michael, 1998: *Regieren jenseits des Nationalstaates: Globalisierung und Denationalisierung als Chance*. Frankfurt am Main: Suhrkamp.