
***Globalisation, European Integration and the Discursive
Construction of Economic Imperatives***

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Abstract

While studies of globalisation proliferate in the social sciences, we remain relatively under-informed about discourses of globalisation and associated issues of power and knowledge. These issues come to the fore in the light of the intensive deployment of particular rhetorics of globalisation and European integration within policy-making, journalistic and corporate communities. This tendency has been pronounced in Western Europe during recent years. For example, it has become something of a popular truism that globalisation spells the demise of the era of inclusive social provision in Europe. With increasing interdependence and heightened competition amongst nations, it is frequently assumed that the welfare state of the post-war period has been rendered an indulgent luxury. Similarly in European Union policy circles, we find the argument that globalisation presents a series of devastating challenges to established national modes of governance and moreover that a neoliberal variant of integration is the most viable form of engagement with the new global economic imperatives. While such assertions are manifestly vulnerable to empirical challenge, it is also evident that forms of welfare retrenchment and market-driven expressions of integration and ‘Europeanisation’ are continuing apace. This paper seeks to contribute to and develop an ‘ideational institutionalist’ understanding of the appeal to external economic constraints (such as globalisation and European integration) within contemporary European public policy and political economy. In that respect it engages with the ‘orthodoxies’ of the globalisation hypothesis, but at the same time recognises the power inherent in that discourse. Through an attempt first to map the range of discourses of globalisation and European integration in contemporary Europe and then to chart the (frequently) strategic deployment of such discourses in Britain, France, Germany and Italy, the paper attempts to move beyond an understanding of globalisation discourse as simply the linguistic expression of exogenous interests. It shows how ideational structures become institutionalised and normalised and thereby socially construct conceptions of ‘the possible’ amongst political actors.

Keywords: globalisation, European integration, discourse, economic constraint, rhetoric, ideational institutionalism.

Globalisation: ideational and material constraints

Globalisation is invariably presented and analysed as a set of principally economic, but above all *material*, processes and practices, serving to effect a more or less epochal transformation of contemporary capitalism.* In this context, a paper which focuses attention upon the discursive construction of globalisation as a set of external economic constraints with attendant political imperatives might seem, at best, a rather marginal enterprise. For surely the key issue of analytical concern is one of collating and adjudicating the empirical evidence for and against the ‘material reality’ of globalisation and the constraints it is seen to imply. This, at any rate, has been the dominant assumption in the existing literature, with ‘radicals’ and ‘sceptics’ alike setting out their respective positions in opposition to one another through a series of more or less casual appeals to the (highly contested) ‘material’ evidence (amongst the more systematic appeals to the evidence see, for instance, Allen and Thompson 1997; Held et al. 1999; Hirst and Thompson 1999; Kleinknecht and ter Wengel 1998; Perraton et al. 1997).¹ The result has been the inevitable profusion of literature trading claim and counter-claim.

It is certainly not our intention to question the extent to which our knowledge of the empirical phenomena associated with claims of globalisation has been enhanced in this way. Nonetheless, we will argue that something quite significant is lost in this overly restrictive emphasis upon material indices of globalisation and on arguments which such indices might adjudicate.² The implicit supposition which seems to underlie much of the sceptical or second-wave literature seeking to expose the ‘myth’ or ‘delusion’ of globalisation, is that a rigorous empirical exercise in demystification will be sufficient to reverse the tide of ill-informed public policy made in the name of globalisation. Sadly, this has not proved to be the case. For however convinced we might be by the empirical armoury mustered against the hyperglobalisation thesis by the sceptics, their rigorous empiricism leads them to fail adequately to consider the way in which globalisation comes to inform public policy-making. It is here, we suggest, that the discourse of globalisation — and the discursive construction of the imperatives it is seen to conjure along with attendant fatalism about the possibilities for meaningful political agency — must enter the analysis. For, as the most cursory reflection on the issue of structure and agency reveals, it is the ideas actors hold about the context in which they find themselves rather than the context itself which informs the way in which they behave (Hay 1999a, forthcoming a). This is no less true of

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¹ The use of the terms ‘radicals’ and ‘sceptics’ to refer, respectively, to those committed to, and those resistant to, the hyperglobalisation thesis is from Giddens (1999). On the ‘casual empiricism’ of much of the ‘first wave’ or business school hyperglobalisation literature see Busch (2000); Hay and Marsh (2000).

² Please note, this does not imply that material indices have no place in the analysis of globalisation, merely that the insights they might bring must be supplemented by a consideration of other issues which cannot be resolved in this way.

policy makers and governments. Whether the globalisation thesis is ‘true’ or not may matter far less than whether it is *deemed* to be true (or, quite possibly, just useful) by those employing it. Consequently, if the aim of the sceptics is to discredit the political appeal to dubious economic imperatives associated with globalisation, then they might well benefit from asking themselves why and under what conditions politicians and public officials invoke external economic constraints in the first place. It is to this task that we direct our attentions in this paper.

Yet at the outset a certain word of caution is perhaps required. For, even if we accept the potential causal role that ideas about globalisation might play in the structuration of political and economic outcomes, we may be in danger of narrowing the discursive field of our attentions at the outset. The ideas policy makers use to legitimate and/or to rationalise their behaviour should not simply be seen as more or less accurate reflections of the context they perceive (based on more or less complete information). Nor should discourses be understood as necessarily and exclusively ‘strategic’ (i.e. as relating to situations in which an actor’s employment of a discourse correlates directly to particular material interests).

Discourse matters in at least two respects. The way in which actors behave is not merely a reflection of the degree of accuracy and completeness of the information they possess; it is also a reflection of their normative orientation towards their environment and potential future scenarios. Thus the constraints and/or opportunities which globalisation is held to imply might be understood (or misunderstood) in very similar ways in different (national) contexts. Yet such understanding are likely to provoke divergent responses from political actors with different normative orientations and diverse institutional contexts. Put simply, though actors may share a common understanding of the process of globalisation, they may respond very differently to its perceived challenges and threats depending on whether one regards the future it promises in a positive or negative light – witness the still ongoing debate within the governing SPD in Germany between supporters of Schröder and Lafontaine (see Lafontaine 1998; Lafontaine and Müller 1998; Schröder 1998; and for a commentary Jeffery and Handl 1999), or that in France between Bourdieu, Forrester and anti-globalisation groups like ATTAC on the one hand and social liberals within the Parti Socialiste on the other (see Bourdieu 1998; Boudieu and Wacquant 1999; Forrester 1999; and for a commentary Bouvet and Michel 1999; Meunier 2000). Within the European Commission, there is evidence to suggest that common understandings of globalisation can be quite consistent with distinct conceptions of the capacity to exercise meaningful agency as actors take up quite different ‘subject positions’ in relation to globalisation (Rosamond, 1999; 2000b).

It is important, then, at the outset that we consider the *potential* causal role of ideas about globalisation in the structuration of political and economic outcomes.³ Our central argument is, we think, likely to prove controversial. It is simply stated, though its implications are more complex. Essentially, we suggest, policy makers acting on the basis of assumptions consistent with the hyperglobalisation thesis may well serve, in so doing, to bring about outcomes consistent with that thesis, *irrespective of its veracity* and, indeed, *irrespective of its perceived veracity*. This provocative

³ The conditional tone of this should be emphasised: that specific sets of ideas may exert a causal role obviously need not entail that they do in any specific context over any given period of time.

suggestion with, if warranted, important implications, clearly requires some justification (see also Hay 1999b; Rosamond 1999, 2000b, 2000c).

Globalisation has become a key referent of contemporary political discourse and, increasingly, a lens through which policy-makers view the context in which they find themselves. If we can assume that political actors have no more privileged vantage point from which to understand their environment than anyone else and — as most commentators would surely concede — that one of the principal discourses through which that environment now comes to be understood is that of globalisation, then the content of such ideas is likely to affect significantly political dynamics.

Consider tax competition between states. The hyperglobalisation thesis suggests that in a globalised context characterised by the heightened (in some accounts, the free) mobility of capital, vicious competition between states will serve to drive down the level of corporate taxation (Razin and Sadka 1991a, 1991b; Tanzi and Zee 1997; Tanzi and Schuknecht 1997).⁴ Accordingly, any failure on the part of a state to render (and to continue to render) its corporate taxation levels competitive in comparative terms, through (a succession of) tax cuts, will result in a punitive depreciation in net revenue as capital exercises its mobility to exit. There is precious little evidence to substantiate the thesis nor the parsimonious if implausible assumptions upon which it is based (see, for instance, Quinn 1997; Schulze and Ursprung 1999; Swank 1998).⁵ Yet, the irony is that if governments believe it to be true, or find it to their advantage to present it as true, they will act in a manner consistent with its predictions, thereby contributing to an aggregate depreciation in corporate taxation — whether they are right to do so or not. The process itself is outlined schematically in Figure 1.

⁴ It is chastening to note that the optimal rate of taxation on income from capital in small open economies, in such models, tends to zero.

⁵ Such as complete information and instantaneous exit at no cost to capital. For a more detailed discussion see Hay 2001a.

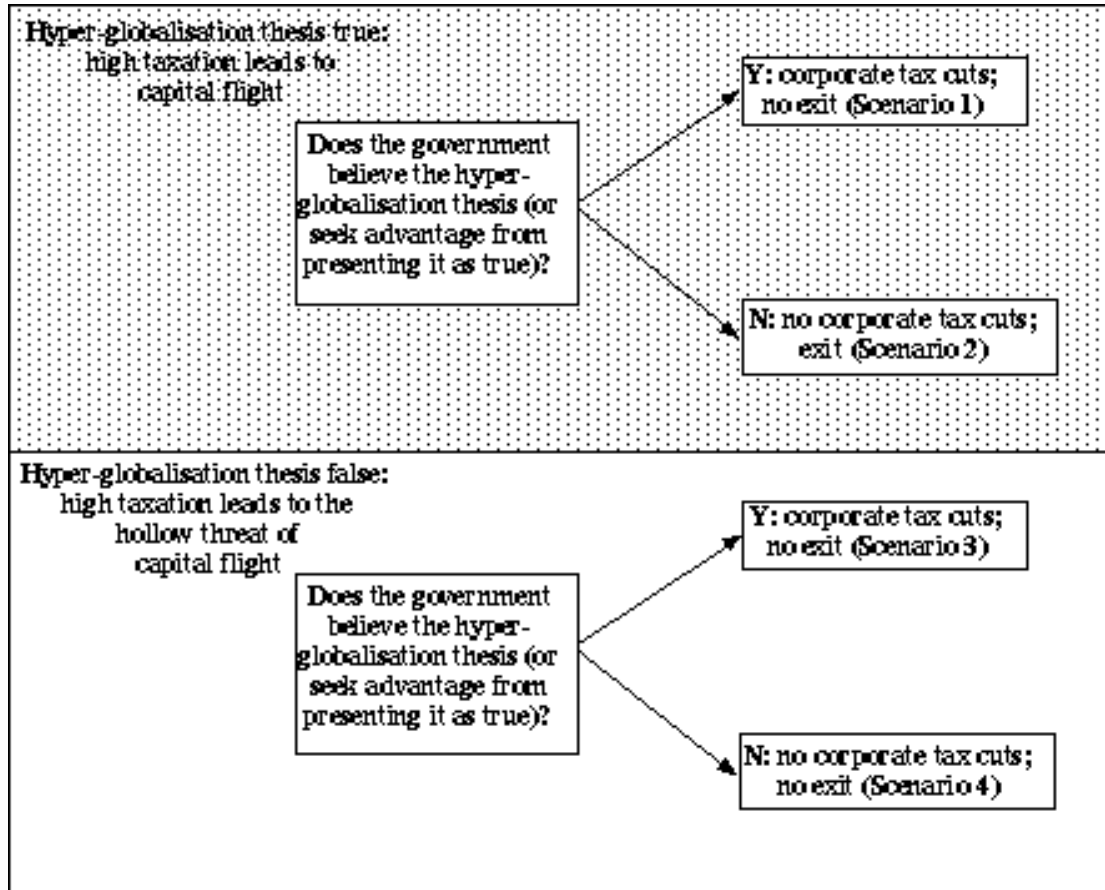


Figure 1: The causal significance of ideas about globalisation

The question of intentionality is here a key issue and a consistent theme of the paper. It is important, at the outset, that we differentiate between the internalisation of a discourse of globalisation as an accurate representation of the relevant ‘material’ constraints and the more intentional, reflexive and strategic *choice* of such a discourse as a convenient justification for policies pursued for altogether different reasons. In the first scenario ideas about globalisation might be held to be constitutive (in part) of the perceived interests of political actors; in the latter, they are more of an instrument device deployed in the promotion of a set of extant preferences and (perceived) interests.⁶ There is plenty of evidence, as we shall see, of actors deploying particular rhetorics of globalisation in the attempt to justify often unpalatable social and economic reform. Whether this should be interpreted as evidence for an unreflexive internalisation of a discourse of external economic constraint or as an exercise in responsibility-displacement is an interesting methodological conundrum to which we return presently.

Returning to the example of tax competition, if we envisage a (purely hypothetical) scenario in which the hyperglobalisation thesis were accurate, the free mobility of

⁶ It is perhaps important to state at this point that, for us, interests are, in essence, a perceptual matter. The question under discussion here is not, then, the degree to which interests might be said to be discursively constituted, but the degree to which discourses of globalisation play a part in that process of constitution. Our argument is that this varies and that discourses of globalisation may be more or less constitutive of the perceived interests of contemporary European political elites. We are extremely grateful to an anonymous referee for inviting us to clarify our position on this crucial point.

capital would indeed serve to establish tax competition between fiscal authorities seeking to hold onto existing investment whilst enticing mobile foreign direct investors to relocate. The price of any attempt to buck the trend is immediate capital flight with consequent effects on budget revenue. In such a scenario any rational administration aware (or assuming itself to be aware) of the mobility of capital will cut corporate taxes with the effect that no exit will be observed (scenario 1 in Figure 2). Any administration foolish enough to discount or test the mobility of capital by retaining high levels of corporate taxation will be rudely awakened from its state of blissful ignorance by a rapid exodus of capital (scenario 2). In a world of perfect factor mobility, then, the learning curve is likely to prove very steep indeed.

Yet this is to assume an entirely unreflexive and non-instrumental attitude towards the discourse of globalisation. It is important that we also consider a modification of scenario 1 in which the administration in question does not regard globalisation as a significant external constraint but perceives strategic advantage from presenting it in such terms. The outcome would, of course, be the same — corporate tax cuts (pursued for whatever ends), no observed exit and a seeming confirmation of the hyperglobalisation thesis.

Assume instead that we inhabit a world in which the mobility of capital is much exaggerated and in which capital has a clear vested interest in threatening exit even where that threat is scarcely credible, and the scenario unfolds rather differently. Here, fiscal authorities lulled into accepting the hyperglobalisation thesis by the (ultimately hollow) exit threats of capital, or disingenuously presenting globalisation as a convenient external economic constraint, will cut rates of corporate tax, (falsely) attributing the lack of capital flight to their competitive taxation regime (scenario 3). Yet, were they to resist this logic by calling capital's bluff they might retain substantial taxation receipts without fear of capital flight (scenario 4). The crucial point is that if we observe reductions in net corporate taxation over time with minimal evidence of capital flight we are incapable, on the empirical evidence alone, of adjudicating between scenario 1 in which the effects of the globalisation thesis are indeed true and scenario 3 in which the globalisation thesis is a hegemonic delusion. We are also incapable of differentiating between the ingenuous and the disingenuous appeal to globalisation as an non-negotiable external economic constraint.

This is but one example. What it, and others like it, suggest is that the discourse of globalisation may play a crucial independent role in the generation of the effects invariably attributed to globalisation and invariably held to indicate its logic of inevitability (Hay and Watson 1998; Hay, Watson and Wincott 1999).⁷ In a context in which direct corporate tax rates have fallen over time — and in which that process has been linked publicly to the constraints imposed by globalisation (Blair and Schröder 1999: 167; Schwanhold and Pfender 1998: 21-2; cf. Lafontaine 1998: 5) — this is a

⁷ It might plausibly be suggested that one can only speak of such an effect in situations in which the constraints of globalisation are genuinely perceived to exist and directly inform political conduct. Yet this would be an overly hasty judgement. The causal chain certainly runs differently in situations characterised by the duplicitous appeal to globalisation, yet here too ideas may play a key role. For policies which might not otherwise be deemed legitimate (and hence credible) are rendered more palatable electorally (and hence more sustainable politically) in and through the appeal to the hyperglobalisation thesis. In such situations there is likely to be an independent effect on political outcomes of ideas about globalisation, even if that effect is rather less direct.

not insignificant point.⁸ This in turn suggests the importance of differentiating clearly between: (i) the effects of globalisation itself; (ii) the effects of having internalised popular constructions of globalisation; and, indeed, (iii) the strategic and disingenuous appeal to globalisation as a convenient justification for unpalatable reforms. All too frequently the second is mistaken for the first; the third discounted altogether.

And it is easy to see why. For the effects of having internalised or deployed strategically assumptions about globalisation may, in time, become almost as entrenched as if they were produced by an inexorable globalising logic. The effects of tax competition are, after all, no less real if informed by assumptions about the mobility of capital which are demonstrably false. Moreover, once established, the momentum of a process such as tax competition may be difficult to halt. Does it matter, then, whether the effects frequently attributed to globalisation are direct products of the demonstrable ‘material reality’ of globalisation or of more or less accurate constructions of globalisation’s assumed imperatives or of an entirely duplicitous appeal to globalisation’s convenient exigencies? Whilst in one sense it may not (the immediate outcome, after all, is the same), in another the difference is extremely significant. In one account we identify an inexorable and fatalistic unfolding economic ‘logic of no alternative’ operating beyond the control or purview of political actors whom we might hold accountable for its consequences. In the other two we have an open-ended, contingent and — crucially — political dynamic to which potentially accountable agents might be linked (see also Hay 2000). Differentiating between the effects of globalisation on the one hand and the effects of dominant discourses of globalisation and the use made of such discourses on the other is, then, an integral aspect of restoring notions of political responsibility and accountability to contemporary political and economic dynamics. It is a prime motivation for much of what follows.

Globalisation and European integration as contested discursive fields

Thus far we have tended to assume that there is a single, hegemonic and largely unquestioned conception of globalisation present and prevalent within contemporary Western Europe. Whilst the essentially neoliberal and market-conforming conception of globalisation as an external economic constraint is certainly the dominant one, it is by no means the only one. Indeed, as Ben Clift has recently suggested, the future of the European social model may turn on contested conceptions of “the implications of globalisation for social democratic egalitarianism (and in turn redistribution) and for the role of the state in the economy” (2000a: 67). It is thus important that in the sections which follow we turn our attention to alternative constructions of globalisation and, from those, to something already alluded to — namely, the appeal to European integration (or ‘Europeanisation’) rather than globalisation as an alternative and largely external economic constraint. We examine each family of discourses comparatively, drawing on cases from current ESRC funded research conducted under the *One Europe or Several* Programme.

⁸ Despite a marked tendency for direct (and hence headline) rates of corporate tax to fall in recent years, once subsidies are factored into the analysis the overall burden of taxation on firms has in fact remained fairly constant, rising marginally since the mid 1980s (Swank 1998).

In order to do so, however, it is first important to say something about the relationship between structure, agency and strategy in relation to ideas about globalisation and to differentiate clearly between our own appeal to globalisation as *discourse* and to globalisation as *rhetoric*.

Globalisation as discourse; globalisation as rhetoric

Thus far we have tended to look exclusively at ideas about globalisation as discourse. By this we refer to way in which globalisation has come to provide a cognitive filter, frame or conceptual lens or paradigm through which social, political and economic developments might be ordered, narrated and rendered intelligible. To identify discourses of globalisation is, then, to point to the existence of structured sets of ideas, often in the form of implicit and sedimented assumptions, upon which actors might draw in formulating strategy and, indeed, in legitimating strategy pursued for quite distinct ends (Hay 1999a). In this sense, discourses of globalisation exist independently of the actors who draw upon them. They provide, as it were, an ideational context — a repertoire of discursive resources in the form of available narratives and understandings at the disposal of (here) political actors. Our use of the term discourse refers, then, to the organisation of meaning through dominant forms of knowledge. These are, in turn, linked to broader matrices of social practice. In developing a discourse analytical approach, our concern is to understand how actors develop and draw upon “interpretative schemes and shared worlds of meaning in the reproduction of discursive structures and legitimation” (Jabri 1996: 94). As some other students of globalisation discourse have noted: “[d]iscourses provide an arena within which people take up subject positions and identities, create relations to one another and construct worldviews. From this perspective, a major characteristic of discourses is their ability to map out what can be said, thought and done about different aspects of life — discourses generate ‘effects of truth’” (Hansen, Salskov-Iversen and Bislev 2000: 5).

As this would suggest, an analysis which confines itself exclusively to discourses of globalisation is overly structural, giving insufficient attention to the active and frequently creative role of agents in the formulation of ideas which may become sedimented as discourse. It is actors, after all, who fashion understandings and offer legitimations of their conduct, even if they do so in discursive circumstances which are not of their own choosing. Control over knowledge about globalisation is an issue of the highest stakes. This brings us to discourse as rhetoric. By this we refer to the strategic and persuasive deployment of such discourses, often in combination as means to legitimate specific course of action, policy initiatives etc. (see also Rosamond 1999, 2000b). It is to the specific relationship between discourses and rhetorics of globalisation that we turn in the following pages. We begin by attempting to map the field of discourses of globalisation in contemporary Europe, albeit in a somewhat stylised manner and at the risk of some simplification, by identifying four alternative discourses of globalisation. These are outlined schematically below and summarised in Table 1.

1. Globalisation as external economic constraint

This, as we have suggested throughout, is the dominant conception of globalisation today. It associates globalisation with the near perfect mobility of capital (and, in

some accounts, all factors of production) and with a variety of attendant economic imperatives for state actors. It implies and assumes a world of rigorous tax competition lubricated by flows of capital, of an intense struggle for locational competitiveness secured principally on the basis of cost reductions, welfare retrenchment, labour market flexibilisation and the removal of supply-side rigidities — in short, market-conforming deregulation. Within Europe this discourse is most clearly associated with Britain (and to a lesser extent, Ireland) and with New Labour and the advocacy of the so-called ‘third way’ in particular. Illustrative examples abound. Thus, in Robin Cook’s terms:

“The economy is becoming ever more global. Trade is growing at twice the speed of production. British Airways does its backroom work in Bombay, while a baker in South Yorkshire is taking on fifty new staff because his baguettes are selling so well in France. Yesterday’s solutions will not work for tomorrow” (speech to the Institute of European Affairs, Dublin, 3 November 1997).

Similar sentiments are expressed by Blair:

“The key to New Labour economics is the recognition that Britain .. [has] to compete is an increasingly international market place ... Today’s Labour Party, New Labour, is the political embodiment of the changed world — the new challenges, the new economics and the new politics” (speech to the BDI Annual Conference, Bonn, 18 June 1996).

And, again, this time to a domestic audience, “we understand that in a global market place, traditional national economic policies — corporatism from the old left — no longer have any relevance” (speech to the CBI Annual Conference, Harrogate, 11 November 1996). This clear invocation of globalisation as non-negotiable external economic constraint is by no means confined to Britain, however. Globalisation, conceptualised in this way, provides the clear backcloth to the Blair/Schröder paper on the Third Way/Die Neue Mitte: “In a world of ever more rapid globalisation ... we need to create the conditions in which existing business can prosper and adapt, and new businesses can be set up and grow” (1999: 163). Similarly, the opening paragraph of the Presidential Conclusions to the Lisbon Special European Council of March 2000 reads:

“The European Union is confronted with a quantum shift resulting from globalisation and the challenges of a new knowledge-driven economy. These challenges are affecting every aspect of people’s lives and require a radical transformation of the European economy” (Presidential Conclusions, Lisbon Special European Council, 23/4 March, ¶. 1).

The purchase of this particular discourse of globalisation would seem considerable.

2. Globalisation as the threat of homogenisation

If the first (and still dominant) discourse presents globalisation as an opportunity for those prepared to adapt themselves to its logic of economic compulsion, then the second presents an altogether different image. Globalisation is again presented as an

ongoing, indeed largely inexorable, process of economic change. Yet where the first discourse concerns itself primarily with the political consequences which, broadly speaking, it welcomes and enthusiastically embraces, the second associates globalisation with pervasive cultural flows which threaten to dissolve national distinctiveness. Globalisation produces not diversity, heterogeneity and the cross-fertilisation of cultures liberated from spatial confines (as in some triumphalist accounts), but precisely the converse — the tyranny of a largely American cultural imperialism. Such a conception of globalisation as a colonising imperialism is increasingly influential in France and has come to be associated with a distinctive anti-globalisation movement, spanning sheep farmer, José Bové's Confédération Paysannes, Charles Pasqua's new 'souverainiste' party of the right, the *Ressemblement pour la France*, and a host of new social movements and anti-globalisation protesters whose intellectual leadership comes from the likes of Pierre Bourdieu and Viviane Forrester. Yet, this discourse is unlikely to remain on the margins of French political debate. For, due to its clear popular resonances, such anti-American, anti-imperialist sentiment is increasingly being taken up by both Jospin and Chirac who feel the need to woo the anti-globalisation movement in the long run-up to a likely presidential election in 2002. The discourse itself is well-illustrated in *Le Monde* which, in a recent editorial (entitled 'Vive le Roquefort libre?'), entreated its readers that "resistance to the hegemonic pretences of hamburgers is, above all, a cultural imperative", going on to note "McDonald's red and yellow ensign is the new version of America's star-spangled banner, whose commercial hegemony threatens agriculture and whose cultural hegemony insidiously ruins alimentary behaviour — sacred reflections of French identity" (cited in Meunier 2000: 107).⁹

Despite the rhetoric and, indeed, the reality of resistance, there is a certain sense of fatalism about the process of globalisation depicted here. This was earlier reflected in the public sector 'strikes against globalisation' (as they came to be known) of December 1995 (*Le Monde's* headline on 7 December 1995 read 'La première revolte contre la mondialisation'). Two things are immediately striking about these outpourings of resistance to the prevailing tide of social and economic reform. First, though motivated ostensibly by a protest at the consequences of the refinancing of social security to help meet the Maastricht convergence criteria, it was globalisation rather than European integration which became the focus of mobilisation and resistance. This marks a clear displacement and distancing of the protestors from the more proximate cause of their concerns and anxieties. As Raghu Krishnan notes, the "protest movement became a generalised revolt against the overall social and economic orientation of government and business over the last fifteen years ... it was a cry of desperation and anger against growing unemployment and the phenomenal rise in homelessness, poverty and violence in the country" (1996: 2). Second, and as this suggests, equally remarkable was the sense of fatalism that the protestors exhibited. As George Ross notes, "the strike's immediate objectives were to hold onto a world

⁹ As the journalist John Lloyd put it recently, "the rest of the world, the French believe, is globalising in a monochrome, American way." The French presidency of the Council, he suggested, was likely to be characterised by efforts to galvanise the historic entente between France and Germany as a means to resist external dependence, both economically and culturally, on the United States: "France has the vigour and self confidence to launch Europe as an alternative to the US — as democratic, as successful in the market as the transatlantic hegemon, but possessed of a distinct system of values rooted in a social and Christian democratic tradition that it wants to retain" (2000: 39; see also Meunier 2000). The failure, for now, of that strategy is well-evidenced by events at the Nice European Council.

that seems more and more unmasterable, and not to promote reform and change” (1996: 27). Similarly, as Krishnan again suggests,

“the overriding message of the strike and social movement is that the right-wing offensive of cutbacks and layoffs is not the ‘only possible economic policy’ as the French and almost everyone else have been told ad nauseum in recent times. It was a stiff rebuke to those who say ‘there is no solution’” (1996: 3).

Yet, accurate though this observation undoubtedly is, it misses a key aspect. For the strikes against globalisation were, as much as anything else, a strike against the lack of a perceived alternative. Put another way, the fatalism of this discourse reflects a particular ‘subject position’ vis-à-vis globalisation. In this case globalisation is pernicious, yet agency in pursuit of alternatives is chronically constrained.

3. Globalisation as a desirable yet contingent outcome

A third and altogether different discourse of globalisation has emerged in recent years, largely from Anglophone capitals (on both sides of the Atlantic) and from certain sections of the financial and business media. As in the first discourse, it presents globalisation as a desirable process. Yet, in stark contrast to the invocation of globalisation as a non-negotiable external economic logic, it acknowledges what it sees as the fragile and contingent quality of this process of economic transformation. In so doing it seeks to defend globalisation as a political and economic project whose now contingent logic must be protected, preserved and promoted and thereby rendered necessary and (once again) inexorable. Examples are legion. In Europe this discourse is most clearly associated with the New Labour government in Britain. Interestingly, however, it is a discourse presented not for domestic consumption in the legitimisation of social and economic reform (for here a discourse of external economic constraint is retained), but for international consumption in international fora (deployed in the clear attempt to mobilise support for the reform of international institutions which might be made more conducive to a neoliberal regime of global governance).¹⁰ Blair’s speech to the World Economic Forum in Davos earlier this year is a particularly significant example. In it he launches a sustained defence of the trade and capital liberalisation agendas he associates with the (benign and beneficial) process of globalisation, in response to the challenges arising from Seattle and the Asian financial crisis respectively. With respect to the former, he argues:

¹⁰ The presence of two starkly opposed discourses of globalisation in the rhetorical political economy of New Labour (in, for instance, the speeches of Blair and Byers) might be taken as evidence of a highly strategic (even duplicitous) attitude towards globalisation as external economic constraint. It is nonetheless important to emphasise that it is only relatively recently — and exclusively in international fora — that prominent ministers has invoked globalisation as anything other than a non-negotiable external economic constraint. As argued elsewhere, whilst New Labour’s rhetorical schizophrenia suggests that it has become increasingly reflexive about the constraints globalisation might imply, this is still a very recent phenomenon. It would be wrong to see the party’s consistent invocation of globalisation as a non-negotiable external economic constraint since the mid 1990s as a purely strategic exercise in responsibility displacement for its gradual conversion to the tenets of neoliberalism (for a more detailed genealogy of the party’s appeal to external economic constraints see Hay 2001c; see also Coates; Hay forthcoming b).

“Our conclusion should not be that open markets and free trade are wrong. The worst thing we could do for developing countries would be to shelve the trade liberalisation agenda and sit back while trade barriers were re-erected around the globe. The right conclusion is that we have an enormous job to do to convince the sincere and well-motivated opponents of the WTO agenda that the WTO can be, indeed is, a friend of development, and that far from impoverishing the world’s poorer countries, trade liberalisation is the only sure route to the kind of economic growth needed to bring their prosperity closer to that of the major developed economies” (speech at the World Economic Forum, Davos, Switzerland, 28 January 2000).

Similarly, with respect to capital liberalisation and, this time, in response to the Asian financial crisis, he argues:

“Once again, this should not lead us to conclude that open capital markets are not an appropriate objective for the longer term. I believe they are ... The forces of change are pervasive and fundamental; .. they require nations to adapt and reform with equal rapidity; .. though the role of government may be new, its ways of working radically different, it has a role and our citizens know it and want the role performed” (speech at the World Economic Forum, Davos, Switzerland, 28 January 2000).

Similar sentiments were expressed by Stephen Byers in, if anything, even more forthright terms in his opening plenary address to the WTO ministerial meeting in Seattle in November 1999.

“There are those who say that globalisation and trade liberalisation are innately harmful, bringing benefits only to a handful of multinational corporations, widening the gap between the richest and poorest, threatening the environment and undermining social structures. Such people can be found at all stages of human history, casting doubt on progress and pointing to the ills it allegedly brings while ignoring the benefits ... By working together we can confound the critics and show that globalisation and liberalisation together can be a decisive force for good. But in our countries we need to work at convincing our people that this is to be welcomed rather than feared” (plenary address, WTO ministerial meeting, Seattle, 30 November 1999).

A similar orientation towards globalisation is apparent in the approach taken by successive European Commissioners for trade. Both Pascal Lamy and his predecessor Leon Brittan cite external imperatives as a rationale for ‘Europeanisation’, but in both cases this ‘Europeanisation’ should take a neoliberal form:

“ Globalisation, a key element of which is international commerce, facilitated by the liberalisation of trade and investment, is not a zero-sum game where some lose what others gain. It is to my mind a win-win process, as post-war economic history shows. Europe has profited from it, and will continue to do so, provided that it preserves its long term competitiveness, its capacity for innovation, and its social market economy ... I know that part of public opinion in Europe focuses more on the risks than the benefits of globalisation.

Such opinion is concerned about possible instability, aggression, loss of identity. I do not share these concerns, but we have to take on board these worries and seek to convince our fellow European citizens that the answers lie in the quality of our own internal policies and in progress towards multilateral rules. We must not allow globalisation to become an alibi, or to be seen as a malign influence” (Pascal Lamy, speech ‘Globalisation: a win-win process, Brussels, 15 September 1999).

Brittan’s diagnosis of the causes of the Asian financial crisis was also telling:

“the real cause of the problems today in Asia and elsewhere is not excessive trade liberalisation, or the freeing of international financial flows, but the imperfect application of the market economy and the distortion of liberalising policies” (‘The Challenges of the Global Economy for Europe’, speech to Vlerick Annual Alumni Meeting, Ghent, 1998).

Thus, in these accounts globalisation is presented as simultaneously ‘a good thing’ *and* an external challenge. The form the challenge takes is, predominantly, liberalisation. The appropriate response through which the benefits of globalisation will be reaped is the promotion of further openness and liberalisation (in this case at the European level).

4. Globalisation as a contingent and undesirable outcome

A final discourse presents globalisation again as a contingent and potentially fragile project, but now one promoted by certain sectoral interests to the detriment, in particular, of the ‘European social model’. This discourse has proved particularly influential in contemporary French political debate and is likely to be given a further boost by the recent proliferation of anti-US/anti-globalisation sentiment. Clearly this particular discourse blends into the second discourse identified above. Nonetheless, the two are, we contend, clearly distinguishable, placing their emphasis rather differently. For, whereas the discourse of globalisation as cultural threat tends to be associated with a pervasive cynicism and scepticism about all transnational political and economic initiatives (whether regional or genuinely global), this latter discourse tends to promote the process of European integration as a bulwark against the undesirable consequences of globalisation. This discourse is particularly prevalent amongst the pro-integration French left around Jospin himself, though it can certainly be traced back to the Mitterrand government’s appeal to the ‘contrainte extérieure’ it encountered in the early 1980s and the need to remain within the European Monetary System if it were to protect itself from a logic of external economic constraint associated with globalisation (Schmidt 1997a, 1997b).

Within this particular discourse, then, globalisation may indeed come to act as an external economic constraint, yet it is one that is chosen and is thus, to a considerable extent, self-imposed. As Vivien Schmidt notes, from the late 1980s onwards, “in place of an overall legitimating discourse of the left or the right, successive governments continued to use the rhetoric about the need to rise to the challenge of Europeanisation as a guard against the threat of globalisation to justify continued industrial reform” (2000: 67). Prevalent, indeed increasingly prevalent, though such a view would seem to be in France, it is by no means confined to French political

debate. However marginal his views have now become, Oskar Lafontaine shares with Jospin a similar conception of European integration as a means of preserving the distinctiveness of the European social model from the neoliberalising imperatives which would come from an open embrace of globalisation. As he argues,

“ A downward race between countries is ... by no means an inevitable consequence of globalisation. It is the result of a misconstrued policy and can be corrected ... To avoid the further erosion of our economic, social and cultural foundations, we must rethink current economic policy ... The political foundation of the European Union is an economy based on social and ecological responsibility. This market economy could operate as a useful model for a regulatory framework of the new global economy” (1998: 2-3).

Indeed, in this respect his views may not differ markedly from those of Schröder, who seems, at least at the time of writing, to inhabit a rather ambivalent position between this discourse and that of globalisation as a logic of economic compulsion and ‘modernisation’.

	Positive consequences anticipated	Negative consequences anticipated
Inevitable/inexorable process (non-negotiable)	1 — globalisation as external economic constraint	2 — globalisation as threat of homogenisation
Contingent process or tendency to which counter-tendencies might be mobilised	3 — globalisation as a political project which should be defended	4 — globalisation as a political project which must be resisted

Table 1: Discourses of Globalisation

Globalisation and European Integration

As the above discussion suggests, where external economic constraints are appealed to, these are not always associated with globalisation. In a number of contemporary European contexts, it is the process of European integration (often in the immediate form of the Maastricht convergence criteria) which are (or have been) invoked as the proximate cause of often painful social and economic reforms elsewhere legitimated in terms of globalisation (Hay, Watson and Wincott 1999).¹¹ Of course, whether to appeal to external economic constraints (whether genuinely or disingenuously acknowledged) is itself a political choice.¹² The clear benefit in so doing is to displace responsibility for otherwise unpalatable reforms. These might be rendered more acceptable if presented either as a contribution towards a more general and beneficial outcome (such as membership of the Single European Currency) or as the very condition of continued economic growth in a harsh economic environment no longer conducive to the social cohesion and political generosity of a bygone era (as in appeals to globalisation).

In an obvious sense there are clear benefits for public policy-makers seeking legitimation for potentially unpopular reforms in the rhetorical strategy of appealing to transnational processes beyond their ability to control. Yet at the same time there are trade-offs, since there is also clear political capital to be gained (or retained) from maintaining the perceived capacity to shape political and economic processes (whether domestic or transnational). This trade-off is particularly stark for economies, such as France, Germany and, possibly, Britain whose governments might plausibly claim a capacity to influence, even to shape, the process of European

¹¹ On the broader relationship between globalisation and EMU see Verdun (2000).

¹² It is important to be clear about this. Whether external economic constraints are believed to be significant is an ontological matter and not, in any obvious sense, a matter of choice. Yet whether or not to acknowledge such constraints (where they are perceived to exist) and whether or not to invoke disingenuously such constraints (where they are not perceived to exist) is a matter of choice. The very fact that this is so makes it very difficult to establish whether constraints are genuinely perceived or not. We cannot assume that public statements about, say, globalisation or European integration accurately reflect an administration's sense of the constraints such processes imply. The methodological problem this presents is, in one sense, intractable and inherent in an analysis of public discourses. Nonetheless, where (as in the British case) the rhetorics of globalisation deployed by the very same politicians are incommensurate, there are clear grounds for suggesting a strategic appeal to such rhetorics.

integration. In seeking to justify to their electorates reforms which are likely to prove both politically contentious and socially divisive, do they invoke external economic constraints (such as globalisation) over which they can legitimately claim no decisive influence or do they appeal to constraints (such as European integration) in whose authorship they would claim a key part?

This is, in the end, an empirical question. In the following paragraphs we explore the rhetorical appeal to both globalisation and European integration as external constraints and as contingent political projects in Britain, France, Germany and Italy in recent years. We summarise and attempt to map schematically the use made of such rhetorical strategies in Figure 2.¹³

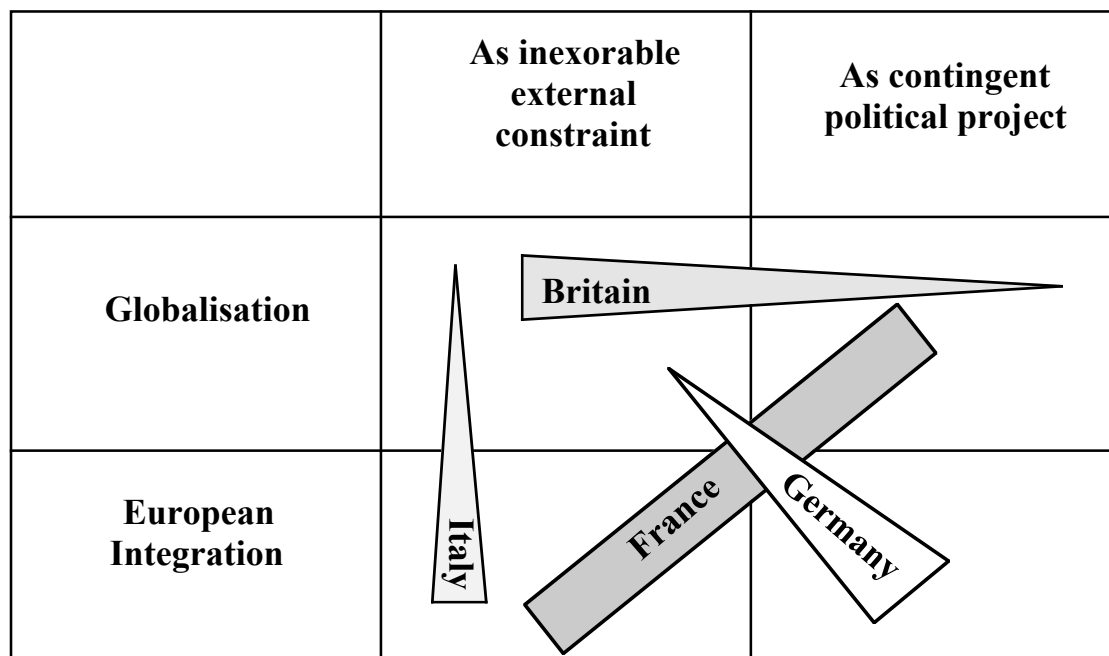


Figure 2: Rhetorics of Globalisation and European Integration

The British case is, in many respects, the least interesting and certainly the one about which most has been written. Even here, however, there have been important recent developments, as alluded to above. Unremarkably, given Britain's historical, enduring and pervasive ambivalence about the process of European integration (spanning both major political parties), external economic imperatives are invariably invoked in terms of globalisation and not European integration. Indeed, arguably, New Labour's modernising agenda — first for the party, then for the nation — has been premised and publicly predicated upon a discourse of the logic of economic constraint which globalisation is held to summon (Hay 1999b; Hay and Watson 1998). This has been used to legitimate domestic reforms such as a series of measures (ostensibly) designed to promote competence and transparency in monetary policy, labour market flexibility, human capital formation and welfare-to-work. Yet increasingly it has also motivated a concerted effort to export this 'third way' model to the continent such that it might in turn come to modernise the European social model, rendering it appropriate for the new economic realities of a global information

¹³ Of course, European integration may be construed and presented as a solution to external constraints as well as a constraint in its own right. This is important to recognise, but rather beyond the brief of the present discussion. See, for example, McNamara (1999).

age. This, at least, is how the government would wish to present the Lisbon Special European Council of March 2000 and, indeed, the agenda carried forward to Stockholm.

Whilst seeking to export the (perceived) imperatives of globalisation to continental Europe in the form of the third way, the Blair government has recently started to display a rather self-contradictory and Janus-faced approach to globalisation. For, whilst powerfully and passionately presenting globalisation as an inexorable and distinctly non-negotiable ‘logic of no alternative’ for both domestic and European audiences, in a range of recent international fora it has increasingly felt the need to defend the ‘benefits’ of what is now presented as a rather more contingent process from its many detractors. The incommensurability of such rhetorics suggests a highly strategic appeal to globalisation, as suggested above (see also note 16; Hay 2001c).

British political discourse has tended to ‘exogenise’ European integration in the sense that it has historically been presented as the work of others, thereby enabling a rather crude ‘us’ versus ‘them’ (‘Europe’) dialectic to infect the public and media imagery of the European debate in British politics. European summitry – most classically in the case of the Major governments’ ‘triumph’ at Maastricht (Forster 1998) — is depicted as a rearguard action in defence of the national interest rather than as engagement in the (co-) authorship of a European project (Rosamond, forthcoming). To invoke integration as an external imperative would, then, run counter to the idea — seemingly embedded in the mythology of British politics — that Europeanisation is a process that is advanced or repelled through intergovernmental negotiation. The more pressing issue in British political debate surrounds the question of sovereignty. This can be read as the threat of European integration *becoming* an external constraint that it is not already. In any case, and with governments certainly mindful of the partisan dangers of politicising the ‘European issue’, there has been an attempt to render the most awkward questions about EMU purely technocratic issues. The Labour government’s public posture is expressed by Robin Cook:

“ It is a rational approach that puts a cool calculation on the national interest first. It does not make the mistake of a commitment out of a romantic affection for Europe to join the euro, even if the economic conditions were not right. And it avoids the mistake on the other extreme which is to rule out joining the euro out of a distaste for all things European” (‘Britain’s Future in Europe’, speech to the Britain in Europe Campaign Event, Victoria Plaza, London 23 November 1999).

The French case is, in almost all respects, altogether different. Here, as suggested above, it is the process of European integration which has repeatedly been pointed to as the proximate cause of often unpalatable social and economic reform from the 1980s onwards (from Mitterrand to Juppé and ultimately Jospin). Though, internally, the Parti Socialiste may acknowledge what it sees as the constraints imposed by capital and trade liberalisation (and hence by globalisation), and although its ‘social liberal’ wing has clear sympathies with the Blairite ‘Third Way’ project for European social democracy (see Bouvet and Michel 1999; Michel and Bouvet 1998), the almost universally negative associations and connotations of ‘mondialisation’ preclude a Blairite invocation of globalisation as external economic constraint. Indeed, globalisation is presented as a choice which the French can and must resist. Take the

following passage from an official Parti Socialiste statement of policy on 'Mondialisation, Europe, France': "Globalisation should not be seen as ineluctable ... often, it serves as a fallacious pretext for harmful, disastrous policies ... so fatalism must give way to will". The statement goes on to counterpose the need for a "rehabilitation of economic policy" with the (British) view that "there is no alternative" (from *Vendredi*, No. 276, 5 April 1996; cited in Clift 2000b). In similar terms, Lionel Jospin has recently maintained that:

"We fully recognise globalisation, but we do not see it as inevitable. We seek to create a regulatory system for the world capitalist economy ... so that we can influence the process of globalisation and control its pace for the benefit of society ... This need to take control in adapting to reality places a special responsibility on the state ... Often it is the only agent that can clear away or navigate around the archaic forces standing in the way of what society wants" (*Guardian*, 16 November 1999, cited in Clift 2000c).

The price of resistance is seen to be the process of European integration and hence the cost of meeting the Maastricht convergence criteria. In this way the logic of European integration acquires its own inevitability if globalisation is to be resisted and rejected. Recent polling data suggest the political efficacy of this strategy, with whilst a staggering 73 percent seeing European integration as a means to fight against the (assumed!) ill effects of globalisation (Meunier 2000: 114).

The German case is perhaps the most complex of those considered here, reflecting, at present, the equivocation of the Schröder administration and the additional complications of the reunification process (in whose name many of the reforms that have elsewhere been justified in terms of globalisation have been introduced). Since the rather frosty domestic reception to the Blair/Schröder paper on 'The Third Way/Die Neue Mitte' (1998), discourses of globalisation have not featured that prominently in public debate in Germany, though where they have, the tendency has been to depict globalisation as an inexorable process which cannot be resisted and whose imperatives must be internalised both domestically and at a European level (as in the Blair-Schröder paper; see, for instance, Streeck 1997; Schröder. 1998; Schwanhold and Pfender 1998). This is a discourse which has a long history in German public policy — with cut backs in wage-earner centred social policy in both 1975 and again in 1982 justified with respect to considerations of international competitiveness (Seeleib-Kaiser 1999: 11). Similarly, as Thomas Banchoff has demonstrated in some detail, the Kohl administration's programme of welfare state restructuring between 1996 and 1998 was legitimated principally in terms of the imperatives of globalisation. In Kohl's own terms, in the context of heightened competition amongst nations occasioned by globalisation, Germany must "balance anew and secure for the future the relationship between social services and economic productivity under changed global economic and demographic conditions" (speech, 26 April 1996, cited in Banchoff 1999: 20). As Banchoff suggests, Kohl

"and his allies rarely mentioned the constraint posed by the Maastricht convergence criteria, perhaps wary of feeding anti-EU sentiment. And they were careful not to characterise the costs of reconstruction in the GDR as a major reason for reform, which might have possibly heightened East-West tensions. Instead, the government insisted that welfare state retrenchment was

necessary to improve Germany's strategic location (*Standort*) in the global economy" (1999: 20).

In this sense, there are clear affinities between German and British public debate (see, for instance Hombach 2000). Yet here the similarities end. Two points might here be noted. First, it was precisely this appeal by Kohl to globalisation as a non-negotiable external economic constraint which served to politicise globalisation with Lafontaine, in particular, passionately denying any 'imperative' (*Zwang*) necessitating the subordination of social security and social justice to globalisation (speech, 28 June 1996, cited in Banchoff 1999: 21). There is no parallel in Britain. Second, given Germany's influence over the integration process, much of the more recent appeal to discourses of globalisation in German debate has not been focused directly on the German economy, but on the character of the process of European integration. And here the Schröder administration has increasingly come to vacillate between, on the one hand, a modernising agenda quite consistent with Blair's 'third way adventism' (Hay and Watson 1999) and, on the other, a rather more continental sounding agenda, developed with the French which seeks to reclaim at a European level much of the political capacity and influence lost at the national level through more effective European institutions (Meyer 1999; Scharpf 2000).

This brings us finally to the Italian case. Here the quite conscious political strategy of successive administrations has been to appeal to a modernising economic imperative necessitating a competitive audit of social and economic institutions. In so doing, the attempt has been to mobilise and subsequently to galvanise support behind the process of European integration. European Monetary Union, in particular, has been cast as an index of the health and competitiveness of the economy (Radaelli 1998; Walsh 1999). Indeed, the process was cast in terms of a *risanamento* (a 'restoring to health') of public finance and social and economic policy (Ferrara and Gualmini 2000a: 365). Here we see a clear example of otherwise unpopular and unpalatable social and economic reforms being legitimated by appeal to some greater and more general good, in this case in the form of a quite clear objective — EMU (Della Sala 1997; Ferrara 2001; Ferrara and Gualmini 2000b: 204-6). As Vivien Schmidt observes, "in no other country has the discourse of European integration played such a central and sustained role in promoting acceptance of change" (2000: 72). Until recently, then, it was not globalisation but European integration — and, more specifically, the challenge posed by the stringent Maastricht convergence criteria — that has been presented as a non-negotiable external economic constraint.

As Dyson and Featherstone (1996; 1999: 452-63, 485-507, 522-4) have demonstrated in considerable detail, the strategy quite deliberately pursued by the Italian technocratic elite has been to impose upon the Italian government a *vincolo esterno* (or external constraint) which might militate against the perceived tendency to profligacy and fiscal irresponsibility of the *partitocrazia*. Here domestic political capital has been made of externally-imposed economic constraints (albeit by an unelected technocratic elite) which might tie the hands of elected officials (on the benefits of such a strategy see, more generally, Giavazzi and Pagano 1988; Giavazzi and Spaventa 1988). As Guido Carli (Tesoro Minister, 1989-92) himself noted, the Italian negotiators' agenda at the Intergovernmental Conference "represented an alternative solution to problems which [they] .. were not able to tackle via the normal channels of government and parliament" (1993: 435; as cited in Dyson and

Featherstone 1999: 452; see also Ferrara and Gualmini 2000a; Walsh 1999). This contrasts markedly with the British and German cases, in which domestic political constraints have been appealed to and deployed to enhance negotiating autonomy at the European level. As Dyson and Featherstone perceptively observe,

“Negotiators can make creative use of domestic ratification problems to enhance their external bargaining strength (a marked feature of British and German behaviour in the EMU negotiations). Alternatively, they can exploit external challenges to overcome domestic opposition to policy reform by using them to strengthen their domestic policy position and tame domestic opposition (the characteristic of Italian behaviour reflected in the *vincolo esterno* concept)” (1996: 275).

Thus, although the Italian negotiating team sought to secure relatively flexible, inexact and imprecise (convergence) conditions for EMU which Italy might easily hope to satisfy, it was reluctantly prepared to accept strict quantitative terms at least in part as a means of imposing external discipline upon elected officials (Ferrara and Gualmini 2000a; Walsh 1999). As Dyson and Featherstone again note, whilst “tough conditions would establish a more credible *vincolo esterno* ... the tougher they were, the more difficult it would be for Italy to participate in the first place” (1996: 287-8). Ironically, then, although the Italian negotiating team quite clearly failed to get their way, the stringency, inflexibility and quantitative nature of the convergence criteria only served to strengthen the logic of external constraint which they sought from EMU. That this attempt to deploy EMU as a “domestic weapon” (289) was in turn possible relied on two factors: the domination of the Italian negotiating team by representatives of the technocratic elite and by politicians (such as Guido Carli) themselves recruited from that elite; and the high degree of political legitimacy enjoyed by the integration process amongst the Italian political class (Ferrara and Gualmini 2000a).

Unremarkably, EMU and the stringent convergence criteria which the Italian negotiators agreed to were subsequently sold domestically, against the backcloth of high levels of support for the integration process, as a challenge to Italian national pride — and as an index of the health, modernity and international competitiveness of the Italian economy. As Dyson and Featherstone note, “public opinion could be relied upon to support almost any new project that advanced [or was seen to advance] the European integration process and Italy’s place within it” (1999: 486; see also Hine 1993: 287). Such a strategy, however, was not without its problems. For, given the considerable sacrifice that meeting *and continuing to satisfy* the Maastricht criteria entailed, Italian public opinion was unlikely to present a blank cheque to politicians appealing remorselessly to EMU as the proximate cause of ongoing and stringent social and economic reform.¹⁴ Such a strategy could only serve to discredit the integration process itself. In short, having achieved the immediate target of membership of the single currency, it became far more difficult to continue to justify social and economic reform (particularly welfare reform) by appeal to the same

¹⁴ This point should not be over-exaggerated, however. Italian public opinion, particularly in the period prior to 1994, was not the principal concern of Italian politicians. We are indebted to Jonathan Hopkin for this point.

discourse.¹⁵ Arguably it has led first the Prodi and now the d'Alema administrations increasingly to legitimate ongoing welfare reform by appeal to the constraints imposed by globalisation. The influence of a Blairite conception of a 'third way' or renewed social democracy appropriate for the qualitatively novel conditions of globalisation is here clearly detectable (though by no means unresisted). Nonetheless, the Italian case remains highly distinctive. For the increasing deployment of the rhetoric of globalisation as a non-negotiable external economic constraint has been driven, in clear contrast to the British case, by the fear of discrediting and delegitimizing the process of European integration.

Conclusions

What the above discussion of the Italian case perhaps reinforces is both the strategic nature of the appeal to globalisation as an external economic constraint (used here to legitimate ongoing social and economic reform whose clearly originate elsewhere) and the enduring national distinctiveness of discourses of external economic constraint. Though globalisation and European integration are frequently presented as common convergence pressures enveloping European economies, it is clear that their strategic deployment and their domestic associations and connotation remain strikingly different in different national settings.

What these various cases together demonstrate, then, is the distinctiveness of the strategic contexts within which rhetorics of globalisation and European integration are deployed.¹⁶ Yet what they also suggest are a range of factors which might predispose political actors to invoke either globalisation or European integration as the proximate cause of unpalatable reforms for which they might not wish to take direct credit.¹⁷

A range of contextual factors might be identified which might predispose incumbent administrations to an appeal to European integration as the proximate cause of social and economic reform. This is more likely where a number of the following conditions are satisfied:

1. Where domestic reforms are likely to prove difficult to sell to the electorate unless as part of a broader process seen of general benefit. It is likely to prove particularly difficult for left or centre-left governments to reform popular social

¹⁵ An additional factor might here be noted. The Ulivo Coalition lost its left flank in the form of the Rifondazione Comunista and had to reposition itself, both politically and discursively, to incorporate some conservative minded Christian Democrats. See Hopkin (2000).

¹⁶ For an interesting discussion of the Danish case see Marcussen (2000); and for a discussion of the deployment of rhetorics of globalisation within the European Commission itself, Hay and Rosamond (2000).

¹⁷ Of course, the invocation of globalisation as supplier of external imperatives also occurs systematically within the institutions of the EU, notably the Commission (see Rosamond 1999, 2000b). This means, of course, that the invocation of European integration as an alternative set of external constraints is implausible. However, the advocacy of European-level solutions either as facilitator of or defensive mechanism against globalisation is a common pattern of discursive practice. It is our intention to explore some of the ideas advanced in this discussion in relation to the European level in future papers. Other varied, but relevant discussions of the globalisation-European integration relationship can be found in Bartle (1999); Manners (2000); Rosamond (2000a, ch.7), Starie (1999); Wallace (1996; 2000).

democratic or social market institutions (such as the welfare state and encompassing labour-market institutions) without appeal to some such logic of short-term sacrifice for longer-term advantage.

2. Where there is a well-established pro-European integration agenda widely shared and considered relatively uncontentious domestically.
3. Where there is little internal dissension within the party or governing coalition over European integration. In addition, we might expect a greater propensity to attribute social and economic reforms to the process of European integration where, as in Italy or Ireland, a specific outcome (such as EMU) can be constructed as an issue of national pride.
4. Where (as in France and Germany) the government might plausibly claim some direct influence over the trajectory and process of European integration itself.
5. Where, as in France, the notion of globalisation itself conjures a series of negative associations and connotations.
6. Where there is a history of European involvement, institutionally and culturally.

Conversely, a range of contextual factors can be identified which might predispose an incumbent administration to the appeal to globalisation as the proximate cause of social and economic reform. This is more likely where a number of the following conditions are satisfied:

1. Where left or centre-left administrations are engaged in a process of reforming popular social democratic or social market institutions the appeal to external economic constraints is more likely.
2. Where domestic reforms are likely to prove unpopular and unpalatable.
3. Where European integration is contested and politicised domestically.
4. Where parties or coalition partners are divided over the issue of European integration.
5. Where the government can make no credible claim to influence the process and trajectory of European integration.
6. Where globalisation has positive associations and connotations (as in Britain and Ireland).
7. Where there has been an historically arms-length relationship to the process of European integration.

What this perhaps serves to reinforce is that the deployment as political rhetoric of discourses of globalisation and European integration is both strategic and by no means homogeneous, varying significantly from national context to national context and, indeed, from political party to political party. Given the significance of ideas about globalisation and trans-national processes of economic integration more generally to the conduct of public policy, this is a not insignificant point. It is surely a further nail in the coffin of the thesis that globalisation drives an inexorable process of economic convergence and a call, once again, for the need to consider the complex institutional and ideational mediations by which external economic imperatives are translated into domestic political and economic dynamics.

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