VII. Globalization and the Changing Rationale for European Integration

1. Buzzwords as Moving Targets with Limited Explanatory Capacity

Any perusal of the social science literature reveals that "globalization" has become the most important buzzword of the early twenty-first century. To understand and define the current path of the world, scholars seem to assess the processes of globalization as the main driving force of the newly emerging world order.[1] Economists reinforce this assumption of globalization as the most important paradigm of the current development on earth with empirical evidence. Also historical logic seems to lend support to the perspective of an inevitable road toward more globalization, with only the sky as the limit. In the world of politics, more on the left it seems, the logic of globalization is being perceived as the most important driving force for the future formulation of foreign and of domestic policies alike. In spite of the absence of a clear understanding of what "globalization" truly means and which definition of its character and role can claim consensus, the term "globalization" has achieved greater recognition than any other single word that tries to characterize the post Cold War era.

"Globalization" implies a never-ending expansion of market economy and market based culture. It refers to science and technology driven increases in global interdependence and to seemingly limitless trans-border cooperation for the sake of new economic and cultural opportunities. "Globalization" means the exponential increase in cross-border flows of goods, services and capital and an incessant increase in cross-border exchanges of knowledge. Critics of "globalization" have argued about the social costs of global capitalism, they have defended the "losers" of globalization, have attacked its effects on regional, local or personal identities and have warned about populist and xenophobic political backlashes.[2] Globalization is intrinsically linked to an increase in individualization and thus seems difficult to deal with on a political level, as demonstrated by the debates about the "Tobin tax" and other proposals intended to regulate global market developments. Some authors have gone so far as to suggest that

1 See Kempny, Marian, and Aldona Jawlowska (eds.), *Identity in Transformation: Postmodernity, Postcommunism, and Globalization*, Westport: Praeger, 2002; Goddard, C. Roe, et al. (eds.), *International Political Economy: State-Market Relations in a Changing Global Order*, Basingstoke: Palgrave Macmillan, 2003; Das, Dilip K., *The Economic Dimensions of Globalization*, Basingstoke: Palgrave Macmillan, 2004; Dinopoulos, Elias, et al. (eds.), *Globalization: Prospects and Problems*, Abingdon: Routledge, 2007.

2 See Sassen, Saskia, and Kwame Anthony Appiah (eds.), *Globalization and its Discontents*, New York: New Press, 1998; Lafougère, Michel, *L'Europe face au défi de la mondialisation: les consequences socials de la reconstruction des économies en Europe*, Strasbourg: Editions du Conseil de l'Europe, 1998; Loch, Dietmar, and Wilhelm Heitmeier (eds.), *Schattenseiten der Globalisierung*, Frankfurt: Suhrkamp, 2001; Sykes, Robert, et al. (eds.), *Globalization and European Welfare States: Challenges and Change*, Houndmills: Palgrave, 2001; Ariès, Paul, et al. (eds.), *L'Europe Globalisée: la fin des illusions*, Paris: Harmattan, 2002.

"globalization" means the end of politics and thus the end of the established nation state as globalization is unleashing unprecedented forces undermining all notions of territorially-based loyalty and power.

As is the case with all great and thus intrinsically simplistic notions that try to label a whole era, the definition and assessment of "globalization" will undergo further transformations while its realities and implications unfold. It remains to be seen whether or not globalization will truly define the "Golden Age" of a new global century "beyond modernity," as Martin Albrow has suggested, transcending former notions of time and of space-bound ways to organize human life and society and bringing peace and prosperity, modernization and stability, consumerism and individualism to every corner of the earth.[3] Skeptics have framed the term "globaloney."

So far, the best and most widely spread description of "globalization" has been provided by journalistic rather than by scholarly reflections of the phenomena involved.[4] This is an indication of the moving character of the target. From all available evidence we know that "globalization" remains incomplete in its global outreach, contested in many places of the world and challenged in its unique character as far as former experiences or current directions of mankind are concerned.[5]

One should not try to add another definition to the ever-increasing literature on globalization – which in itself might be a symptom of globalizing trends. The most condensed understanding of "globalization" available in the current academic literature reads as following: Driven by science and technology, a global market place is unfolding, guided by an invisible hand and working to the benefit of all those world citizens ready to accept the patterns offered by globalization and willing to relate their life and work to them. Such a catch-all definition must accept the most fundamental critique of globalization, namely that the market alone does not provide paradise on earth and that globalization therefore is in danger of becoming an ideology, shying away

3 Albrow, Martin, *The Global Age: State and Society beyond Modernity*, Stanford: Stanford University Press, 1997.

4 For example, see Friedman, Thomas, *The Lexus and the Olive Tree*, New York: Farrar, Straus, Giroux, 2000 (rev.ed.).

5 See Fürtig, Henner (ed.), *Abgrenzung und Aneignung in der Globalisierung: Asien, Afrika und Europa seit dem 18. Jahrhundert*, Berlin: Das Arabische Buch, 2001. Besides historians who have studied the transfer of cultures and religions across the continents in former eras of human history, some economists also point to the limited uniqueness of globalization as an expression of borderless economic interaction; see Hirst, Paul, "The Myth of Globalization," in: Vellinga, Menno (ed.), *The Dialectics of Globalization: Regional Responses to World Economic Processes, Asia, Europe, and Latin America in Comparative Perspective*, Boulder: Westview 2000: 23: If globalization ever existed, Hirst argues, it was during the Belle Époque. Several major states had high trade to GDP ratios, and these were not exceeded in the period of rapid growth after 1945 – France's ratio in 1913 was 35.2 percent and in 1973 it was 29.0 percent; Germany's was 35.1 percent in 1913 and 35.2 percent in 1973. Hirst certainly does not analyze the whole picture by only pointing to one single variable and two particular countries. For that matter, even the popularized understanding of the term "globalization" does imply a bigger variety of variables. On other critical aspects the notion of globalization, see Barber, Benjamin, *Jihad vs. McWorld*, New York: Times Books, 1995; Huntington, Samuel P., *The Clash of Civilizations and the Remaking of World Order*, New York: Simon & Schuster, 1996.

from the asymmetries and alienation it (also) produces. No matter how far the processes of global interdependence and homogenization will go, disparities will prevail on a large scale. No matter how far the enormous transformations in communication and the unique spread of technology reach, the number of world citizens who can truly harvest the fruits of the financial markets and trans-border moves of global companies, of scientific and technological interdependencies, of all materiel and immaterial aspects of globalization, remains limited. Some of the debates about globalization seem to be a new variation of the intellectual and ideological quarrels between Adam Smith and Karl Marx and both their acolytes and heirs.

One of the speculations about globalization concerns its implications. Globalization, one analyst has argued, may be understood "as a dialectical process in which homogenizing forces may bring with them a new emphasis on difference and diversity."[6] It is at this juncture that "globalization" has been linked with "Europeanization," referring to the processes of European integration. Peter van Ham has asked whether globalization and "Europeanization" are parallel processes or parallel puzzles: Does globalization push "Europeanization" or is it the other way around? Does globalization limit or broaden the prospects and ambitions of European integration? Can and will European integration put its mark on the future evolution of globalization?

2. European Integration as Forerunner or Latecomer to Globalization?

The relationship between the processes of European integration and globalization is as intricate and complex as the relationship between "globalization" and "Americanization," terms often used synonymously. Sometimes it is said that European integration in itself was a consequence of global developments, if not an early reaction to post-war globalism. The start of European integration in the 1950's cannot be understood without focusing on the role that the United States has played in it. The creation of the Bretton Woods System and the Marshall Plan, the International Monetary Fund and the World Bank were relevant elements in preparing the path to European integration. "The immediate ideas," George Ross wrote, "came from the fertile brain of Jean Monnet, but the constraints which made producing such ideas necessary – American pressure to resolve outstanding postwar economic and political

6 van Ham, Peter, *European Integration and the Postmodern Condition: Governance, Democracy, Identity*, London/New York: Routledge, 2001: 30; see also Wiarda, Howard J., *European Politics in the Age of Globalization*, Fort Worth: Harcourt Publishers, 2001; Roloff, Ralf, *Europa, Amerika und Asien zwischen Globalisierung und Regionalisierung: Das interregionale Konzert und die ökonomische Dimension internationaler Politik*, Paderborn: Schöningh, 2001; Cavanna, Henry (ed.), *Governance, Globalization and the European Union: Which Europe for Tomorrow?*, Dublin: Four Courts, 2002; Barry, John, et al. (eds.), *Europe, Globalization and Sustainable Development*, London/New York: Routledge, 2004; Sweeney, Simon, *Europe, the State, and Globalization*, Harlow: Pearsons, 2005.

differences between the French and the Germans and thus normalize the new Germany and allow it to participate in European defense in the Cold War context – were global."[7]

American scholarship tends to emphasize the US role in laying the groundwork for European integration.[8] From a European perspective, the internal European impetus to reconcile the warring nations of Europe will always be cherished as its own genuine moral rationale for integration. As far as the geopolitical setting is concerned, it is worth debating in which way the origins of European integration were already rooted in a global context or not. As seen from Europe, certainly the oil shock of 1973 had global roots and ramifications, and it convinced political leaders in the European Community to lay the groundwork for a common currency. Inflexible labor markets, welfare state constraints, and insufficient productivity hampered the early realization of this idea, leading to worldwide talks in the 1970's about "Eurosclerosis." In the end, it was overcome by the creation of a Single Market and a common currency. While for Europeans, these developments were logical consequences of an internal rationale, from an American perspective they might be synonymous with "anticipated globalization in one region."[9]

Whether or not this European strife for "anticipated globalization in one region" was truly intentional will remain subject to scholarly debates. Scholarly approaches are often conditioned by the position and perception that one takes to understand the inherent driving forces of European integration. Those who look at it from the outside seem to view Europe and European integration through the eyes of its common foreign trade policy, which represents various national and sectoral protectionist interests. Those who look at European integration from within the EU seem to look at it through the eyes of the *acquis communautaire*: A common European law, supported by the work of the Commissioner for Competition, facilitated the development of a Single Market and continues to shape it through policies of deregulation and market liberalization, along with the creation of common norms. The euro has turned what used to be labeled intra-EU trade into de facto domestic trade. For the members of the eurozone the export share has sunk to around 10 percent of their overall trade, which is close to the export share of the US economy.

No matter the economic focus on the evolution of the European Single Market, it is imperative to recognize that it always has been a policy-induced concept. From its origin, European integration has been a political goal and a policy-led process. The

7 Ross, George, "European Integration and Globalization," in: Axtmann, Roland (ed.), *Globalization and Europe: Theoretical and Empirical Investigations*, London/Washington D.C.: Pinter, 1998:165.

8 See Duignan, Peter, and L. H. Gann, *The United States and the New Europe*, Oxford: Oxford University Press, 1994.

9 Ross, George, "European Integration and Globalization," in: Axtmann, Roland (ed.), *Globalization and Europe: Theoretical and Empirical Investigations*, op.cit: 177; see also Verdun, Amy, *European Responses to Globalization and Financial Market Integration*, Houndmills: Macmillan, 2000; Kokkinos, Theodore, *Economic Structure-Functionalism in European Unification and Globalization of the Economies*, Frankfurt/New York: Peter Lang, 2000.

creation of a common market was the consequence of sector-specific and functional mechanisms aimed at finally achieving a political goal: to bring about peace and a new order on the European continent. Sector-specific and functional integration succeeded, because it followed the logic of the market in an era of ever increasing cooperation, including the use of comparative advantages. However, the European market-building process has been initiated and promoted by political will and political considerations; this explains some of its idiosyncrasies and contradictions. The political imperative does not mean that genuine market forces did not support the creation of a European Single Market. In fact they did, at times even against the creeping skepticism and wavering will of timid politicians. The support of most European business leaders for a Single Market and for the creation of the euro was overwhelming. But it must be reiterated that first and foremost European integration was – and still is – a politically driven process. Globalization, in turn, has been market driven from the outset.

Some of the key characteristics of the strategy to create a European Single Market with a common currency suggest the existence of an inherent parallelism with the processes of globalization. The search for comparative cost advantages, the efforts to support economies of scale and the steady liberalization of markets and labor laws was always intended to project the economic potential of Europe to the global economy as a whole. These dimensions of European integration imply techniques which are complementary to the overall processes of globalization. Nevertheless, the driving principle behind the patterns of globalization and of "Europeanization" has always been different in its most fundamental respect: "Europeanization" was always a political goal, driven by political will, while "globalization" was induced by the market through technological achievements. European integration was based and remains based on the assumption that politics will bring nations and states together. Globalization is understood as a process where the market brings people together. As a consequence of this inherent difference, European integration has always followed a very top-down approach while globalization primarily follows a bottom-up pattern.

Both processes have been criticized for an inherent lack of democratic accountability. As one of the reactions to this critique, European politicians invented the notion of a "Europe of the Citizens." Irrespective of the term, its underlying logic and the efforts to turn it into reality will ultimately succeed in increasing legitimacy and public support for the integration process remains to be seen. Some are inclined to judge the whole effort as populist and as fishing for compliments. As far as the defenders of globalization are concerned, they still have to invent a concept in the first place that could be capable of translating global street protests against globalization into a viable and inclusive goal that can constructively influence the future pattern of globalization.

For academics, the relationship between European integration and globalization might remain a "chicken and egg problem." Ambivalences and disparities are bound to

continue, particularly with regard to the political economy of Europe and its exposure to further trends of globalization. To name but a few of them:

The European welfare state will continue to be challenged by the ever-dynamic American economy. Issues of market liberalization – from agriculture to energy and from education and health – will remain a source of transatlantic disputes. They will also be the source of questions of whether or not the EU is dynamic enough to cope with its internal problems of unemployment. This is not to say that EU leaders do not know or understand the problems at the root of the structural unemployment in Europe.[10] But the EU's political economy will have to undergo continuous and probably even stronger changes if it wants to meet the challenges posed by American interests in the application of globalization.[11]

EU enlargement to Central and Eastern Europe has enhanced social and regional disparities within the European Union with lasting consequences for labor relations, disparities of affluence and an incessant search for comparative advantages which in turn will be criticized as "social dumping."[12] The new Central and Eastern European member-states of the EU are not only confronted with internal EU disputes over solidarity and reallocation of resources, they are also exposed to the challenges of the globalized economy. Some of these challenges contradict their needs and hopes with regard to the consequences of EU membership. While they wish to protect their newly established and still developing market economies through EU membership, they are confronted by other emerging regions with strong competitors for direct private investments.[13]

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10 Romano Prodi, then President of the European Commission, put the finger into the most pressing European wound: Europe, he stressed in 1999, must find a way of translating competitiveness and efficiency into economic growth which creates new jobs. If Europe today would have the same employment levels in the service sector as the US, the EU would have more than 30 million extra jobs, almost twice the total number of people currently unemployed in Europe: Prodi, Romano, "The European Dimension," *Progressive Governance for the XXI. Century*. Conference Proceedings, Florence, 20 and 21 November 1999, Florence: European University Institute/New York University School of Law, 2000: 8-17; see also Boyer, Robert, and Pierre-Francois Souyri, *Mondialisation et régulations: Europe et Japon face à la singularité américaine*, Paris: Découverte, 2001.

11 See Mueller-Graff, Peter-Christian (ed.), *Die Europäische Gemeinschaft in der Welthandelsorganisation: Globalisierung und Weltmarktrecht als Herausforderung für Europa*, Baden-Baden: Nomos, 1999; Ducatel, Ken, et al. (eds.), *The Information Society in Europe: Work and Life in the Age of Globalization*, Lanham/Boulder: Rowman & Littlefield, 2000; Weber, Steven (ed.), *Globalization and the European Political Economy*, New York: Columbia University Press, 2001.

12 See Amin, Ash, and Nigel Thrift (eds.), *Globalization, Institutions, and Regional Development in Europe*, Oxford: Oxford University Press, 1994; Kindley, Randall W., and David F. Good (eds.), *The Challenge of Globalization and Institution Building: Lessons from Small European States*, Boulder: Westview, 1997; Rodemer, Horst, and Hartmut Dicke (eds.), *Globalisierung, Europäische Integration und internationaler Standortwettbewerb*, Baden-Baden: Nomos, 2000; Bieler, Andreas, and Adam David Morton (eds.), *Social Forces in the Making of the New Europe: The Restructuring of European Social Relations in the Global Political Economy*, Houndmills: Palgrave, 2001.

13 On some of the socio-economic issues involved, see Zloch-Christy, Illiana, *Eastern Europe and the World Economy: Challenges of Transition and Globalization*, Cheltenham: Edward Elgar, 1998; Fernandez Jilberto, Alex E., and Andre Mommen, *Regionalization and Globalization in the Modern*

In the decade ahead, the European Union is going to see more and rather heated debates over resource allocation and the competences for regional autonomy in economic decision-making. It remains doubtful whether the current mechanisms of EU Structural and Regional Funds can be maintained as the main source of resource allocation and as a means to overcome internal disparities within the enlarged EU. It might be difficult to achieve, but the EU is in need of a new mechanism to balance internal solidarity and regional cohesion in economic decision-making with a new dynamics and competition-mindedness to grasp the opportunities of globalization. The EU needs an autonomous source of income. It needs an EU tax.

The more the EU develops as a global economic and political actor, the more it will be confronted with the hopes and interests of developing countries who want a fair share in the overall pursuit of globalization. Whether on social issues, as far as economic demands or questions of cultural identity are concerned, the developing countries of the southern hemisphere are increasingly claiming their proper place in a globalizing world. While for some regions in the southern hemisphere European integration can serve as a model for regional cooperation and integration, other regions are still in the process of "cultural decolonization." They are torn between the quest for autonomous, i.e., non-Western identity-building and their claim of greater economic solidarity from the West in order to achieve their goals of sustainable development.[14] Neither Europe nor the other developed regions in the world can escape the economic consequences and political conflict in the developing world any longer.[15]

The most fundamental question directed at the European body politic is simple and yet irritating: To what extent does globalization limit or even undermine autonomous political decision-making, democratic accountability and the supremacy of law? Is there a different effect of globalization on the individual member states of the European Union and on the European Union as a whole? Given the speed and the primarily autonomous, if not anarchic character of globalization, it is imperative to ask how far any local, national or supranational political entity can tame, frame and direct the path of globalization? The European Union claims to be the answer to the limits of national sovereignty among European nation states by way of pooling sovereignty on a

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World Economy: Perspectives on the Third World and Transitional Economies, London/New York: Routledge, 1998; Segbers, Klaus, and Kerstin Imbusch (eds.), *The Globalization of Eastern Europe*, Münster: Lit Verlag, 2000; von Hirschhausen, Christian, and Jürgen Bitzer (eds.), *The Globalization of Industry and Innovation in Eastern Europe: From Post-Socialist Restructuring to International Competitiveness*, Cheltenham: Edward Elgar, 2000; Meier Dallach, Hans-Peter, and Jakob Juchler (eds.), *Postsocialist Transformations and Civil Society in a Globalizing World*, Huntington: Nova Science Publishers, 2001.

14 See Nederveen Pieterse, Jan, and Bikhu Parekh (eds.), *The Decolonization of Imagination: Culture, Knowledge and Power*, London/New Jersey: Zed Books, 1995; Horman, Denis, *Mondialisation excluante, nouvelles solidarités: Soumettre ou démettre l'OMC*, Paris: Harmattan, 2001; Cuyvers, Ludo (ed.), *Globalisation and Social Development: European and Southeast Asian Evidence*, Cheltenham: Edward Elgar, 2001.

15 See Gruber, Lloyd, *Globalization and Political Conflict: The Long-Term Prognosis*, Washington D.C.: American Institute for Contemporary German Studies, 2001.

supranational level. Could this Europeanized sovereignty be hijacked by the processes of globalization before its fruits can properly be harvested?

A case in point is the challenge of migration to the European Union. In the process of forming the Single Market, "freedom of labor" was heralded as one of the four most valuable goals, moral and political in character, economic and cultural in consequence.[16] Since the 1990's, the European Union has experienced external migration which clearly outnumbers the internal migration within the European Union as envisaged by the strategists of the Single Market. The notion of migration within the European Union as a symbol of a post national European identity has turned into a symbol of fear and for some even into an outright threat to Europe's stability and affluence from poor and troublesome peripheries of Europe. This change in the perception of migration poses unprecedented social, economic, and identity questions for the European Union, while at the same time the EU is promoting a "Europe of the Citizens" and its concept of a European citizenship as promulgated for the first time in the Treaty of Maastricht.

Ethnicity – which the member states of the European Union were able to overcome among themselves – has come back as an issue of concern through open borders and migration from outside the EU. With EU enlargement to Central and Eastern Europe, minority matters still prevailing in these areas have been imported into the EU and have become "internal matters" of the whole European Union. But more pressing for the EU is the enormous increase in migration from the peripheries of Europe, notably from territories of the former Soviet Union and from North Africa. Although the issue of migration and integration is also pertinent in the US, it is of a somewhat different character in North America. While ethnicity might be considered a perennial issue in the US, migration has always been linked to the homogenizing identity of America. In the absence of a clarified constitutional identity, Europe is not able to approach the underlying issues of identity, inclusion and difference in the same way as the US. Migration will continue to affect national identities, integration capacities and political parties all over the EU. Among the key players in the world economy, Japan and South Korea are least affected by implications of ethnically heterogeneous migration. While the US is homogeneous as a market and unwavering in its political identity, Japan and South Korea remain ethnically homogeneous with the traditional nexus between nation and state remaining intact. Europe cannot take consolation in either of these experiences as there is no "European dream" into which migrants to Europe could immerse by way of expressing their civic commitment to the European body politic. And long ago, Europe surpassed the homogeneity levels of Japan or of South Korea. The EU must create its genuine immigration policy with an inclusive perspective for immigrants accepted into the EU.

16 The others were the freedom of capital, freedom of goods and freedom of services.

Assessments of the economic implications of globalization on Europe dominate the scholarly reflection.[17] This is not surprising, and shall not be questioned here. Not enough attention however has been given to the political and conceptual consequences of globalization on the processes and prospects of European integration and on key concepts of constitutional democracy. By making reference to two famous books written by Thomas Hobbes in the seventeenth century, it has been suggested that globalization does transform the "Leviathan" into "Behemoth": Globalization could be understood as transforming the autarkic and homogenizing power of the modern nation state, which was described by Thomas Hobbes in analogy to "Leviathan," a monstrous creature symbolizing evil in the Old Testament. Eventually, globalization forces the nation state to retrench. The retrenching nation state no longer capable of exerting all-pervasive power over its citizens and losing its homogenizing capacity was described by Thomas Hobbes in analogy to "Behemoth," the retrenching huge water animal likewise found in the Old Testament.

This argument insinuates that the "winners" of globalization might disconnect speedily from proven patterns of national loyalty while the "losers" of globalization will be excluded from the fruits of globalization without the ability to resort any more to traditional means of national solidarity. Along with the reduced capacity of the old-styled nation state to act, both the rule of law and the mechanisms of welfare solidarity will be undermined by globalization. This argument might be questioned altogether. But it is worth asking whether or not the implied consequences of this perception for the political capacity of action of the individual nation state might include insights into the effects globalization poses to governance in the European Union.

On economic matters, the EU is responsible for about 80 percent of the decision-making of its member states. The question of shrinking capacities for autonomous political action might also be valid in light of the developing Political Union, which will stretch the need for autonomous capacity of action to new policy fields beyond those already established through the formation of the Single Market. The issue is not just about abstract political concepts. It is also one about leadership and the selection of political leaders under conditions of globalization: Will the market outweigh politics and public affairs? What are the consequences for the quality of leadership in public office if the execution of leadership is increasingly more attractive and rewarding in the private sector? Who is interested in public office under the conditions of globalization?

Given the political character of European integration, the EU and its leadership is forced for its own sake to reflect on the needs to make both the Single Market and

17 See Strange, Susan, "Europe's Future in the Global Political Economy," in: Row, Thomas (ed.), *Reflections on the Identity of Europe: Global and Transatlantic Perspectives*, Bologna: Baiesi, 1996: 27-33.

European governance a lasting success. In this context, three aspects are of particular interest as they point to the implications of globalization on governance structures and market mechanisms in the European Union:

a) implications of globalization on the consistency and strength of EU governance;
b) implications of globalization on popular legitimacy and the ability to generate loyalty within the EU; and
c) implications of globalization on the rationale of the European Union.

(a) Many reflections on these matters must naturally remain speculative, but it can be assumed with certainty that the process of European integration will be affected and challenged by an "increasing global exposure," as Jörg Monar has described it.[18] Since the end of the Cold War, Europe has been confronted with a growing demand to increase its international posture. Many actors and observers from within the European Union have stressed the need for a stronger international role of the EU. Challenges from the outside, such as the conflicts in Southeast Europe, but also the evolution of the international trade regime, have increasingly encouraged the European Union to develop a stronger international profile.

The increasing international exposure of the European Union forces the EU to address questions about its political and military will in order to act beyond its own borders. But also the ever stronger interdependence of markets, goods, technologies and even of social developments continuously impacts the scope, the structures and the goals of the multileveled governing processes in the European Union. The European Union is not only exposed to international competition, it also has to make policy choices with systemic consequences on issues which traditionally have been outside of the purview of European integration. This is, for instance, also inevitable with regard to the need of what the French like to call "gouvernance économique": A sustainable euro is not feasible if it is not coupled with a governance system on economic and fiscal matters that echoes tested and proven structures of economic governance within the traditional nation state. Another case in point is education, formerly a taboo for EU regulation. The prerogatives of national cultural identity, federal autonomy and the skepticism about a European education policy have been strong barriers against a visible European Union profile in this policy field. Since the promulgation of the somewhat pretentious Lisbon Strategy of 2000 – outlining the need to make the EU more competitive and growth-oriented – it has been recognized that the EU should at least coordinate matters of education, developments of curricula and education structures within the EU.[19] The EU has not done enough by these standards. Yet, at least methods

18 Monar, Jörg, "The Future of European Governance," in: von der Gablentz, Otto, et al. (eds.), *Europe 2020: Adapting to a Changing World*, Baden-Baden: Nomos, 2000: 23.

19 See Chisholm, Lynne, "The Educational and Social Implications of the Transition to Knowledge Societies," in: von der Gablentz, Otto, et al. (eds.), *Europe 2020: Adapting to a Changing World*, op.cit: 75-89; Reding, Viviane, *Die Rolle der EG bei der Entwicklung Europas von der*

of benchmarking have been introduced in order to encourage learning processes on the basis of positive experiences in the education system of other EU partner societies. The standardization of academic degrees in the EU along the line of US norms (the Bologna Process has initiated BA and MA degrees as standard university degrees across the EU) introduces the first elements of competition and openness in the European education market, including more scope for tuition-based education. In this crucial field for Europe's future competitiveness, the EU has been a slow learner; nevertheless its learning curve has increased.

The most worrying fact remains: An increasing brain drain makes young Europeans leave for the US. There they find the best possible research universities in the world and often an attractive entrance into the job market. Europe is losing its future if it cannot reverse the trend by which almost 80 percent of young European scholars who have done their PhD in the US do not return to Europe. Europe has to dig deeper than changing degree labels and structures. Ultimately, the European Union's education debate has to reevaluate its anthropology as far as the pedagogical norms – from kindergarten standards to education aspirations at the tertiary level – are concerned, if it wants to properly tap the full potential of its children in the age of globalization and if it wants to remain attractive for the brightest of its young adults. Europe needs to offer them opportunities and encourage the development of their talents. This must become the most important matter on the domestic political agenda of the EU.

The European governance debate on this and related matters will continuously oscillate between the advocates of autonomous decision-making on the national or regional or even local levels and those who favor a stronger framework set by the European Union. If Europe wants to develop consistent responses to the quest for a stronger global role, it requires governance mechanisms capable of strengthening and projecting Europe's political choices and strategic decisions in all fields relevant for the formation of the future societies in Europe, including education and research.

So far, the European debate on these matters has been limited by an artificial divide between those who favor centralized concepts of policy-formation and policy-implementation and those who ardently support decentralized solutions, rooted in Europe's diverse cultural experiences and identities. Some aspects of the controversies might be withering away once increased realization will spread about the global challenge posed to all EU societies alike. Responses will always leave room for local decisions on matters of education, and they should always encourage competition among European and American solutions. But there can be no doubt whatsoever that the debate is not just about Europe's competition with the US or Europe's desire to balance challenges of globalization with local solutions which preserve cultural – and linguistic – identities. The debate is about EU governance in so far as the ability of its member

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Industriegesellschaft zur Wissens- und Informationsgesellschaft, Discussion Paper C 84, Bonn: Center for European Integration Studies, 2001.

states is concerned to generate and exert power of decision-making and policy-implementation in the speedily transforming world of globalization. The strategic importance of education and research is still to be discovered by the EU: Europe also needs to see its Union as one stretching into a common education and research market if it wants to compete with the best forms of teaching, research and development in the US and elsewhere. Not doing so because of national or regional pride would undermine the strength of the European market by undermining the most critical precondition for its continuous success: the evolution of new generations with leadership qualities and competitive skills ready for the globalizing world.

(b) The more the EU agenda is widening and globalizing, the more the EU will have to address the issue of legitimacy among its citizens. A stronger "sense of ownership" has to grow between European Union citizens and European Union institutions. This issue is neither new nor specific to the European Union.[20] It must however worry supporters of European integration that the increase in European legislation and the tendency to European solutions of challenges posed by the post Cold War agenda has not substantially increased popular support for the basic idea of European integration. Whenever hard political choices are necessary, the majority of EU citizens still prefers to rally behind the structures and the power of their own state. This has been even visible, for instance, in the aftermath of the terrorist attacks on the US on September 11, 2001, and in Madrid on March 11, 2004.

As long as cohesive governance structures and robust constitutionalism are still evolving, the European Union can easily be blamed by member state governments and oppositions alike for being either incompetent or penetrating too strongly into national or regional prerogative rights. As long as EU governance structures are less than optimal in terms of coherence, transparency, efficiency and democratic accountability, it will remain abstract to discuss whether EU institutions claim enough, too little or already too much loyalty from EU citizens. Any legitimacy tests must compare the comparable. This is certainly not the case when nation states, whose powers have been developed and exercised over centuries, are compared to the performance of the European Union, which only began to link its ambition of governance to the desires, hopes and concerns of Europe's citizens five decades ago. Legitimacy is a variable of consistent structures that can claim to truly deliver. If they fail to deliver, legitimacy will be endangered. If, however, they are not yet enabled or mandated to act in an appropriate way, they can neither lose legitimacy nor be blamed for underperformance.

Globalization adds a new dimension to the reflection about EU legitimacy. The impact of globalization on the ability of the European Union to maintain and increase its legitimacy (a process which requires a parallel increase in coherent, transparent and

20 See Niedermayer, Oskar, and Richard Sinnott (eds.), *Public Opinion and Internationalized Governance*, Oxford: Oxford University Press, 1995.

efficient governance) will remain a test case to be answered by the degree of recognition of the EU among its citizens in the course of the next decade. The improvement of governance structures is one instrument to achieve this goal, notwithstanding the difficulties of treaty revisions the EU has experienced twice in the first decade of the twenty-first century. Another instrument is the full use of the potential of European citizenship, originally introduced by the Treaty of Maastricht. This concept has yet to be filled with substance, for instance through the introduction of a European-wide referendum or through better means of citizen participation in pan-European parties, but also through technical improvements such as the introduction of a uniform electoral procedure for European Parliament elections or through an EU tax.

The proof of the pudding lies in the eating. In order to increase EU legitimacy, it is important to raise the awareness among its citizens that the EU is about political choices and not only about the execution of bureaucratic norms. To this end, the EU needs political goals and projects, which require strong governance and facilitate the identification of the EU citizens with "their" European Union. This is the only way to inculcate life into the concept of "ownership," which was originally introduced in discussions about "good governance" in developing countries. But it also holds merits for European integration.

(c) The third and most fundamental aspect affecting European integration as a consequence of globalization points to the very rationale of European integration. The raison d'être of European integration has undergone enormous transformations since the 1950's. The idea of internal reconciliation among former enemies – France and Germany in particular – led to a twofold integration: internally, beginning with the six founding states of the European Economic Community and extending to the EU with almost thirty member states in the early twenty-first century; externally, between the EU and other key players of the global economy who at the same time are the most important partners of the EU in pursuing democratic values and pluralistic societies, notably the United States and Canada, Japan and South Korea.

Globalization is pushing the European Union into a comprehensive global role that transcends the original raison d'être of European integration. Internal reconciliation has begun to be broadened by the search for Europe's reconciliation with global contradictions, tensions and constraints. In doing so, Europe is turning from an internally driven object to an externally oriented subject of world politics. It remains an open question to which degree the politically driven character of European integration can be maintained under these global circumstances. As Europe is becoming more globally oriented than ever, the EU has to ensure that domestic political goals will not be neglected.

Good governance, legitimacy and clarity on the EU's raison d'être are intrinsically interlinked if Europe is to play the role the euro indicates and the increasing global

exposure of the EU insinuates. This is not going to be a simple and easy process. It poses challenges to Europe's identity and to the internal cohesion between local, regional, national and European interests. It challenges loyalties. It must also take into consideration the ever-increasing role of the media, particularly as long as a European public sphere has only incrementally developing. It must reckon with backlashes and must sustain contradictions. It will have to search for recognition among its own citizens – which turns out to be a new version of a "plébiscite de tous les jours," this time on a European level – and for respect and acceptance among its global partners.

As part of the process to adopt European integration to the challenges and opportunities of globalization, the European Union, must redefine the notion of its "border" and its "limits." While the *acquis communautaire* is defining the internal border and frames the political and legal norms for all EU member states, the global projection of European interests requires a reassessment of traditional geographical restraints on the projection of its scope of action. Europe still has to better learn that borders in the age of globalization are no longer, and certainly not only marked by geography. Borders in the age of globalization are defined to a great extent by the political will to conceive and explore what lies behind them.[21]

To define the notion and limits of "borders" as a function of political will and not merely of geography and territoriality becomes inevitable if the European Union wants to maintain its aspiration as a political driven and political led operation in the age of globalization. In order to shape globalization and not only be shaped by it, the European Union must – on all accounts – develop a global posture, a global role. This means nothing less than a redefinition of the rationale of European integration. The European Union will have to turn from an internally driven process intended to overcome divisions and conflicts within Europe to an externally oriented process intended to contribute to world developments and to influence the future path of the earth by sharing experiences and projecting interests.

Until the mid-twentieth century, Europe has had the reputation of an imperialistic and colonial continent, dominating most global developments for more than two centuries. Two totalitarian regimes and two world wars led to the self-destruction of Europe and to the exhaustion of both its ideals and its reputation. During the second half of the twentieth century, Europe was capable of recovering through means of internal reconciliation, law-based democratization, and Euro-Atlantic integration. The process of internal reconciliation is not completed until the enlargement of the European Union has come to full fruition, ultimately defining the geographical borders of Europe's institutions. In parallel with this endeavor, Europe has already begun to redefine its global ambitions and interests.

21 See on the matter also van Houtum, Henk, et al., "Borders and interaction," in: Goverde, Henri (ed.), *Global and European Polity? Organizations, Policies, Contexts*, Aldershot: Ashgate 2000: 9-28.

The global role of Europe can be based on the best experiences in European history during the second half of the twentieth century. Democratic values of an open society must be matched with legitimate interests in economic cooperation and political order-building with other regions of the world. While the transatlantic partnership will remain the most important pillar in a global role for Europe, the European Union has to develop a much more ambitious profile for connecting with the other regions of the world in shaping the global agenda. European integration is no longer a purpose and function of internal considerations. The rationale for European integration will increasingly be measured by the degree of Europe's cooperation with other regions and by European contributions to global order-building. In this sense, globalization is not limiting European integration. It is forcing European integration to accept purposes and means that lie beyond Europe's territory.

4. Implications of a Broadened Rationale on Key Notions of European Political Theory

Implications of globalization on the process of European integration do not only affect the material composition of the EU. Implications of globalization are also becoming virulent for the interpretation of established key notions of European political philosophy and theory, notably for

a) The notion of sovereignty.
b) The notion of democracy
c) The notion of universality and order-building.

Globalization and its impact on Europe's rationale for integration is adding new components to concepts of politics, which can no longer be fully understood if only perceived through the lens of static national experience.

(a) Modern Western political philosophy has been state centric. One of its key terms, at least since the Treaties of Westphalia, is the notion of sovereignty. The traditional notion of sovereignty as developed in Western political philosophy consists of two components: state sovereignty and popular sovereignty. Sovereignty as a concept of political philosophy and legal philosophy has been tightly knit to the evolution of the modern nation state. Thus it developed into the guiding principle for the assessment of the confines of territoriality and the political space. It also became the legitimizing engine for the promotion of participation and popular representation. What began as a contradicting conflict between the two concepts of sovereignty developed into a mutually reinforcing cohabitation: State sovereignty became recognized as an important prerequisite for realizing popular sovereignty. Popular sovereignty became embedded in and preserved through state sovereignty. The weaker the state, the more vulnerable is popular sovereignty; the weaker popular sovereignty, the more vulnerable is the state.

The concept of sovereignty was neither static in the West nor did it remain limited to the Western world. In the wake of decolonization processes, it spread all over the world. In the context of emerging new states after the end of colonialism, new indigenous political leaders were all too often inclined to promote state sovereignty and to neglect the demands of popular sovereignty. Often, popular sovereignty was tainted as undermining the newly won state sovereignty.[22] Sometimes, this seemed to be an irresistible argument in the earlier stages of nation-building in the Southern hemisphere. One might wonder whether the European Union is going through a similar and comparable experience while it is struggling to match its quest for sovereignty with its claim to democracy.

Normally, the issue of sovereignty in the context of European integration is discussed by mirroring established Western notions of state sovereignty and popular sovereignty as prerogatives of the nation state with the efforts to pool sovereignty on the supranational level of the EU. European integration runs counter to proven notions of state sovereignty while at the same time it is criticized for being unable to generate and preserve the inherent democratic values of popular sovereignty. While the EU, say the critics, undermines state sovereignty, it cannot deliver sufficient popular sovereignty either. If at all, European integration can therefore only yield legitimacy as long as it is revitalizing the strength of the nation states as its constituent parts. Some analysts define the success of European integration by the degree with which integration can strengthen Europe's nation states.[23] The evolution of the European governance system, including the introduction of the euro and the "European Constitution," but also the increasing implications of globalization on European integration, do not support this state-centered analysis. While the European nation state has not turned into an obsolete bystander of European politics, the processes of globalization and of European integration "have certainly deprived the state of its centrality as an autonomous actor."[24] This has consequences for the concept of sovereignty.

It seems to be growing consensus that the European Union has acquired some form of genuine sovereignty (sovereignty sui generis), at least since the pooling of national economic and fiscal sovereignty. Peter van Ham has described the introduction of a single European currency as a "defining moment which has established the EU as a new European sovereign."[25] As long as the political Union lacks a comprehensive character, Europe is unfortunately still incomplete as a complementary form to the nation states, which have created the European Union and remain its constituent parts. The biggest deficit is not institutional but psychological. Europe has been made, by and large, but

22 See Kühnhardt, Ludger, *Stufen der Souveränität: Staatsverständnis und Selbstbestimmung in der Dritten Welt*, Bonn/Berlin: Bouvier, 1992.

23 See Moravcsik, Andrew, *Choice for Europe: Social Purpose and State Power from Messina to Maastricht*, Ithaca: Cornell University Press, 1998; Milward, Alan S., *The European Rescue of the Nation-State*, London/New York: Routledge, 2000.

24 van Ham, Peter, European Integration and the Postmodern Condition, op.cit.:100.

25 Ibid.: 104.

Europeans are still missing all too often. The European Union is what its name expresses, a Union. As such, the EU has been criticized for its lack of popular sovereignty, for a "democratic deficit." The European Union has developed many elements of a functioning and accountable parliamentary democracy, but has still fallen short of projecting the reputation of representing an undisputed notion of popular sovereignty on the European level that is equivalent with, or even a substitute for, the traditional concept of popular sovereignty, which is still primarily bound to the nation state.[26]

This skeptical view might evaporate over time. After all, the problem with most of the critique on Europe's search for sovereignty is its static character: Critics are inclined to see European integration as a phenomenon without political will and drive, run by murky technocratic ambitions which will always fall short of generating substantial results and legitimacy that can compete with the well established norms and notions of political and legal philosophy linked to the nation state. Many analysts tend to equate European integration with the outcome of the evolution of sovereignty in the context of European nation states with their centuries-long history. European integration can only be on the losing edge of the argument since it is just too young a concept and too unfinished a reality to be comparable with nation states created in the course of a long history. In a certain way, it might be more instructive to compare Europe's struggle for sovereignty with the struggle for sovereignty in the countries of today's Third World.

Neither in Europe nor in the Third World was sovereignty achieved over night. Neither in Europe nor in the Third World was sovereignty consistently based on the two mutually reinforcing pillars of state sovereignty and of popular sovereignty. Neither in Europe nor in the Third World did sovereignty always mean the same. Neither in Europe nor in the Third World was there ever a fixed, preconceived notion of sovereignty which served once and for all its purpose in describing realities or forging new ones. As long as the EU is developing, the notion of sovereignty in Europe will develop with it.

Europe will continue to struggle for both territorial sovereignty and for democratic legitimacy, that is to say: popular sovereignty. Whenever the European Union is accepted as a genuine political phenomenon, it also ought to be accepted that this genuine political phenomenon is producing a genuine political theory and norms of political and legal philosophy of a genuine character. The European integration process is still evolving and has not yet created realities that are forever enshrined and frozen in clear and consensual norms and theoretical assessments. European integration will continue to bring about its own categories of political and legal theory. As far as good governance, democracy, sovereignty and identity-building are concerned, the European Union is as developing as any developing country on the face of the earth.

26 See Siedentop, Larry, *Democracy in Europe*, London: Allen Lane 2000.

The Westphalian peace order of the seventeenth century initiated and legitimized a state-centered, territorial based notion of politics and of sovereignty which has become all-pervasive in the modern development of the European state. However, it has never been an absolute, as demonstrated by any study of European history prior to the seventeenth century,[27] and underlined by the recognition of the many flaws and contradictions in Europe's application of both state sovereignty and popular sovereignty since the Treaties of Westphalia. Globalization and European integration are gradually eroding key notions of the Westphalian order of territory-bound politics and sovereignty. In the twenty-first century, power will increasingly de-territorialize. It has become an excessively multidimensional phenomenon, which can no longer be linked to territorial and state power alone.

Globalization and its impact on European integration will force a continuous reassessment of the equation between power and sovereignty in the European context. In the past, state and nation were bound together with the state being the administrator of the nation. The existence of multinational states such as Switzerland has always questioned the cohesion of this purist view. Legalization of dual citizenship in European states underlines the possibility that individuals can split their loyalties between two states. The introduction of an EU citizenship demonstrates that loyalties can be split between two vertical sets of body politics. Analogous to the notion of dual citizenship between two nations, the EU citizenship introduces the creation of the notion of dual citizenship between a state and the European Union. As a consequence, citizenship need not be linked any longer to one state and one nation alone. This is an important result of five decades of transformation of the notion of sovereignty in Europe. But it can only be the beginning of an enhanced degree of transnational solidarity among Union citizens.

Most of the Central and Eastern European countries that have joined the EU in the first decade of the twenty-first century still have to fully experience the transformation of the notion of sovereignty that has been a purely Western European experience for the first fifty years of European integration. Mostly, they still tend to cling to established notions of state sovereignty. Way beyond the formal accession to the EU, the EU will remain confronted with the implications of a different intellectual past on the mentality and the political culture of people in Central and Eastern Europe. "Nations and other hallucinations," as Peter van Ham put it, will continue to accompany the path of European integration in the decades to come.[28] It is worrying too that a strong degree of these hallucinations of national parochialism have returned to Western Europe.

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27 Charles Tilly has counted some 500 more or less independent political units in sixteenth century Europe. Compared to this, the current number of nation-states in Europe indicates a clear tendency to absorption and integration in bigger territories with ever changing loyalties and legitimacies - in spite of the breakdown of the European empires which were thriving in the nineteenth and early twentieth century: Tilly, Charles (ed.), *The Formation of National States in Western Europe*, Princeton: Princeton University Press, 1975: 15.

28 van Ham, Peter, *European Integration and the Postmodern Condition*, op.cit.: 15.

This transformation period will not help the EU to avoid reacting to the impact of globalization. Globalization forces the European Union to develop its appropriate role as a global power. One of the dimensions highly underestimated in the scholarly reflection about European integration has been the role of European law, and of the European Court of Justice in particular. Since the 1960's, the European Court of Justice has applied and developed structural constitutionalism. Whether through the direct effects of its rulings, through the generally recognized supremacy of EU law, the preemption of national decisions as a consequence of the norm-setting standards of EU law or due to the Court of Justice's judicial review: In spite of much criticism and legalistic efforts to draw a line in the sand – as has been done by the German Constitutional Court in 1993 in its decision on the Treaty of Maastricht by stating that the EU should only be considered an "association of states" and that the majority principle in EU decision-making shall remain limited "by the constitutional principles and fundamental interests of the Member States" – the supremacy of European law over national law has been steadily developing along with the evolution of an ever increasing role of the European Court of Justice.[29] The European Court of Justice has been and remains a strong pro-integrative factor inside the EU.

Political will to properly implement European law might sometimes lag behind, but the tendency seems indisputable: The supremacy of European law is increasing. While the territorial state and its law will not wither away, through European legal norms the EU is adding visible and binding dimensions to Europeanized notions of law and of sovereignty, including the definition of citizenship, the place of migrants in European societies and the role of national minorities in EU member states. Instead of artificially questioning whether and to which extent European integration might continuously "take away" rights and prerogatives from the nation states in Europe and how this situation could be handled with a win-win outcome for all layers of the system of governance in Europe, it might be useful to start the debate by recognizing that European integration as a genuine political form has also brought about a genuine category of supranational legal sovereignty.

Sovereignty has always been a relative and a relational notion which remains tied to public acceptance and legitimacy. Sovereignty came to be perceived as protecting a given political unit from outside pressure and as binding a body politic internally on the basis of shared values and notions of authority and public good. Both categories can be applied to the growing experience with European Union efforts to organize the pooling of sovereignty in more and more policy fields. So far this has basically been a top-down approach, pooling sovereignty together on a supranational level, where it generated

29 See Weiler, Joseph H. H., "Community, Member States and European Integration: Is the Law relevant?," *Journal of Common Market Studies*, 21.1-2 (1982):39-56; Höreth, Marcus, *Stille Revolution im Namen des Rechts?*, ZEI-Discussion Paper C 78, Bonn: Center for European Integration Studies, 2000; Arnull, Anthony, *The European Union and its Court of Justice*, Oxford: Oxford University Press, 2003.

value added in functional terms, and where it was finally able to gain the status of "operational sovereignty."[30] This is another way of describing pooled sovereignty as "functional," a term with a long history in European integration theory. Beyond the classical literature on integration concepts, political philosophy might also take note of some findings and categories of recent international relations theory. Robert O. Keohane, one of the pundits in this field, has stated that sovereignty in modern international politics "is less a territorially defined barrier than a bargaining resource for a politics characterized by complex transnational networks."[31] It might be problematic to view European integration purely through the eyes of international relations theory, but it is appropriate for various academic disciplines to take note of each other's findings as much as European integration scholars within Europe have to deal with the perceptions and deliberations of their colleagues from outside of Europe.

The European Union consists of supranational, intergovernmental, subnational and cross-societal elements and modes of governance. European Parliament, European Court of Justice, European Commission, European Council, European Central Bank, Europol, Committee of the Regions, Committee of Economic and Social Affairs – no matter what has to be said on each of these institutions, there can be no doubt that they represent new realities in Europe, transgressing all criteria that forged and legitimized the nation states since the Treaties of Westphalia. The continuous shape of a new reality of sovereignty in Europe can also be seen in the impact on the management of national political institutions. Accumulation of power and the increasing complexity of decision-making on the level of the European Union forces its member states to continuously change and adapt to European solutions. European affairs are no longer matters of "foreign policy" in EU member states. European affairs have become a matter of domestic politics in all EU member states.

Without doubt, the European Union has developed into a new and genuine sovereign, demonstrated by the superiority of EU law, by the existing supranational institutions – including fiscal sovereignty which has always been considered a key ingredient of autonomous state sovereignty – and by the complex set of decision-making in EU practice, which is increasingly based on qualified majority voting. The overall system remains incoherent. But it is no longer possible for either legal scholars, political scientists or political philosophers to reject the notion that the European Union has become a unique, yet ever developing sovereign. As such, the EU remains challenged on two accounts to give thorough consistency to this new reality: The EU has to enhance its sense of identity and it has to increase its global profile.

The EU as a new, albeit limited, sovereign has overtaken the formation of proper philosophical notions to sufficiently understand and describe its character. The notion of

30 See van Ham, Peter, *European Integration and the Postmodern Condition*, op.cit.: 99.

31 See Keohane, Robert O., "Hobbes's Dilemma and Institutional Change in World Politics: Sovereignty in International Society," in: Holm, Hans-Henrik, and Georg Sorensen (eds.), *Whose World Order?: Uneven Globalization and the End of the Cold War*, Boulder: Westview, 1995: 177.

the European Union as a new sovereign, based on operational – and thus by definition conditioned and limited – sovereignty, in search of constitutionalism, coherent and efficient governance and a global role has to be added to the textbooks of political philosophy in its own right. It is no longer sufficient to view the European Union through the lenses of a political philosophy whose categories have purely developed with the evolution of the state.

One might also apply the following comparison, recognizing that the evolution of Western political philosophy reflects not only autonomous philosophical reasoning but that it has always been linked to the political development which it both fosters and reflects: The European Union is emancipating itself from the established monopoly of state sovereignty in as much as Marsilius of Padua has reflected about the emancipation of the secular empire from the church in thirteenth century Europe[32] and as much as Jean Bodin has succinctly described the new reality of the autonomous European nation state in the seventeenth century.[33] So far, the European Union has not yet lived up to the demands and aspirations of the notion of popular sovereignty as expressed in the political philosophies of John Locke,[34] Charles de Montesquieu[35] or Alexis de Tocqueville.[36]

(b) European decision-making, which remains strongly executive-driven, heavy-handed and non-transparent, has been compared to medieval European, and particular German, notions of "policy" measures which antedated the concept of politics as it is known by the modern sense of the word.[37] Bureaucratic, "cameralistic" processes of "policy" were widely established in late medieval and early modern Germany as in other European states. They were intended to implement a "good order" from above while preventing social pluralism, which after all could go astray with a questionable effect on the monopoly of the elite powers.[38] Will the EU remain the postmodern expression of a pre-modern, late medieval organism of statehood – increasingly developing its claims for union sovereignty without living up to the idea of popular sovereignty?

For the time being, no scholarly effort can apologetically make the democratic quality of the European Union more plausible and blossoming than it truly is. There can be no doubt whatsoever about the democratic structures and liberal constitutionalism in

32 Marsilius of Padua, *Defensor Pacis*, New York: Arno Press, 1979.
33 Bodin, Jean, *Les six livres de la République*, Paris: Fayard, 1986.
34 Locke, John, *Two Treatises on Government*, London: Cambridge University Press, 1967.
35 de Secondat, Charles, Baron de Montesquieu, *De l'esprit des lois*, Paris: Garnier, 1977.
36 de Tocqueville, Alexis, *De la démocratie en Amérique*, Paris: J. Vrin, 1990.
37 See van Ham, Peter, *European Integration and the Postmodern Condition*, op.cit.: 112-123; Zielonka, Jan, *Europe as Empire: The Nature of the Enlarged European Union*, Oxford: Oxford University Press, 2006.
38 See Maier, Hans, *Die ältere deutsche Staats- und Verwaltungslehre*, Munich: C. H. Beck, 1980 (rev. ed.).

all EU member states. Democracy, the rule of law and the protection of human rights have been made prime criteria conditioning accession to the European Union. But on the level of the EU, the situation is less perfect. In spite of many achievements over the past decades, the European Union is still not fully consistent with standards of democratic theory and popular sovereignty recognized among Western democracies. It must always be reiterated that EU member states themselves are responsible for this deplorable situation as they are not yet ready to properly democratize the EU and its institutional web. The institutional development in the EU since the 1980's has seen a steady increase in the co-decision powers of the European Parliament. But the parliamentary rights have not yet reached the most critical question of parliamentary rule: the right to taxation. Unfortunately, at least so far, European democracy is representation without taxation.

The growing claim of the parliamentary groups in the European Parliament to put their mark on political choices in the EU is without doubt. But more than political rhetoric is necessary for the EU to properly realize the claim of being a functioning parliamentary democracy. Until now, critics still have the upper hand by lamenting about an essential political vacuum in the EU with democracy and citizenship merely "as political derivatives."[39]

The European Union has achieved much in spite of its daunting process of democratization and constitution-building. Ultimately, the EU will need to encourage its citizens to develop a genuine European "constitutional patriotism." Many skeptics find this perspective impossible in light of the continuous existence of nation states that continue to absorb so many loyalties of their citizens. Others plea for patience and suggest a long-term view: A growing culture of European memory, the psychological effects of European symbols and a continuous legacy of success through integration will not remain without effect on Euro-patriotic attitudes. Notwithstanding the content of EU treaties, European symbols do exist in reality, being known to all EU citizens and across the world: a European flag, a European anthem, a European currency, Europe Day – these are relevant elements for the evolution of a genuine Euro-patriotism. The installation of a European Social Service and of a European Peace Corps for young adults, but also the presentation of one European tea, of athletes at Olympic Games, a European Memorial Day for all War Victims of the continent and general use of European textbooks in schools and universities could have enormous symbolic and substantial effects.

Last but not least one should mention the ever-growing number of European Studies as a new interdisciplinary and transnational field in universities inside and outside

39 van Ham, Peter, *European Integration and the Postmodern Condition*, op.cit.: 155.

Europe.[40] The existence of this relatively new field of studies is yet another sign of expanding realities of European integration.

The search for a democratic European Union is under pressure by the implications of globalization on the formation of the European Union, but the European Union is also trying to shape the character of globalization on its terms. Globalization has generated a broad set of regulatory mechanisms – from environmental protection to global trade and from law enforcement through the International Court of Justice to multilateral disarmament efforts or the search for sustainable development, to randomly name but a few fields of application. These are ingredients of emerging global governance. The common supranational position of the EU in some of the critical international policy areas – such as world trade negotiations and negotiations on global warming – might have been the result of intergovernmental bickering within the EU, but nevertheless the EU has been able to come up with a cohesive and consensual supranational position. Democracy might be incomplete in the European Union, but whatever has been said about the potential for global governance, its results so far remain even more bureaucratic and executive oriented than decision-making in the European Union. The idea of global governance will continue to have limited recognition and legitimacy as long as many states in the world remain without democratically accountable regimes.

The European Union is confronted with an internal quest for stronger popular sovereignty, for more transparency and democracy, while the development of global governance mechanisms point to executive, regulatory and thus intrinsically non-democratic solutions. It might therefore be argued whether or not globalization could undermine the efforts of democratizing the European Union.

In spite of all the skepticism on these matters,[41] it might be worth embarking on an optimistic path of speculation, given the enormous drive which the global role of the euro will generate for a more streamlined internal structure of the EU. In methodological analogy to the above-cited assessment of George Ross concerning the creation of the euro – "anticipated globalization in one region" – a future political union in Europe could well serve as another contribution to "anticipated globalization in one region." It would have an enormous impact as inspiration for other regions in the world and as an innovative, in fact unique contribution to good governance on the global level.

The order to achieve global democracy and rule of law remains tall. Regulatory mechanisms of decision-making seem, at least so far, to be the only possible option in a world as diverse as it is in terms of regimes, interests and capacities. If at all, regional forms of supranational democracy might be viable. In light of its achievements and potential – certainly since the introduction of the euro – the European Union should

40 See Loth, Wilfried, and Wolfgang Wessels (eds.), *Theorien europäischer Integration*, Opladen: Leske & Budrich, 2001.

41 See van Oudenaren, John, "E Pluribus Confusio: Living with the EU's Structural Incoherence," *The National Interest*, Fall (2001): 23-37.

have less reason to be as skeptical of its own future as many academics insinuate it should be. Of course, the EU still has a long way to go to match monetary union with full-fledged political union. But it has embarked on the right path, no matter how ambitious it is. The efforts of the European Union to harmonize regional (economic and political) sovereignty with regional parliamentary democracy, rooted in the rule of (European) law, might very well turn out to have an enormous impact on the global agenda concerning good governance.

EU experiences, notions and concepts cannot immediately serve as model for transnational institution-building in other parts of the world. Yet, they find a cautious echo in several of the regional groupings across the globe. In the same sense, European experiences may also be projected to the level of global governance: It is, for instance, astonishing that no scholar studying the European Union has so far proposed a parliamentary chamber for the United Nations, or at least regular meetings of all Chairpersons of Parliamentary Committees on Foreign Affairs parallel to the Annual UN General Assembly. Could a two-chamber system for the UN not support the notion of global political governance complementing economic and scientific globalization? It could also give a partial answer to the popular critique of globalization being undemocratic and not transparent.

The European Union's search for overcoming its own "democratic deficit" by developing a balance between intergovernmental and supranational aspects of governance – which is to say a balance between the Council as its intergovernmental chamber and the European Parliament as its popular and democratic chamber – might be viewed as a farsighted contribution to a better framework for good governance on a global level. It could help to complement economic globalization with a politically driven framework, which is direly needed to tame the effects of globalization, as they have remained outside of the purview of democratic and political control. As much as this might turn out to become a real possibility, European integration would contribute enormously to re-politicized global order-building.

The idea of a democratic EU has to fight against various stereotypes. Besides the notion that Europe cannot develop a democracy because of the absence of a demos, a European people, another veil, which is being put over the debate on "democratizing the EU," is the constant mystification of democracy as a pure and unchangeable concept. Hardly any debate on the "democratic deficit" in the European Union is taking note of the huge literature and public debate regarding the limits of democracy in any contemporary democratic state. Complaints about shrinking citizens' involvement in politics, as seen by reduced participation and a lowering sense of responsibility for public affairs, complaints about the quality of party politics and of the authority of elected leaders: all these charges have accompanied Western democracy for the last two or three decades. Whenever the question of the democratic character of the EU is being

raised, one should clearly abstain from overburdening the EU by either expecting too much or by hoping that the EU might rescue democracy from today's national limits.

It has been suggested that the European Union has developed mechanisms of decision-making which correspond to a system of "post parliamentary governance,"[42] a system of governance which puts priority on the executive and on bureaucratic regulations as the seemingly most efficient and competent way in dealing with modern challenges; not the least those posed by globalization. The argument reflects a static view of both democracy as a concept and European integration as a process. While the role of the European Parliament has been increasing in the course of the last two decades of European integration, national parliaments in EU member states were labeled "losers" and "latecomers" in dealing with the implications of European integration on domestic politics and structures.[43] Likewise, the impact of globalization on local democracy has received ambivalent reactions.[44] While Euroskeptics argue that the role of the European Parliament has gained already too much strength with the broadening of its role in the co-decision-making of the EU, empirical evidence demonstrates the diminished role of national parliaments in EU member states even on purely domestic issues. The same holds true for regional or local parliaments. The constitutional provisions on subsidiarity will hardly be able to reverse this trend. Western-type democracies have, by and large, become executive-dominated democracies.

In a world where a unitary public sphere based on citizenship and state sovereignty seems to be evaporating to the advantage of market power, it is conceptually only logical that a changing notion of sovereignty must also affect the notion of democracy. The state is still the main subject in international law in spite of the changing character of state sovereignty. And democracy remains conceptually tied to a state-based notion of a homogenous "demos" in spite of the realization that market forces have partially undermined purist notions of democratic choice. All this remains true in spite of the fact that the loyalty and legitimacy of today's citizens have multiple foci in any democratic nation state, the European ones included. Multilevel governance, multilevel sovereignty, multilevel democracy: Each of these key notions of political theory has been broadened by the experiences reflected in European integration.

Until now, it has been difficult to include the European dimension of democracy into a multilayered concept of democratic theory. Reflection about the democratic character of the European Union has to take into account the challenge of globalization, which inevitably points to a growing role of regulatory mechanisms to the disadvantage

42 See Andersen, Svein S., and Tom R. Burns, "The European Union and the Erosion of Parliamentary Democracy: A Study of Post-Parliamentary Governance," in: Andersen, Svein S., and Kjell A. Eliassen (eds.), *The European Union: How Democratic is it?*, London: Sage, 1995: 227-251.

43 Maurer, Andreas, and Wolfgang Wessels (eds.), *National Parliaments on their Ways to Europe: Losers or Latecomers?*, Baden-Baden: Nomos, 2002.

44 See Hambleton, Robert, et al. (eds.), *Globalism and Local Democracy: Challenge and Change in Europe and North America*, New York: Palgrave, 2002.

of classical political choices and democratic decisions. In as much as this process is unavoidable, one of the suggestions concerning our understanding of the democratic capacity of the European Union has been to shift the focus from concern with the "democratic deficit" in the EU to concern for the democratic process as an interplay with intergovernmental and supranational decision-making with both parliamentary and executive dimensions. It has been argued that the question should not be "whether the EU is democratic or not, but to what extent the EU can handle the traditional concerns of the democratic process, while at the same time solving the effectiveness problems of EU member States."[45] Traditional concerns, of course, mean: accountability, transparency, and primacy of the rule of law. However, it is not only theory but also practical experience which forms our notions of how to understand their interplay.

In light of the debate about political fragmentation, increased loss of social cohesion in the Western world and centrifugal notions of power, it remains remarkable to note the claim of the European Parliament and those who support its cause to continuously advance parliamentary democracy on the level of the European Union. Supranational parliamentary democracy is indeed a novelty both to international relations and to democratic theory. As much as borders and notions of sovereignty have become permeable in a globalized world, notions of democracy and concepts of parliamentary democracy will have to recognize how much they have been permeated by the implications of a new interplay of regional, national, intergovernmental and supranational decision-making procedures, while globalization is also claiming its toll upon democratic norms. Under these circumstances, the European Parliament cannot be lauded enough as a unique historical experiment, and as a substantial contribution to "democratize" the European Union. The "party families" in the European Parliament are increasingly gaining a stronger profile in projecting their choices into the public arena.[46]

The introduction of formal European citizenship in the Treaty of Maastricht has become another factual ingredient of European democracy which responds to the limited decision-making capacities of the traditional nation states and to the quest for a European identity in light of the global exposure of Europe, which is widening its territory and is deepening its political character. European citizenship can foster European identity in the wake of processes of globalization often characterized as undermining any sense of belonging and identity.[47]

The concept of citizenship explicitly demonstrates that all citizenship is limited. Otherwise the world would not be seeing so many variants of citizenship. Their character and connection to territorial entities has changed over the course of time. It

45 Andersen, Svein S., and Kjell A. Eliasen, "Democracy, Traditional Concerns in New Institutional Settings," in: Andersen, Svein S., and Kjell A. Eliasen (eds.), *The European Union: How Democratic is it?*,op.cit.: 253.

46 See Johansson, Karl Magnus, and Peter Zervakis (eds.), *European Political Parties Between Cooperation and Integration*, Baden-Baden: Nomos, 2001.

47 See Beck, Ulrich*, Was ist Globalisierung?*, Frankfurt: Suhrkamp, 1997.

would, therefore, be unhistorical to judge the concept of "European citizenship" purely on the basis of its achievements in the short period since 1993. European citizenship was promulgated with prospective affirmation and not with reference to empirically hardened evidence about its existing appraisal and acceptance among EU citizens. The majority of them might not know Article 8 of the Treaty of Maastricht, which simply reads as follows: "Citizenship of the Union is hereby established. Every person holding the nationality of a Member State shall be a citizen of the Union."[48] The affirmative, normative character of the text does not mean that its claim cannot, over time, evolve into an empirical, descriptive reality, no matter how strong the skepticism might still be at this moment.

The concept of a European citizenship will foster a sense of belonging and can encourage the notion of "ownership." It needs to be filled with clearer notions of trans-national solidarity among Union citizens. As much as the EU reflects new dimensions of the notion of sovereignty and of the notion of democracy, this also holds true with regard to the notion of citizenship. Elizabeth Meehan has argued that a new kind of citizenship is emerging in Europe "that is neither national nor cosmopolitan but that it is multiple in the sense that the identities, rights and obligations associated...with citizenship, are expressed through an increasingly complex configuration of common (i.e., EU) institutions, states, national and transnational voluntary associations, regions and alliances of regions."[49] The problems associated with a European citizenship are mostly of the same nature as they are in regard to the contemporary character of national citizenship. Basically, a citizenship is both inclusive and exclusive. The test for the European citizenship whether or not it can substantiate its claim is therefore also twofold: It has to prove that it can generate a sense of "ownership" among EU citizens and it has to find answers to the development of multi-ethnic and multireligious realities within the EU, not the least as a consequence of Muslim migration to Europe.

Both aspects challenge the European notion of identity and solidarity. Most challenging is the fact that with 15 million Muslims living in the European Union, Islam has become the biggest non-Christian religion in Europe. Beyond many problems of practical integration and outbreaks of xenophobic outcries as expressed in the formation of anti-immigration parties in various EU countries, the question can no longer be avoided whether or not the dimension of a "Muslim Europe" has to be added to the traditional notion of European identity as predominantly shaped by Christian traditions, values and habits. Linked to this development is the even more sensitive question whether a phenomenon called "Euro-Islam" can develop in Europe as long as Islam is

48 *The Rome, Maastricht and Amsterdam Treaties: the Treaty on European Union (the Treaty of Rome) and the Treaty Establishing the European Community (the Treaty of Maastricht) Amended by the Treaty of Amsterdam: Comparative texts. 1st ed.*, Genval, Belgium: Euroconfidentiel, 1999: 47.

49 Meehan, Elizabeth, *Citizenship and the European Community*, London: Sage, 1993: 1; see also Hudson, Wayne, and Steven Slaughter (eds.), *Globalisation and Citizenship: The Transnational Challenge*, Abingdon: Routledge, 2007.

not changing its position on secular politics, democracy and the rights of women in core Muslim countries.[50]

The idea that European citizenship can generate a "sense of ownership," and that the EU might be rooted in the hearts and minds of its citizens, touches on a sensitive albeit more traditional topic. Fundamental for a plausible answer to this question is the relationship between rights, European citizens' claim as much as anybody else in the Western world, and duties, which will become inevitable if European solidarity is to work. One expression of the possible controversies ahead is the question of a European tax, which does not necessitate the need for higher taxes but could. It must certainly create a new and coherent notion of a European tax instead of continuing with complicated notions about the various modes of how taxes are either raised by the EU directly or granted to the EU through its member states. "Ownership" of the European citizens might also imply duties, such as a compulsory European civil (social) service for young adults, men and women alike. Such a Europe-wide exchange program might do more good in promoting European identity, as well as a sense of solidarity and citizen responsibility, than all books published on the subject and all conferences held in its name.

"Ownership" of the European Union by the European citizens will not and cannot mean creating a homogeneous and standardized society. Nothing is further from evolving in the EU. But in responding to challenges posed by globalization and the societal developments within the EU, all EU countries are increasingly realizing that the thrust of the bountiful opportunities and daunting challenges ahead is of an increasingly similar, if not identical character. Although the answers will remain local, regional or national, the debate about the content of the answers can certainly be "Europeanized" in spite of language barriers or nationally confined political and media systems. European integration will increasingly be about the conceptual challenge involved in bridging heterogeneous realities in culture, society and politics on the one hand and common discourses about similar challenges on the other hand.

Generating a Europe "owned" by its citizens is a cultural challenge which requires more than teaching languages, creating European media and streamlining European-wide debates on the same topics in the institutions of the European Union and the member states. It is always easier to do so as long as the challenge is of an external nature. It will become increasingly difficult if the challenge implies that established patterns of local or national interest representation have to be changed. A new order of competencies between the EU, its member states and the regions within these member states, will enhance accountability and transparency, while at the same time defining the

50 See Al Sayyad, Nezar, and Manuel Castells (eds.), *Muslim Europe or Euro-Islam: Politics, Culture, and Citizenship in the Age of Globalization*, Lanham: Lexington Books, 2002.

scope of political mandates for each level of the EU governance system in a better way, always in line with the famous notion of "subsidiarity."[51]

The EU has been challenged to complete its internal order-building if it wants to cope with the swift developments and the apolitical character of market lead globalization. The European Union can only live up to this challenge by increasing its focus on what is primarily needed: not a consistent theory of post national political philosophy but an efficient, democratic and transparent structure of governance, not discourse, but decision, not debate, but action. Whenever the EU succeeds, it will also redefine the theoretical notions we have about politics in Europe.[52]

(c) The necessary responses of the European Union to globalization are also impacting the notion of order-building as it has evolved in Europe's intellectual history. In the past, the notion of "order-building" has been understood as building a European order. Since the creation of the modern state system, Europe was its own prime focus. Variations of a state-centric search for balance of power determined Europe's history, its political and legal evolution and the intellectual reflection about it.

In the final analysis, colonialism and imperialism were also functions of the internal European struggle for power and hegemony. Europe's ambitions were projected globally, but they remained their own prime focus of interest for the European colonial states; the impact of colonial glory on the intra-European posturing for power was more relevant than colonialism itself. Bismarck, when being asked to engage more in African affairs, pointed to a European map as "his Africa." This was more than the specific reaction of the German latecomer to colonialism. From the outset, also Spanish and Portuguese, French and British, Belgian and Dutch, Russian and Italian – and hence also German – colonialism were functionally linked to the strife for power and supremacy in Europe. By definition, smaller European nations were left out of this type of order-building. In the end, power politics could neither enable the leading European nations to maintain balance of power among them, nor help them to maintain an unchallenged global role.

After three centuries of a state-centric search for power and many failures to balance it, the second half of the twentieth century has seen the evolution of a truly unique European experiment. Intergovernmental cooperation and supranational integration have developed in an unprecedented way, complemented by the evolution of a transatlantic partnership, which has been substituted for former inter-European reassurance treaties. For the first fifty years of the evolution of this "new European

51 See Ronge, Frank, *Legitimität durch Subsidiarität: Der Beitrag des Subsidiaritätsprinzips zur Legitimität einer überstaatlichen politischen Ordnung in Europa*, Baden-Baden: Nomos, 1998.

52 See also Albrow, Martin, and Darren O'Byrne, "Rethinking State and Citizenship under Globalized Conditions," in: Goverde, Henri (ed.), *Global and European Polity?: Organizations, Policies, Contexts*, op.cit.: 65-82; Murphy, Craig N., "Globalization and Governance," in: Axtmann, Roland (ed.), *Globalization and Europe: Theoretical and Empirical Investigations*, op.cit.: 144-163; Vibert, Frank, *Europe Simple, Europe Strong*, Cambridge: Polity Press, 2002.

order," the underlying premise was to find peace and stability, prosperity and solidarity among former European enemies by way of binding resources, interests, values and goals together in Europe and for the sake of Europe. The post-communist developments since 1989 have stretched the concept of the "new European order" to Central and Eastern Europe. They did not change it structurally. "Order-building" remained Europe centric, although its notions were taken, right from the beginning and if only unintentionally, from the philosophy of Immanuel Kant's essay "On Perpetual Peace."[53]

Kant's proposition of eternal peace requires continuous work and attention. Peace, he argued, must be based on the notion of individual self-realization, the rule of law and a voluntary association of states. His argument remains as universal in its claim as it was when he published his essay in 1795. Europe has applied the basic assumptions and propositions of Immanuel Kant, only two centuries later. Simultaneously, globalization exposes Europe to a new and pressing reflection about the notion of universality, particularly in its connection with the old European ideal of order-building.

With the advancement of technology and science and the enormous increase in knowledge all over the world, concepts of modernity, participation and democracy have become globalized as well. The quest for the universal acceptance of human rights is the most pronounced case of the impact of this transfer of culture and norms. Intellectual challenges to the notion of the universality of human rights, expressed by advocates of cultural relativism, have time and again been challenged and delegitimized by the proponents of human rights on all continents and cultures.[54]

The intellectual debate about universality and Europe's attitude toward universalism has come back full circle to a continent which is showing an increasing tendency of self-complacence about the impressive success in peaceful order-building and reconciliation between former antagonisms inside Europe. Globalization forces Europe to reflect anew about universality as a European call. It challenges Europe to evaluate what in fact distinguishes European concepts of identity from universal ones. It exposes Europe's sense of solidarity to respond to universal demands. It forces Europe to engage in global order-building. It enables Europe to share its experiences with others and to engage in an intercultural dialogue. Finally, it leads Europe to reflect on how much of its identity is European, or how much of it is Western or even universal by definition.

From the days of ancient Greece, Europe was defined as "the other," in alternatively to its peripheries and neighbors. The dichotomy between the Greeks and the Persians, as narrated by Herodotus, the father of European historiography, has remained a *leitmotif* for Europe's definition of its Self against other regions, cultures and countries in the

53 See Kühnhardt, Ludger, *Von der ewigen Suche nach Frieden: Immanuel Kants Vision und Europas Wirklichkeit*, Bonn: Bouvier 1996.

54 See Kühnhardt, Ludger, *Die Universalität der Menschenrechte: Studie zur ideengeschichtlichen Bestimmung eines politischen Schlüsselbegriffs*, Munich: Olzog, 1987; Archibugi, Daniele, et al. (eds.), *Re-Imagining Political Community: Studies in Cosmopolitan Democracy*, Cambridge: Polity Press, 1998; Dower, Nigel, "Human Rights, Global Ethics and Globalization," in: Axtmann, Roland (ed.), *Globalization and Europe: Theoretical and Empirical Investigations*, op.cit.: 109-125.

world. It is not surprising that the latest debate about Europe's Self in the age of globalization has been ingrained with a substantial dose of Anti-Americanism or better: post Americanism. For fifty years, transatlantic commonality served as the underpinning of the notion of "the West," while the communist order and the states resorting to it were seen as "the other." With the end of the Cold War, new debates about "Europe or America" or even "Europe against America" have surfaced and put into question the notion of a transatlantic civilization.[55]

Globalization is confronting Europe with two important intellectual choices. The first one relates Europe's assessment of the notion of universality to Europe's perception of "the other." Does identity necessarily need an opposing "other"? Does it require, in the worst of cases, an enemy? Already Aristotle has understood that nothing is more difficult than defining oneself without resorting to adversary notions of "the other." As long as Europe tries to reduce its profile and ambition to that of a global trading state, it evades the challenge this question poses. In doing so, Europe is lacking also honesty in dealing with its most important partner, the United States. Criticizing Americans as resorting to overly simplistic notions of "good" and "evil" when it comes to identifying their place in the world and the threats they are confronted with, does not help either. Europe cannot exempt itself by pointing to the US. All in all, to use Timothy Garton Ash' quip, "Europe is an adolescent son rebelling against an American uncle who was himself originally Europe's daughter."[56] Even after diplomatic reconciliation in the aftermath of the bitter disputes between Europe and the US on Iraq, the problem of transatlantic adversity on the formulation of universal order building and norm enforcement remains salient. As much as democracy and European integration are not ends in themselves, transatlantic relations aren't either. In the age of globalization, the powerful US and the not powerless EU have to synchronize their search for answers to the most fundamental question they are confronted with by the rest of the world: "A power for what?"[57]

To assume that Europe's "other" might not be America, but the Islamic world (or at least its radical forces) opens an ever bigger and more delicate set of conceptual questions, which the EU would have to deal with if it were to give in to this inclination. Different political and economic interests among EU member states and institutions on matters of relations with the Arab world, with the idea of anchoring Turkey in Europe, and with the role of Islam in Europe make it questionable whether a genuine and robust European consensus would emerge even on the notion of a common understanding of

55 On the structural links between Europe and America in the age of globalization and thus on their mutual dependency see Pollack, Mark A., and Gregory C. Shaffer (eds.), *Transatlantic Governance in the Global Economy*, Lanham: Rowman & Littlefield, 2001; Brewer, Thomas L. (ed.), *Globalizing Europe: Deepening Integration, Alliance Capitalism, and Structural Statecraft*, Cheltenham: Edward Elgar, 2002.

56 Garton Ash, Timothy, *Free World: Why a Crisis of the West Reveals the Opportunity of Our Time*, London: Allen Lane, 2004: 106.

57 Ibid.:91.

the issues involved and their possible implications. European discussions after the terrorist attacks of "9/11" (2001) have underlined that for many Europeans the two issues of how to deal with the United States and how to deal with the Islamic world are interwoven and might generate highly emotional responses on both scores. Consistency with regard to a European concept of normative universality has not yet been found by the EU, not even in the aftermath of the terrible bomb attacks in Madrid on "3/11" (2004).

On the intellectual level, the search remains difficult as long as the philosophy of postmodernism and of deconstructionism prevails. These relativistic philosophical modes of reasoning undermine the ability to fundamentally understand somebody else's reasoning by denouncing it as fundamentalist already before it has been analyzed in its own context and reasoning. Postmodern relativism is the intellectual adversary of the development of a proactive European concept of universality in the age of globalization. One of the most critical matters for Europe is the question whether conceptually Europe's normative understanding of universality in the age of globalization "needs" an enemy without endangering Europe from undermining the strength of its own identity. If one prefers to negate the thorny question, one must logically accept a much higher degree of involvement of Europe in the search for coherent global order-building.

This leads to the second fundamental challenge which globalization poses to a Europe that wants to be consistent and proactive in the pursuit of "global normative universality." Europe has to make choices about its own readiness to get consistently and strongly involved in the global dissemination of universal norms if it accepts the underlying premise that order-building has evolved from an intra-European challenge to a global challenge. First of all, Europe has to prioritize its understanding of the content of normative universality. In light of the enormous plurality of value preferences, which exist in Europe today, this is no longer an easy task to deal with. In order to act consistent with Europe's claims to universality of human rights, rule of law, democracy and peace, Europe has to focus its scope of action and enhance its readiness to play a global role. Otherwise the critique of relativism falls back upon Europe: In terms of practical political action, Europe will be seen as parochial, lacking sufficient sense of solidarity and partnership, and unwilling to accept the use of force as the last resort to reestablish peace and stability. In intellectual and moral terms, to talk universally, but to act only regionally, is equivalent to intellectual and moral abdication.

Europe has no choice but to develop a stronger, comprehensive and consistent, multidimensional and proactive global role if it wants to maintain credibility with its charge that norms of moral political behavior ought to be universal. Immanuel Kant's notion of peace exposes Europe finally to the challenge of a global role, which the era of globalization makes both possible and inevitable.

So far, Europe's contribution to universal order-building has been most visible in the regulatory work which has been done to organize global trade and the norms it is

based upon. The creation of the World Trade Organization with its mechanism of arbitration has demonstrated Europe's ability to contribute to universal order-building under conditions of self-interest. Whether this can also be achieved in the fields of politics and law remains to be seen. Most difficult to identify is Europe's answer to all possible variations of global disorder which might imply the use of force and subsequent peace building in order to reinvigorate failed states.[58]

Practically, this conundrum can only be resolved by the complete introduction of majority voting in European Union's Foreign and Security Policy. Intellectually, the task remains much more difficult than finding politically workable solutions. In the final analysis, it would require both the citizens and the member states of the European Union recognize the EU's legitimate right to exercise global powers in all respects. This is an intellectual task for which the current European debate is still too narrow. And doubt about the capacities of political leadership in Europe might prevail, even if the EU were mandated to truly and comprehensively act globally on all possible accounts. The inability so far to create a common EU representation on the Security Council of the United Nations is one strong indication of this fact.

Instead of becoming a truly global power, Europe might be more active and outspoken in the years to come in promoting supranational and intergovernmental regionalism along the lines of the EU model. The existing efforts in the ASEAN region, in the MERCOSUR, in the Gulf region, in South Asia and Southern Africa, in the Andean region and in Central America point to the potential. At the same time, the quest for global regionalism remains vague and based on different assumptions of the future character of the states involved, about the relevance of institution-building and constitution-building and of course about the capacity and the resources to learn from European experiences in regional order-building under completely different circumstances.[59] A case in point is the Middle East, where ideas about functional-sectoral integration of the economies have been floating around for years in order to stop the enmity and violence between Israelis and Palestinians. But can a concept based on the experience with the Franco-German tandem as engine of regional cooperation and integration work in the Middle East? What would it require to work? Who would monitor it? These questions link Europe's potential for sharing experiences about regional order-building with Europe's will to participate in global order-building. As partner of the Road Map toward a two-state solution for the Middle East conflict, the European Union is already involved in the Middle East, albeit with a very subdued profile given the proximity to the region and relative to Europe's interest in favoring a peaceful solution in the region. The EU must reassess its potential and will to project itself as a regional pacifier in the Middle East if its claim to play a global role in the

58 See Cooper, Robert, *Breaking of Nations: Order and Chaos in the Twenty-First Century*, London: Atlantic Books, 2003.

59 See Schirm, Stefan A., *Globalization and the New Regionalism: Global Markets, Domestic Politics and Regional Co-Operation*, Cambridge: Polity Press, 2002.

twenty-first century is to be convincing, meaningful and substantial. Failing to do so cannot be blamed on the dominance of the US or the contrasting interests of the regional actors alone.

The Middle East is but one strong and globally visible test-case for Europe's comprehensive commitment to the universality of order-building. The delicate geopolitical situation in North East Asia must be mentioned as the other matter of global concern that should activate a stronger EU readiness to offer its good services and experiences. To this day, the EU is limited in exercising the role many expect it to play because of the limited will of EU member states. Still, this is a stronger internal wall than any of the hopes and fears alike by which the prospective future global role of Europe is perceived around the world.[60]

5. Globalizing Europe as Answer to a Globalized World

By definition, the European Union is a contribution to the building of world order. Whether it can contribute also to intellectual notions and norms, to key concepts about our understanding of universal order-building depends ultimately upon the ability of the European Union to generate a consistent and widely accepted set of new key notions of political theory on permeable sovereignty, multilevel governance and democracy, on ownership and citizenry, and on a commitment to make universal notions of law, peace, and freedom viable. Inside the European Union, the reaction to this challenge remains ambivalent. This coincides with an ambivalent attitude of many Europeans to market-driven globalization. So far, globalization has had a stronger impact on the European economy, and on culture and lifestyle in Europe than on the intellectual discourse about the role of politics under conditions of market-driven globalization. Europe has not yet fully grasped the meaning of globalization as both an opportunity and a challenge to preconceived European notions of state-market relations between political power and the power of the market.[61] Over the past decades, the member states of the European Union have significantly liberalized their economies, but they remain in general much more state-centric than, for example, the United States. While globalization is often perceived as a threat to local cultures, the majority of Europeans is however not in general support of the anti-globalization movement often associated with European skepticism about globalization. According to special Eurobarometer polls taken in 2003 (that is to say before EU enlargement to include Central and Eastern Europe), 64 percent of EU citizens are "rather" (51 percent) or even "totally" in favor (13 percent) of globalization, while only 28 percent were "rather" (20 percent) or "totally" (8)

60 See Goldmann, Kjell, *Transforming the European Nation-State: Dynamics of Internationalization*, London: Sage Publishers, 2001.

61 See Kierzkowski, Henryk, (ed.), *Europe and Globalization*, New York: Palgrave, 2002.

opposed. The strongest opposition to globalization was expressed in Greece and Austria; the strongest support for it was found in the Netherlands, in Germany, and in Ireland. A solid number of EU citizens felt that their country's economy was properly equipped to encounter the global economy (41 percent). A third of EU citizens (31 percent) argued that their country's economy was rather "too closed" compared with 20 percent arguing that their country's economy was "too open" to the effects of globalization. The vast majority of EU citizens (62 percent) expressed believe that globalization can be effectively controlled and regulated, compared with 35 percent who did not think so. In fact, a large majority of EU citizens (56 percent) believes that globalization needs more regulation. 61 percent of EU citizens expressed confidence that the European Union – better than their own country - will guarantee that globalization moves into the right direction, compared with 34 percent not having this confidence in the EU's capacity to act.[62]

How much the European Union can be a tool for managing political, economic and strategic globalization will be a crucial test case for both internal legitimacy and external power projection of the EU for many years to come. In this sense, globalization and European integration have become parallel processes, remaining dynamic in their own right and mutually broadening the other's agenda and understanding of the world we are heading for. In the midst of new uncertainties of universal order-building, the unleashing of market forces and a crisis of political authority, Europe is challenged with nothing less than the need to reinvent itself as a global player consistent with the challenge, and coherent with its own standards and claims, aspirations and interests. Europe should do this out of enlightened self-interest. It will be the only workable response to globalization that will allow European societies to flourish.

62 European Union, European Commission, *Flash Eurobarometer 151b*, November 2003, http://ec.europa.eu/ public_opinion/flash/FL151bGlobalisationREPORT.pdf.

1. Assessing Stages: From Decolonization to Globalization

European integration has gained global interest. Increasingly, European integration is perceived as a source of inspiration for processes of regional cooperation and integration around the world. The European integration experience cannot be used as a simple "role model" to be emulated under contingent conditions. On the other hand, symmetric developments in other parts of the world are not a necessary precondition to prove the global relevance of European integration experiences. European integration does not serve as a static model that can be proliferated: Neither European sources nor goals and neither European governance structures nor institutions can be found as identical copies elsewhere in the world. Yet, growing reference is made in other parts of the world to the European integration experience as other schemes of cooperation and integration are being reexamined, streamlined and strengthened. In the course of the twenty-first century this shared experience with regional integration will reflect the global proliferation of regional integration schemes on regional developments, governance structures, cultural identities and – last but not least – world order-building.

The global proliferation of regional integration coincides with a more assertive global role of the European Union. Through EU policies, the European Union supports regional integration efforts elsewhere. Since the late twentieth century, EU policies and instruments of cooperation with other regions have broadened: from trade to economic integration (EU relations with the Gulf Cooperation Council), from developmental aid to association and political cooperation (EU relations with MERCOSUR, the Andean Community and the Central American Integration System), from trade to development and governance issues (EU relations with the partner countries of the Cotonou Agreement in Africa, the Caribbean and the Pacific), from economics to a preferential strategic partnership (EU relations with ASEAN). None of these developments are static or have achieved final results. Over time, some processes of bi-regional cooperation might become more stable, sustainable and successful than others. Some of them are responses to past experiences with bi-regional cooperation or even a remote echo of colonial and post-colonial memories. Others are a reaction to "globalization" and the global role of the United States. Most relations between the European Union and regional integration schemes elsewhere are asymmetrical, with the EU being more politically integrated, more law-based and economically much stronger than most other forms of regional integration. In this context it is also revealing that the two regions with the lowest degree of regional integration efforts – Northeast Asia and the Broader Middle East – are the most difficult geopolitical regions in contemporary world affairs.