Chapter 15

**Europe and Globalization**

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Globalization is a source of endless debate in both popular and scholarly literatures. In the case of Europe, the causes and effects of globalization are difficult to isolate from those of the effects of deeper regional integration, often referred to as ‘Europeanization’. Since globalization has occurred in tandem with regional integration, it leads to questions that are specific to the European case. Has the EU subversively acted as a Trojan Horse that helped bring globalization into the heart of Europe, or instead has the EU been Europe’s best defence against its negative effects? Are regional integration and globalization two facets of the same phenomenon? Do they reinforce each other or contradict each other?

Many studies in economics and international political economy have addressed the question of how globalization and regionalization are related, but globalization scholars have not looked much at the EU (Lawrence, 1996; Baldwin, 1997; Baldwin et al., 1999; Hettne et al., 1999; Landau, 2001). In turn, EU scholars have not looked much at globalization (Wallace, 2000). It is commonplace in literature reviews on globalization to point out the increasing use of the term ‘globalization’ and its variants. Yet the most comprehensive ‘mapping’ of EC-EU studies doesn’t even use the word ‘globalization’ (or ‘global’) at all (Keeler, 2005). Moreover, the first ten years of the European Integration Online Papers produced exactly two papers with ‘global’ in the title, and none with the term ‘globalization’ (or ‘globalisation’). The *Journal of Common Market Studies* shows seven articles since 2000 with ‘global’ in the title, though in some of these cases ‘global’ seemed to be deployed as a synonym for something like ‘bilateral relations at a great distance’ (e.g. EU-Mexican relations).

To be sure, there is a Europeanist literature on globalization, but one reason for its modest size is the veritable explosion of literature on ‘Europeanization’ (Olsen, 2002; Featherstone and Radaelli, 2003; and see Chapter 9). This literature deals with an important aspect of the internationalization of European political economies and, to a certain extent, has crowded out some scholarship that might otherwise have been pitched as globalization. As we will see, one important strand of scholarship has tried to sort out the effects of globalization and Europeanization—two hard-to-define processes taking place simultaneously. This chapter
provides a compact exploration of the state of the field on the complex relationship between globalization and the EU and sketches a range of questions that still remain. We start by reviewing the multiple definitions of ‘globalization’. The second section surveys how scholars have studied the impact of globalization on the EU, while section three looks at the European imprint on globalization. We end by highlighting a research agenda centred on the question – partly empirical, partly normative – of whether the EU can help the Europeans ‘manage’ globalization.

Globalization and Europe: scope and definition

Globalization is a huge topic – sometimes so huge as to spark despair among scholars. Yet even scholars who suggest that the concept of globalization might be better abandoned have also proposed ways of refining and keeping it (Rosamond, 2005). Innumerable studies have looked at its manifestation in areas such as crime, terrorism, disease, culture, sports, education and religion. This essay concentrates on economic aspects of globalization, fully mindful of the truncation of the account. This choice excludes in particular the literature on globalization’s impact on European democracy (Axtman, 1998; Hooghe, 2003; Kuper, 2007). Our chapter also has a decidedly contemporary bent even though there exist several fine works on the history of globalization in Europe (Murphy, 1998; Wallace, 2000; O’Rourke, 2002; Berger, 2003). These omissions are regrettable, but a single review can only encompass so many themes.

Even the large literature on economic aspects of globalization still contains multiple definitions. Scholte (2000: 15–17) summarizes five major definitions in the social sciences, and each of them is present in the Europe-based literature. First, globalization as internationalization – emphasizing cross-border flows – is present in a lively debate about whether Europe is most affected by its own regional integration or by transactions with more distant actors (Weber, 2001). Second, globalization defined as liberalization – especially the removal of state regulations on economic transactions – is exemplified in debates about whether the EU (in particular, the Commission) is an instigator of liberalization or rather an insulator against liberalization (Hay, 2007). Third, globalization as universalization – the spread of human artifacts to corners of the globe far from their creation – is present in discussions about the EU’s ability to externalize its own rules, especially in an effort to ‘manage globalization’ (Lamy, 2004). Fourth, globalization as Westernization or modernization is featured in investigations of the diffusion of contemporary EU practices to aspirant member states (Jacoby, 2004) or close geographical neighbours (Kelley, 2006).