The European Union: Towards a “Posthegemonic, Post-Westphalian and Postglobalization” World Order

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Abstract

The European integration is one of the spectacular historical events. The result that has been obtained would be virtually impossible for any other regional organization to achieve. However, the continuation of this accomplishment depends upon some premises. Throughout this study, the crucial dynamics of the last two decades, which have rekindled the integration endeavor, are questioned from the neo-Gramscian critical theory perspective. Critical theory, developed mostly by Robert W. Cox, which tackles the very questions with substantially different devices, provides us with the well-depicted entire picture of the European integration. Moreover, going beyond the “classic” theories of the European integration and treating the dynamics of structural shift, critical perspective evaluates the internal and external dynamics all together. The EU seems to have considerable power to counter-shape the transnational pressures. However, this feature can even be moribund if the people fail to engage to the process actively. Consequently, there is a serious responsibility to shape a new world order. The “war of position” is to be carried out so as to attain the unprecedented world. To sum up, the proffered future world orders – “posthegemonic, post-Westphalian and postglobalization” – can be reached through Europe since the EU is still bearing inherently the substantial power. This potential is but guarantor of the strikingly different world order.

Key words: Neo-Gramscian critical theory, transnational social forces, transnational business, neo-liberal globalization, postglobalization, posthegemonic, world order

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1. Introduction

European integration process has attracted considerable academic attention since the outset. Especially after the “second vitalization” of the integration process, triggered by the “globalization” effects of the 1980s, the European Union (EU) has been evaluated as a very relevant unit of social sciences which to be probed thoroughly. There are many reasons of this relevance owing to the significant position of Europe in both contextual and historical terms. Moreover, EU has represented a very special model of regionalization as a governance system and as a *sui generis* construction. None the less, although the issues concerning the EU are so vital, we have generally observed “a narrow path of theoretical deliberation” which leads to the “vicious circle” of the interpretations explaining the integration. To break this “vicious circle”, a new theoretical perspective is proffered through this study.

To support the assertions of the Critical Theory, an expected “emancipatory” theoretical framework, the globalization process and the transnational structures as well as other illustrative establishments are examined. Although this text is not including any case study in a wide sense, some selective processes are probed in such a way as to show, at least, the ignorance of the mainstream theories. Some alternative future orders, moreover, are illustrated at the end.

1.1. The Purpose of the Study

There are only few researches as to the EU dealing concomitantly with the global and structural powers and regional dynamics to explain some concealed reasons behind the integration process of Europe. One of the main efforts toward this direction is the critical theory perspective developed by Robert W. Cox since the early 1980s relied mainly upon inter-war period Italian political activist Antonio Gramsci’s thoughts. Although this theory has been neglected in the EU studies, the in-depth explanatory capability and emancipatory feature of this theory inevitably lead the academicians to do a research on the EU from this perspective as well.

The integration process in general and the re-launching of this process in particular cannot be resolved without the globalization concept in explicit sense. Therefore, initially, the resolution of the far-reaching globalization process influencing the entire world should be taken into account seriously. Otherwise, evaluation attempts of the EU will look like an object hanged freely on the air without any support. That is to say, to fill an empty box, referring to our understanding of the world developments, positioning of the “big stones” is always prior to the “small stones”. In our subject context, the relevant
questions are: How is the attitude of the EU towards the pros and cons of the globalization? Is the regionalization of the Europe endeavor – herein the EU – taken place as a very suitable model of globalization or as a frustration of the global attempts? To clarify such questions, the thorough settlement of the EU-relevant developments from the neo-Gramscian critical theory perspective is not only useful attempt but also indispensable responsibility. By doing so, many important transnational influence groups will be manifested as one of the main triggering power groups of the EU integration. Throughout this study, the interaction between these powers and the EU is handled from the critical theory perspective. The main concern is the extent and characteristics of this interaction. Notwithstanding the exceptions, it might in advance be mentioned that the EU policies thus far have been predominantly shaped hand in hand with the preferences of these groups. The EU’s capability of changing the direction of every policy stemming from its special construction, however, cannot be underestimated. Being normative to some degree, the EU’s capacity of influencing the global economic powers is underscored as one of main purposes of this study.

Beyond all of these, the purpose of this study consists of some offers. This propositions built upon Robert Cox’s reading is about whether the EU will be a very different world order or not. The three pre-eminent notions are “posthegemonic, post-Westphalian and postglobalization world orders” (Cox, 1996: 240). Throughout the study these concepts will implicitly or explicitly be illustrated, some future policy perspectives will be proffered, and finally it will be questioned whether the Europe is ready to represent these orders or not. Many hopeful premises presage the high probability of successfully evolution of the EU towards the alternative, quiet different world order.

1.2. Method and Material

The methodology pursued is always of importance in any research. Since the neo-Gramscian critical theory, main perspective of this study, rejects even the basic presumptions of predominant approaches, the analysis is pursued through the clarification of the critical theory itself and the differences vis-à-vis other theories. In this context, Robert W. Cox’s interpretations are of the most relevance. Consequently, while illustrating some developments the new presuppositions are appealed. On the other hand, even though some cases are treated as empirical support of the theory, this research is not including a certain case study. So, the case study methodology is not appealed. In fact, if a case is examined from critical theory perspective, the results relying upon this study cannot be generalized for other cases. In our study, however, there are many cases but not “generalizations”. Many different facts supporting the critical theory are separately utilized. The main target of this study is indeed theoretical, and it tends to make

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1 This text was originally delivered in 1991 and first published in 1993.
contribution to the explaining of the EU integration process as well as to exercise the emancipatory feature of the critical theory.

The material utilized is made up of a number of books and articles from leading scholars. However, the study is mainly relied on handful scholars due to the few materials regarding the very subject. Even more importantly, since the seminal articles of Robert W. Cox, the most relevant resource, are not related with the EU in particular, the personal inferences and interpretations, too, are of significance.

1.3. Concepts and Terms

First of all, I should accept that the central concepts of the main theory utilized throughout the study in some cases are not expressed with all aspects. So, short definitions may fail to convey the comprehensive content of some concepts. Secondly, some concepts are also not explained at all. For instance, while “production” as a concept is worth stressing it is not couched in an explicit way. Rather, the reader is expected to comprehend from the relevant topics and general interpretations. Thirdly, some concepts or terms are frequently used interchangeably. For example, due to the importance and broadness of the “social forces” concept, the powers crucially influencing the relevant developments in global scale are expressed through “transnational influence groups”, “global economic powers”, “transnational capitalist class” or else. However, “transnational social forces” in some cases (to be understood from the context) refer to the counter-“these powers”. Moreover, the term “transnational”, a counterpart of “global” is privileged over “international”. Last but not least, the main theory of the study – neo-Gramscian Critical Theory – is expressed variously but generally as just “critical theory”, or marginally as “critical thinking”.

1.4. Delimitations

It is impossible to examine every crucial aspect of European integration process in one analytical study. Therefore, some selected events are analyzed under the auspices of critical theory. In this thesis, however, it is not argued that the mainstream theories frustrate the explaining of the EU integration process even though the critical thinking compels us to do so. Rather, the point underscored is that the EU and the integration process should simultaneously be analyzed from the critical theory perspective. Hence, the new aspect is presented to make the overall integration studies more solid. The necessity for the coordination among the theories is also due to the fact that critical theory alone couldn’t be sufficient to explain the entire integration process. There are indeed many special cases which couldn’t be probed without the contributions of the other approaches.
1.5. The Plan of the Study

To present an incremental study towards the main purpose, the fluidity of the analysis is of quite importance. In Chapter 2, I will give an evaluation of theories as to European integration. The distinct points will be pointed out. At the end of this chapter, the first interpretations on the integration process stemming from critical theory are introduced. In Chapter 3, some vital developments influencing the EU are handled under the auspices of critical perspective. Globalization and transnational structural forces are worth mentioning. In addition, the dynamics of the last two enlargement waves of the Union will be analyzed. Then, towards a further humane and prosperous world some alternative world orders are proffered in Chapter 4. And as a conclusion, the summary of the study will be given emphasizing again on the future orders, thereby on the different world.
2. Critical Theory and European Integration

As it is commonly accepted, the institutional evolution of the EU, multi-faceted governance system, is an indicator of one of the spectacular processes throughout the world history. It bears the mechanism working amidst the states, on the one hand, and central institutional system emanating from the main treaties to rule and to govern the issues under authority, on the other. With regard to these main features of the EU, two dominant intellectual streams, namely neofunctionalism referring to supranational character and intergovernmentalism stressing the inter-state developments, have been developed throughout the academic inquiry. In this section the deficiencies of the mainstream theories and the useful aspects of critical theory in explaining the integration dynamics theory are manifested. The critical theory is also elaborated independently.

2.1. Theory Evaluation: Mainstream Theories

As well as overwhelming neofunctionalist and intergovernmentalist theories, some other theoretical frameworks have recently begun to appear in explaining the EU integration process. Social constructivist perspective, transcending the meta-framework and underlining the ideas and values as the most influential factors, has recently been poured into the mainstream academic debate. Apart from this, new approaches, such as multi-level governance, treating the EU as a special polity have been developed to compensate the deficiencies wherever required. Nevertheless, all of these approaches, including the mainstream theories, probe the integration process exclusively. That is to say, most of them, at least rationalism-inclined ones, make their assertions relying upon the stable and general assertions. Instantly, the main features of dominant two theories of EU integration will be demonstrated in short.

The main assumption of the neofunctionalism is that when functional cooperation has started in one sector, integration in other sectors is automatically realized by virtue of the “spill-over”. And excessive responsibilities are transferred to institutions in a new centre (Haas, 1958). The national actors resolve the existing crises with a “spill-over” logic instead of deciding to withdraw from joint obligations (“spill-back”) or trying to survive without changing institutions (“muddle-about”) (Schmitter, 2005: 57). While this integration theory is explanatory in the terms of, especially, internal dynamics of the process, there are some serious inadequacies. Since the human beings are treated as rational, utility-maximizing individuals, there is a contradiction between this presumption and the logic of spill-over leading to an inevitable process of further integration. The objectively rational individual, naturally, would prefer to stop wherever the expenses
exceed the revenue. More importantly, it is not possible to take into consideration the structural changes, such as the end of the Cold War, in the context of neofunctionalism as it explicates the integration process through an accentuation on the inner dynamics of European politics. Hence, neofunctionalism is undermined since “[t]he wider structure within which European integration is situated is completely neglected” (Bieler, 2000: 4).

The intergovernmentalism, another mainstream theory of EU integration, is intimately related to the neo-realism. This theory underscores the anarchic system of international structure in which the states as main actors seek to maximize their rational interests. Stanley Hoffmann, the most prominent supporter of this view, says that an overlapping of national preferences stipulate the European integration. Europe “has to wait until the separate states decide that their peoples are close enough to justify the setting up of a European state” (Hoffmann, 1966: 910). The main criticized point of this perspective is that the state is treated as a unitary actor, thus to a large extent without contribution of the interests of various groups. Relying on this basic view, liberal intergovernmentalism, a variant of rationalist institutionalism of International Relations (IR) discipline, has been developed by Andrew Moravcsik. He ties a liberal theory of national preference formation with inter-state negotiations in a two-level game. Moravcsik insists that “institutions strengthen the autonomy of national political leaders vis-à-vis particularistic social groups within their domestic polity” (Moravcsik, 1993: 507). This basic stress on states as main actors makes this view not take into account ideas, which are very central to European integration from the outset as historical and social stipulator, and not tackle transnational actors, which have been one of the main actors of re-launching of integration in the 1980s as independent forces. Besides, Bieler mentions “the prioritising of questions of international security and military capabilities over economic issues” as a general problem of intergovernmentalist approaches (2000: 6). By contrast, throughout the EU integration process economic preferences seems to be by and large prioritized.

In order to tackle the shortcomings of the mainstream integration theories, the propositions of critical theory, which is ontologically and epistemologically a very different theoretical framework, should be utilized. It also responses to the questions engendered by the approaches combining the assumptions of mainstream theories. The basic propositions under the auspices of critical theory will be clarified below.

2.2. Critical Theory

Robert W. Cox, the predominant Canadian scholar of IR, challenges the prevailing social theories. He has done most to present Antonio Gramsci, the inter-war period Italian political activist, and his workings to the study of world politics. Cox has developed a “Gramscian approach that involves both a critique of prevailing theories of International Relations and International Political Economy and the development of an alternative framework for the analysis of world politics” (Hobden and Jones, 2001: 211). Keyman appreciates the work of Robert Cox because “it constitutes a major attempt to explicate
the way in which Gramscian critical theory can be used to develop a postpositivist and postrealist analysis of international relations” (Keyman, 1997: 113). Cox derives from the Gramsci’s political theory “some ideas useful for a revision of current international relations theory” (Cox, 1996d: 124).²

Showing Cox’s thought about the theories, the dictum in his seminal 1981 article “Social Forces, States and World Orders: Beyond International Relations Theory” is very original: “Theory is always for someone and for some purpose” (Cox, 1996c: 87).³ Cox maintains:

All theories have a perspective. Perspectives derive from a position in time and space […]. The world is seen from a standpoint definable in terms of nation or social class, of dominance or subordination, of rising or declining power, of a sense of immobility or of present crisis, of past experience, and of hopes and expectations for the future […]. The more sophisticated a theory is, the more it reflects upon and transcends its own perspective; but the initial perspective is always contained within a theory and is relevant to its explication.

(1996c: 87)

The author, furthermore, warns: “Above all, do not base theory on theory but rather on changing practice and empirical-historical study, which are a proving ground for concepts and hypotheses” (Cox, 1996c: 87). More assertively, he makes a basic distinction between the problem-solving theories and critical theory. The former deals with the world how it finds it, with the predominant social and power relationships and the institutions not considering the prospective patterns. However, the critical thinking “stands apart from the prevailing order of the world and asks how that order come about”. In other words, it “does not take institutions and social power relations for granted but calls them into question by concerning itself with their origins and how and whether they might be in the process of changing”. The assessment of the parameters of problem-solving theory and of social and political complex as a whole is essential for the critical theory (Cox, 1996c: 88-89).

Arguably, one of the main facets of critical theory is that it depends not on positivist resolution separating the object and subject but on “historicist approach” combining them so as to envisage the possibilities of structural transformation. Moreover, critical theory presumes that the universality of certain arguments is impossible and misleading. Since it is concerned not only with the past but also with a proceeding process of historical change (Cox, 1996c: 89), “historicism”, in terms of methodology, is essential for critical thinking. From the historicist perspective, as declared by Cox, “both human nature and the structures of human interaction change, if only very slowly”. In other words, “[h]istory is the process of their changing” (Cox, 1996b: 53).⁴ Unlike the problem-

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² This article was first published in 1983 in Millennium: Journal of International Studies 12: 2.
³ This seminal text was firstly published in 1981 in Millennium: Journal of International Studies 10: 2.
⁴ The text was written in 1985, and first published in 1986 as a postscript to the “1981” article.
solving theories, based on positivist ontology, the critical theory does not presume a fixed order as its reference point. Rather, it takes the changing character of an order for granted, and, as Cox argues, “the assumption of fixity is not merely a convenience of method, but also an ideological bias” (Cox, 1996c: 89). The attitude of critical theory towards the changing nature of orders is essential as to EU studies. As it is observed, the EU has been evolving considerably and will do so. The “rapid globalization” process and its effects on the EU are of considerable alteration. As a matter of academic endeavor, changing patterns of world order, towards which the EU would play a significant role, can also be dealt with successfully under the aegis of critical theory.

Since the problem-solving theories serve particular national, sectional or class interests, which are well-situated within the given prevailing order, they can be seen as “value-bound” (Cox, 1996c: 89). Critical theory accepts the existence of intersubjective meanings such as ideas, thoughts or values as a reality. This is an important point considering the deep impact of concepts such as democracy and free market in the contemporary world politics. Nevertheless, neither ideas nor material circumstances have to be overrated. They both concomitantly shape the lives of people and societies. Cox proceeds that the inverse relationships and positioning of the political, ethical and ideological domains of activity with the economic sphere avoid “reducing everything either to economics (economism) or to ideas (idealism)”. And he summarizes Gramsci’s thoughts as such:

Ideas and material conditions are always bound together, mutually influencing one another […]. Ideas have to be understood in relation to material circumstances. Material circumstances include both the social relations and the physical means of production. Superstructures of ideology and political organization shape the development of both aspects of production and are shaped by them.

(Cox, 1996d: 132)

Critical theory emphasizes the social forces especially as standing behind a certain period of history and triggering the evolution process towards the direction fit with their interests. Cox depending upon Gramsci’s thoughts asserts: “The ‘truth’ of philosophy lies in its fit with the configuration of social forces that shape history – a shared mental framework, or intersubjectivity, constitutes the objectivity of an epoch. This must mean that ‘truth’ changes with the movement of history” (1996a: 30). On the other hand, critical theory is to some degree normative, because it underlines the social inequality and unjust practices, and prompts the “responsible” social forces to construct an alternative order.

2.3. Hegemony and Historic Bloc

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5 This essay was for the first time published in the book in 1996.
Robert Cox states that Gramsci adopted from Machiavelli the “image of power” as “a centaur: half man, half beast, a necessary combination of consent and coercion”. And he maintains that “to the extent that the consensual aspect of power is in the forefront, hegemony prevails” (Cox, 1996d: 127). Keyman, moreover, moves on that the hegemony “consists of both coercion and consent, material capabilities, political and discursive practices, and the creation of a consensual politics” (1997: 117).

The “hegemony” concept, herein preferred version emanating from critical theory, is very explanatory for IR theory. Some fundamental problems of IR theory, such as economic or political reductionism, can be overcome using this concept. Furthermore, the notion of hegemony recognizes the importance of the constraining aspects of structures not considering of the concept of totality (Keyman, 1997: 117). Definitely, the neo-Gramscian concept of hegemony and neo-realist notion of this phenomenon, which is used to mean the dominance of one state and the subordination of others, should be distinguished. Neo-Gramscian concept of hegemony unlikely “describes a type of rule, which predominantly relies on consent rather than on coercion” (Bieler, 2000: 14). In other words, “[a] hegemonic order is inscribed in the mind. It is an intersubjective sharing of behavioral expectations” (Cox, 1996h: 245). In addition, neo-Gramscian process of hegemony, in contrast to the neo-realist comprehension, is rather broad in that it covers the whole range of activities, values, norms, and practices (Keyman, 1997: 116). On the other hand, Keyman mentions the other aspect of this process as such:

Thus, in that process, structures (economic factors) and superstructures are joined together in a dynamic interdependence. To explain this interdependency, Gramsci uses the concept of ‘historic bloc,’ which refers to the ensemble of structures and superstructures, with hegemony being the construction of a dialectical reciprocity and integration among them.

(1997: 116)

According to Cox, an “historic bloc” cannot exist without a “hegemonic social class”. And intellectuals originally related with a social class play a fundamental role in the building of an historic bloc. They carry out the function of developing and sustaining the mental images, technologies, and organizations which make the members of an historic bloc adhere to a common identity (Cox, 1996d: 132).

The decomposition of one historic bloc is also possible. However, it doesn’t occur via just material instruments since the disintegration leads to a new historic bloc. And for this new establishment ideological transformation is crucial. As Cox points out, “a collective effort of ideological revision” prepared the dissolution of the historic bloc of dominance until 1970s. He denotes some unofficial agencies, such as Trilateral

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6 This article was first published in 1989 in *International Journal* 44: 4 (Autumn)
Commission and the Bilderberg conferences\(^7\), and more official agencies, such as OECD, through which the required ideological revision was undertaken (Cox, 1996f: 198).\(^8\)

### 2.4. Critical Perspective on European Integration

Critical theory underlines three categories of forces: ideas, material capabilities, and institutions. These forces interact within three interrelated spheres of activity, which are social forces, forms of state, and world orders (Cox, 1996c: 97-101). This main premise paves the way for an entire and coherent probe of the developments regarding the European integration process. The emphasis on social forces generated by the production process is prevailing for the critical perspective while examining the EU. It should be underlined that the social forces are not necessarily European, but are actually situated in the “global political economy in which capitalist production and finance are undergoing a sustained transnationalization and globalization” (Van Apeldoorn, 2001: 73). Gramsci originally argues that basic changes in global power relations can be traced to fundamental changes in social relations. However, he did not belittle the importance of the state. Indeed, the state remains as the main center of social struggle and the primary entity of international relations (Cox, 1996d: 134). National interests, furthermore, are based on those social configurations, and the state cannot be excluded from the society even as an object of analysis.

In the neo-Gramscian analysis of European integration, the capital and labour can be identified as major actors with reference to their respective positions in the production process. It is yet more essential to discern between domestic and internationally factors of production. Consequently, the results of class struggles in both domestic and international level prompt the European integration (Bieler and Morton, 2001: 18). This adds a transnational dimension to the neo-Gramscian perspective which lacks in the other mainstream theories of European integration. Although neofunctionalism takes into account the importance of the transnational forces, they are perceived as an inexorable part of integration that to be evolved naturally. Intergovernmentalist approaches, on the other hand, completely neglect these forces in transnational level. Apart from these, in accordance with the assertions of critical theory, even the “transactions-based theory” of integration shed light on the inexorable relationship between the transnational pressure groups and the EU integration. To express the interaction of three causal factors – exchange, organization, and rules – upon which the theory is relied, the authors aver: “Transnational exchange provokes supranational organizations to make rules designed to facilitate and to regulate the development of transnational society” (Sweet and Sandholtz, 1998: 25). Since the evolution of the European Community (EC) is identified as the evolution from “a relatively traditional international organization” to “a transnational

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\(^7\) See the official web pages so as to pursue the policies. One of them – The Trilateral Commission: [http://www.trilateral.org/](http://www.trilateral.org/)

\(^8\) The first publication year is 1991
(indeed quasi-federal), rule-of-law governmental system” (1998: 101), they point out that the movement from international to supranational governance occurs in three dimensions: EC rules, EC organizations, and transnational society. Moreover, vertical and horizontal linkages exist among the dimensions, and they are institutionalized to the extent that they are constructed and sustained by EC rules (Sweet and Sandholtz, 1998: 9).

Robert Cox’s analysis is of considerable relevance once again. He sees the EU as one of “macro-regional economic spheres” and rather as an “international state” and considers the EU-type regional organization as necessary response to economic globalization (Cox, 1996c; 1996g). Rather, his attention consequently focuses upon the particular features of contemporary changes in Europe (Bretherton and Vogler, 1999: 26). Cox evaluates the regional financial arrangements in EU-level, such as the adoption of euro by European countries and the establishment of the ECB, as a defense against the structural power of the US dollar and a tendency towards a plurality in finance (Cox, 2006: 41-42). State autonomy, to Cox, has been eroded through a process of “internationalization”. Hence, states have become the instrument for adjusting national economic activities to the exigencies of the global economy (Cox, 1996e: 154).9 In the context of Europe, Cox is pertaining to the ability of the social democratic state to defy the pressures of economic globalization (Bretherton and Vogler, 1999: 26-27). Bretherton and Vogler conclude reflecting upon Cox’s concern:

Economic globalization has generated considerable pressure for the transfer of economic management functions to the EC level […]. The separation of economic oversight from domestic political systems is a crucial factor in disrupting a strong European tradition of political control over economic processes; in consequence it is likely to be maintained.

(1999: 27)

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9 This very important study was first published in 1992.
3. Globalization and Transnational Structures in Europe

The spectacular European integration process can basically be characterized with two main phases in accordance with the global trends. Until the structural shift in the mid-1970s the industries were based on Fordist production mode and the economic governance was conducted under the aegis of Keynesian demand policies which brought about the predominance of productive capital and “corporate liberalism”. From 1970s on, by contrast, in the wake of post-Fordist production mode and monetary policies, financial capital began to pour into the overall markets and “orthodox neo-liberalism” prevailed. Consequently, transnational (global) firms, and the establishments through which they gather, have become momentous to various degrees throughout the world regardless of states.

3.1. “Neo-liberal” Globalization

“Globalization” as a concept is very broad for a certain definition. Globalization, from my personal point of view, is the prevailing of capitalism through its infrastructure and superstructure. However, what is implied herein by using this concept, indeed to identify “neo-liberal globalization,” is the second important phase of post-war era that started after the world economic crisis and structural shift of the mid-1970s, which ended the economic growth triggered by Keynesian demand management and Fordist industrial mode, and has continued thus far. Throughout this completely new period the neo-conservatism in political sense and, more importantly, neo-liberalism in economic sense has been prevailed. Before everything, it should be underlined that from the critical theory perspective the globalization and its complications, too, are not treated independently since such method of study is totally aloof to critical thinking. For example, technology, one of the main stimulator of globalization, is usually treated as a factor working against the state autonomy vis-à-vis the markets. But from the critical perspective, technology is one of instruments of those holding social power. Meanwhile, the importance of social forces again reveals, since the powerful social force dominates the governance mechanism of the society, hence reigns within the state.

The major developments emanating from this globalization thrust are, following Robert Cox, internationalization of production, internationalizing of the state, new pattern of uneven development, new economic conjuncture, and growing global migration from South to North (Cox, 1996f: 192-195). Bieler, furthermore, as well as Cox, tends to
handle the process of globalization at both material and ideological level. The transnationalization of finance and that of product is essential at the former, and the shift in the dominant economic paradigm is realized as ideological promotion. Within this new ideological framework big business obliges redistribution of gains and power in favor of economically elected people. Ideological dominance of globalization can be observed in the three major regional organizations – EU, NAFTA and APEC (Bieler, 2000: 22). Since the EU is momentous as to globalization-regionalization context, Jonathan Golub places the EU specifically:

Development of EU is not only propelled by dynamics identical to those underpinning globalization [...] but provides almost a laboratory experiment of what changes might occur to national sovereignty, policy choices and effective governance if one could fast-forward the globalization process.

(2000: 180)

In the wake of neo-liberal globalization process, the role of the states vis-à-vis the markets has been to a large extent changed. However, it is not to say that it has also diminished. It is a reality that the sovereignty of the states, especially in economic decision-making process, has been eroded and restricted. Still, the states remain as main actor in world politics as well as in terms of inner regulations and general politics. Robert Cox, however, concludes that from the 1970s onward states’ role has been reduced to the role of adjusting national economies to the dynamics of an unregulated global economy (Cox, 1996e: 154). He further avers that the internationalization of the state privileges certain state agencies – notably ministries of finance and prime ministers’ offices – which are essential points in the adjustment of domestic policies to international economic policy (Cox, 1996c: 109). None the less, these considerations are, to some degree, narrow-viewed, since they only take into consideration merely the response of states to the globalization. That is, states and its some officials, such as finance ministers and central bank rulers, can also be in their part enthusiastic about prevailing global trends.

The state-market contradiction in the EU context bears paradoxical points. The EU realm is fraught of both state and market forces, and might be a good domain for the harmonization of these forces in a proper manner. However, Kapteyn insists that the “discrepancy between market and state formation” has been the “European dilemma” from the beginning (1996: 59). The author posits the Single European Act as a support case of this irritating dilemma: “[Member states’] fear of national weakness had driven them to form a single market, but that same fear kept them from creating a state to control this market, the dramatic consequence being that sovereignty came under threat from the very forces striving to defend it” (Kapteyn, 1996: 66).

Globalization, as used in this study, can also be labeled as transnationalization. Gill and Law show “the rise of transnational corporations and the growth of short-term capital flows between countries” as the most outstanding features of transnationalization, and “spread of consumerism and ideas which stress the need for international market efficiency” as another related aspect of it. They, furthermore, think that the purposes of
IMF and World Bank are in consistency with those of the “forces promoting transnationalisation” (Gill and Law, 1988: 146). Indeed, the international organizations established by Bretton Woods Agreements were the main conductors of the hegemonic order at first under the aegis of hegemonic state, the US. Later on, however, in the wake of diminishing US power, the TNCs and thousands of nongovernmental interest groups and associations constituting the international market began to seize the control over these institutions (Barber, 2003: 240).

3.2. Transnational Influence Group Formation in Europe

The EU has multi-dimensional governance mechanism which paves the way for various different interest groups to exert their ambitions within the very system. However, in the wake of democratic deficit of the EU system, which to some extent recalls the illegitimacy of the decision-making mechanisms, the activities and attitudes of these interest groups cannot by and large be scrutinized publicly. Once the world order, within which the EU is situated, transnationalized, the nature of the most effective interest groups has promisingly converted. This shift has been in convergence with the exigencies of neo-liberal globalization. The most influential group of those can be identified as transnational capital class or transnational historic bloc (referring to Gramsci’s “historic bloc” concept). The preferences of this bloc are more or less overlapping with those of decision-makers and politicians acting within the EU. As Sweet and Sandholtz couch, transactors – transnational corporations – at first exert their pro-integration pressure on their own governments, but if it does not bear the results, they will reach directly to supranational arenas. Indeed, these transactors attempt to reduce obstacles to the transactions, which propel a process leading to the production of EC rules (1998: 12-13). Under the auspices of transactions-based theory, the authors, moreover, observe private actors successfully utilizing the EC judicial system against member governments and acting on the political strategies directly at the supranational level. And the governments cannot always exert full power on transnational actors (Sweet and Sandholtz, 1998: 18). The extent to which this bloc exercises its power is nevertheless neglected by both scholars and politicians. To compensate this deficiency, the illustrations of critical theory might be utilized since it provides us with in-depth transnational capital class analysis.

The paramount influence of transnational historic bloc on EU decision-making is clear, whereas it does not show the whole picture. The deviation stems from the Europe’s historically and politically distinct position in the sense that superimposition of capitalist accumulation process and central authority preferences have brought about the classic welfare system of Europe. The different attitudes of EU-based and global transnational corporations regarding various politics should be mentioned in order to stress the significance of the EU as to making an appropriate domain to struggle against the harmful affects of globalization in a proper way. This distinction, naturally, refers to the two dimensions of this transnational historic bloc: the pro-EU and pro-global. What van Apeldoorn underlines about the transnational corporations is absolutely congruent with
this main distinction: “Operating simultaneously in the global and European arenas – responding to the pressures of globalization that they help to create – these transnational agents seek to shape the socio-economic content of European Governance” (van Apeldoorn, 2006: 308).

3.3. Transnational Business in European Integration

The intrinsic relationship between the European integration process and transnational business cannot be underemphasized even though it has not been given necessary importance so far in academic analyses. To this end, critical theory is worthwhile perspective on this aspect of European integration. If we go through the integration phases carefully, the ups and downs of the crucial stages will be seen in consistency with transnational business preferences. That is to say, the attitudes and actions of transnational business elite, whether pro-EU or not, have an overriding impact on the trend of EU integration. Hence, “the rise of transnational business elite as a political actor” in Europe, in the wake of “transnationalization of European capital”, did not only coincide with the relaunching of the integration process in the mid-1980s (van Apeldoorn, 2006: 308) but also has been main stipulator of the process since then. The intimate and reciprocal relationships between EU institutions and the transnational actors are evident by virtue of the fact that the Commission and ECJ have greater authority where transaction levels are high. It can be inferred from this relationship that the Commission maintains leadership only when its agenda is bolstered up by “a unified constituency of powerful private actors” (Peterson and Bomberg, 1999: 68). The Commission’s insistence for using the Article 90 of the Treaty to liberalize the telecommunications sector and the adoption of 1989 Merger Regulation shows but two examples of the activeness of this reciprocity (Pollack, 1998: 230-237).

There are over 1,000 organizations representing the private economic interests in Brussels. In addition, major companies, namely Philips, IBM, Philip Morris, and other all have offices in Brussels specifically to influence the EU developments. Moreover, about 320 major corporations have “full-time EU public affairs directors or other executives dealing regularly in this area” (Watson and Shackleton, 2003: 90-91). Some important organizations bringing together important transnational business representatives in Europe are: The European Round Table of Industrialists (ERT), Association for Monetary Union in Europe (AMUE), European Round Table of Financial Services, Association of European Automobile Manufacturers (ACEA), Union of Industrial and Employers’ Confederations of Europe (UNICE), and European Federation of Pharmaceutical Industry Associations (EFPIA). The last one, for instance, is momentous in the sense that the pharmaceuticals industry surely is one of the EU’s few “world-class” high technology industries (see Peterson and Bomberg, 1999: 84). In addition, Transatlantic Business Dialogue (TABD), gathering the main administrators of preeminent TNCs of US and EU, should not be underemphasized since it has been a main breaking power of some impasses. These establishments are manifestations of the arising
structural power. The general tendency within these organizations changes owing to the trends of global economic developments. The resolution of these reciprocal trends and the affects of these on the EU integration are of complexity due to their different attitudes of the transnational actors. To grasp the predominant economic powers’ policy determination and their insistence on these policies, specific transnational business establishments should be dealt with in a proper way. From the liberal intergovernmentalist vantage point, these establishments are not treated as influencing the EU-level policies. Rather, they have an impact on individual states to a limited degree in domestic level. They exercise the power through states. According to neofunctionalists, on the other hand, the organizations and influence groups such have direct attainment to the central governance mechanisms of the EU. However, since the integration process is evaluated as the self-existing functional process, by virtue of “spill-over” effects, the impact of these organizations is not seen as dominant and independent but as part of developments. Contrary to these assumptions, going through the intimate relationship of transnational business and EU integration proves that the impact of such establishments should be prioritized by the academicians and students contrary to what has done until recently.

One of the most powerful business groups amongst such organizations is ERT founded in 1983. The establishment of it coincided with the re-launching of European integration in early 1980s. ERT was founded by preeminent members of Europe’s big business elite when they “perceived the need for a political initiative not yet seen among Europe’s politicians” (van Apeldoorn, 2006: 308). At that time the integration initiatives were moribund and the European industry was jeopardized by the overriding global competition. The ERT consists of around 45 heads of Europe’s preeminent transnational corporations – BP, Nokia, Bayer, Total, Fiat, Siemens, Volvo, and Philips, and so on. There are several “working groups” ranging from competition to social policy which play key role. Chief executives work out a cohesive strategy and then propagate it through the European institutions. For instance, ERT warns the public about the “economic nationalism” through an article published on 22 March 2006 as a key message to the EU. There is also a message to 2006 Spring Council in March.\(^\text{10}\) These all show the active participation of the ERT into EU policies. From the mid-1980s it has been exercised influence on the integration of the EU. Contrary to the beginning, in the early 1990s ERT became a firm champion of global free trade in line with the neo-liberal project. Van Apeldoorn avers that this establishment ought to be seen as an attempt by the transnational class to compose a common strategy for fostering “neo-liberal hegemony” throughout Europe (2000: 159). Moreover, ERT has been the predominant in defining the concepts fit with the neo-liberal discourse bringing about neo-liberal globalization. The “competitiveness” concept, for instance, is defined as how the globalization discourse presupposes in accordance with the free-market principles. The socio-economic agenda adopted by EU in Lisbon summit of March 2000 is exceedingly important in this context

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\(^{10}\) The information about the members and working groups, and key messages, can be reached through the official web page of ERT: \[\text{http://www.ert.be/home.htm}\]
since it has been accepted gladly by the ERT through some speeches and documents. ERT also warns to take into consideration what could happen if the implementation of the agenda was failed. In sum, these points are indicators of saliency of ERT, and of other establishments as such. Therefore, the in-depth study of these establishments is worthwhile and is rather required.

To catch a glimpse of appropriateness between the “projects for the relaunching of Europe” and the main powers behind them, van Apeldoorn points out three projects: “neo-mercantilism”, “neo-liberalism”, and “supranational social democracy”. To him, the struggle between neo-mercantilism and neo-liberalism from the 1980s into the 1990s, through the “Europe 1992” program, was representing the “contending strategies of rival groups or ‘fractions’ within the ranks of Europe’s emergent transnational business elite”. In this sense, this competition was similarly experienced within the ERT (van Apeldoorn, 2006: 309-310), since “1992 project” was mainly industry-led and supported by ERT, the members of which expected to obtain advantages of a genuine internal market (Peterson and Bomberg, 1999: 68). The initiative for the acceleration of integration process from 1980s onwards was also taken by Europe’s TNCs, in particular by Philips. The endeavor of its then chief executive officer Wisse Dekker was worthwhile (Kapteyn, 1996: 63). He initiated some concrete programs of pan-European business interest groups. Moreover, Dekker proposed the “Europa 1990” plan, involving administrative simplifications of border formalities, harmonization of the value-added tax, standardization of technical norms, and liberalization of government procurement (Moravcsik, 1991: 44).

As underlined above, the regionalization endeavors cannot be treated independently from the globalization process. The presumption that “[r]egional economic activity is heavily influenced by increasingly regionalized forms of capitalism” is proven through European endeavors. Moreover, these forms of capitalism are underwritten by the EMU, the Single European Act, and the Maastricht Treaty (Stubbs and Reed, 2006: 292). Put differently, as Van Apeldoorn argues, “regionalization of the European economy […] went hand in hand with further globalization of the European region”. He additionally denotes the distinction within the European elite group as “globalist” who stressed the free market “fully integrated into the emerging global economy” and “Europeanist” who made up “a defensive regionalization strategy” (van Apeldoorn, 2006: 310). The former adamantly sees the European markets as subsumed by the whole global markets, whereas the latter turns out to think about the European markets as salient and as an instrument shielding the EU-based corporations against the pressures of global competition. This dual tendency of European economy and business is essential for the integration trend since to be coalesced with the social democracy facet to reveal the very nature of European economy and the position of the EU in globalization context.

The Maastricht process, which brought about the crucial period onwards, was indeed a sign of shift from neo-mercantilism towards neo-liberalism, but “without adopting a pure laissez-faire perspective” (van Apeldoorn, 2006: 311). This new trend, “embedded neo-liberalism”, delineates the social aim of European integration. The construction of this new European order appears to be designed in both material and ideological level. The prevailing globalization discourse by and large impacts the new process. In the wake
of globalization trends, “neo-liberal competitiveness agenda” seems to change the perception of “social policy agenda” from the idea of “supranational market-correcting regulation” and towards encouraging a “market-enabling strategy”. Hence, social cohesion strategy has been subordinated to neo-liberal competitiveness. The neo-liberal feature of internal market and EMU, new European employment flexibility strategies that concentrate on “market-making”, and strong allegiance to free trade and freedom of foreign investment are some indications of this subordination. Nevertheless, because of the very nature of European economic order, pure neo-liberal policies have to tackle the opposition of “the institutionalized traditions of corporatist labour relations, social and industrial protection offered by an often interventionist state, and other elements of ‘embeddedness’” (van Apeldoorn, 2006: 312). Especially, in Western Europe, social dimension of economy is still crucial and labour has an important role (Stubbs and Reed, 2006: 292). The supporters of “social democratic project”, as opposed to the “orthodox neo-liberal” programs are also major social democratic parties and components of the European trade union movement (van Apeldoorn, 2006: 309). Apart from all of these, it should not be underestimated that “transnational social forces” (as global economic powers) are able to determine the tendency of European socio-economic order regardless of very specific nature of this region. This is the existing situation in the time being as European integration is proceeded in line with the interests of global capital.

3.4. Review of the Enlargement Waves

Alongside the structural and institutional consolidation (“intensive” integration) the enlargement (“extensive” integration) has also been one of the essential facets of the EU. Since the very outset the EU membership has been possible for every European country. Consequently, EU has experienced many enlargement waves. The 1995 enlargement of EU towards Austria and Sweden, including outstanding examples, is thoroughly examined by Andreas Bieler (2000) in a very proper way. The author accentuates the activities of social forces within the states, and the relationships of them with the transnational business groups, as main dynamics of enlargement. In Austria, “nationally-oriented social forces of capital and labour” was against “internationally-oriented forces”, whereas in Sweden, “labour mainly from the national, public sector” was in opposition to “transnational social forces represented in the Swedish TNCs”. The following statement shows the cogency of neo-Gramscian perspective emphasizing the social forces for the 1995 enlargement:

The focus on class struggle as the heuristic model for understanding structural change showed that there are no inevitable developments in history. Swedish and Austrian accession to the EU was neither an automatic process of spill-over, nor a response to structural necessity in the wake of a new international distribution of economic and military capabilities. Rather, it was one of several possible outcomes of an open-ended
struggle between different social forces against the background of global structural change.

(Bieler, 2000: 154)

In fact, “the 1995 enlargement of the EU has to be analyzed against the background of structural change since the early 1970s, often referred to as globalization” (Bieler, 2000: 2). Despite the validity of neo-Gramscian view for the EU enlargement, Bieler has also made some qualifications. Firstly, the steadiness of inter-class alliances (such as transnational vs. national) should not be hyperbolized. Secondly, the Swedish case negates the presumption of the neo-Gramscian perspective that the events such as the application and accession to the EU could only take place via a “well-developed project” promoted through organic intellectuals. Finally, since the aim of critical theory is not to engender general findings, the conclusions of 1995 enlargement cannot be generalized for other cases of EU enlargement. The method of study, however, can be transferred (Bieler, 2000: 155-156).

The last enlargement of the Union, which also perceived as an elitist project, by accession of ten Central, Eastern and South-Eastern European countries (hereinafter, CEECs) on 1 May 2004 seems to bear the deepest effects on the EU. The economic impact of this enlargement, however, has not attracted a great interest in the public or indeed academic debate. This case, indeed, is very productive subject for probing the transnational powers’ influence on the process. Bieler mentions that neo-Gramscian analysis links the question of membership to globalization and the related restructuring processes (2000: 140). Thus, the global influence groups as well as Europeans sought to pour into new markets and to promote new industrial capabilities, on the one hand, and the elites and rulers of the new acceded countries saw the EU-membership as the guarantor of new economic order and as the instrument consolidating the authority, on the other. Frieden and Lake pose some questions as to transitional countries:

The difficult process of political and economic reform that both the developing and the former communist states have undertaken is virtually unprecedented. This is especially true for the countries moving away from central planning. […] How, and under what circumstances, should countries seek to integrate themselves into the international market? How can the international economy be structured so as to fulfill the needs of separate nation-states? How does the international economy affect politics within states? (2000: 380)

By the demise of Eastern bloc, the ideology and practice of capitalism spread to Eastern Europe, Russia, and to the former Soviet republics. Capitalist policies such as deregulation, privatization and international liberalization have been adopted by the governments throughout the world. In the wake of prevailing neo-liberal consensus trade barriers were reduced, exchange controls were removed, and investment bans were eliminated. Developing countries, necessarily, chose to join the prevailing consensus and to be part of Bretton Woods institutions. To describe a crucial evolution after the
structural shift, Spero and Hart underline the replacement of central planning with market mechanisms, privatization of state enterprises and multiparty parliamentary systems (2002: 337). Yet the challenge for international management for preserving stability in Eastern countries is “to promote economic transition and integration of these countries into existing economic regimes” (Spero and Hart, 2002: 393). The authors stress the reciprocal necessities for the EU and CEECs *per se*:

The rest of the world, especially the industrialized capitalist world, had to decide how and on what terms to allow the former communist countries to join their economic regimes. The new market economies, for their part, had to decide whether they could accept the discipline and play by the long-established rules of the multilateral system. One of the goals of many of the Eastern European countries was to join the European Union. EU members were of two minds on expanding to the East. Some, especially Germany, felt that it was essential for political as well as economic reasons to bring the Eastern Europeans into the union. Others felt Europe needed to be “deepened,” that is, the Maastricht agreements needed to be implemented, before it could be “widened.”

(Spero and Hart, 2002: 375)

Despite the split within the EU, Eastern enlargement of the Union is by and large supported by global actors, because it is considered as the most secure form of stabilizing the economies and political structures of CEECs. This backing has been couched, whether explicitly or implicitly, in various declarations by the US, Japan, other OECD countries, IMF and World Bank. Meanwhile, East European governments on their part have been obliged to continue the economic and political reforms. They have been appreciated through some official documents showing the high capability of specific countries in sustaining the reforms successfully. The “business corollary” just before the accession was as such:

Business was quick, though prudent, in venturing into Central Europe right after the “winds of change” had turned away from communism. US business followed suit and is now present throughout the region. Japanese business has taken more of a wait-and-see attitude, but in some strongholds of Japanese industry such as cars this reticence has been replaced by entry and expansion. European big business (as represented in the ERT) had been highly supportive of the pre-accession process. Irrespective of numerous concerns about corruption, fledgling market institutions and infrastructure, global business looks at enlargement mainly in terms of opportunities.

(Pelkmans and Casey, 2003)

West European companies anticipate enlargement to accelerate European growth rate and upgrade the economy. They also appreciate the new investment possibilities that come with integrating “fast-growing, fast-reforming” countries into the “more sclerotic EU economy”. And, moreover, they seek to employ “more highly skilled, motivated and lower-cost East European workers” (Barysch, 2003). Since the pan-European companies
inevitably undergo serious competitive pressure from, especially, low-cost producers in Asia, they will continue to invest in CEECs. By doing so, transferring some labor-intensive production to Eastern Europe, they endure competitiveness and expand in, at least, internal market of EU. However, the adjustment costs of these rather inflexible economies can be substantial. To this end, a common legal framework for economic enterprises and state implementations in these countries is essential since it will reduce the adaptation costs. As a matter of fact, a close relationship between the production of EC legislation and transnational pressure group activities is illustrated by some authors (cf. Sandholtz and Sweet, 1998). The implementation of the EU *acquis communautaire* in accession countries, following this rationale, will naturally grant many gains for other countries and their multinationals. This is due to the fact that within a large European space a common legal framework for commercial activities will be prevailed as was in the former EU area. According to Sweet and Sandholtz, the increase in the number of transnational pressure groups in various domains even preceded the Treaty revisions that established EC competences. In fact, these groups’ activity and EC legislation augmented throughout the 1970s in policy domains that would later give a treaty basis in the 1980s and 1990s (1998: 24). Consequently, the position of European Court of Justice will be underpinned as well as its responsibilities and commitments will augment, at least, because the transnational social forces have an access to the Court.

On the other hand, enlarged EU would be more enduring rival *vis-à-vis* United States. In accordance with the West European business comprehension, a larger EU will exert more affects in global trade negotiations. Because, the “enlargement has created the biggest single market in the western world” (Barysch, 2003). In fact, the GDP (more than USD 10 trillion) of EU can match that of US, and the population of EU (450 million) is 50 per cent larger than that of US in the time being. The regional organizations are evaluated as initiatives to counterbalance the dominant power in the following statement:

Part of the leadership problem also lies in the international economic arena, where the United States must contend with a complicated set of other important players. […] European and other states have formed regional organizations, which also play a role in management. Some of those regional organizations, especially the EU and Mercosur, were formed in part to offset U.S. predominance and enhance the role of their member-states in international economic decision making.

(Spero and Hart, 2002: 391)

EU is desirous to be stronger power and to directly influence more regions in the world by virtue of enlargement. Hence, the intervention of the transnational social forces is again apparent. The corporations and establishments, both the Europe-based and non-European, have influenced the enlargement process since the very beginning. It is apparently seen in the ambitious support of Europe’s transnational business elite, especially by the influence of the ERT. In addition, critical theory emphasizes the importance of the state alongside the accentuation on the social forces. In contrast to state-centric approaches, however, the state is not treated as a unitary actor. Rather, it is
supposed to be a composition of various institutions through which various social forces promote their interests. Such activities bring about the separation between the institutions as tightly linked to the global economy or relevant with national issues (Bieler, 2000: 154).
4. Future European Order

Considering the overall historical and institutional developments undergone by the EU, this unique organizational construction is worth examining also for the future world order. In the wake of neo-liberal market policies, as well as associating political dictums and cultural homogenization, imposed throughout the globe, the world has been experiencing a very unsafe period. The “hegemonic project” is being to an unlimited degree implemented. Under yet hazardous political and economic developments in the world, Europe can nevertheless be a “peace island” through the EU. That is to say, despite the substantial differences, EU can be a very suitable model for the other regional initiatives and, more importantly, for the whole world. Robert Cox has summarized the guidelines for the future Europe in a spectacular way:

> Europe, in sum, can be a proving ground for a new form of world order: posthegemonic in its recognition of coexisting universalistic civilizations; post-Westphalian in its restructuring of political authority into a multi-level system; and postglobalization in its acceptance of the legitimacy of different paths towards the satisfaction of human needs.

(1996g: 240)

In this section the three aspects of EU as a new form of world order will be demonstrated.

4.1. Counter-hegemony and Posthegemonic World Order

As Cox sketches, Gramsci posited the difference between “war of movement” and “war of position”. In the countries where the civil society is rather weak, counter-hegemonic struggle can be achieved through the former. Gramsci posed the revolution in Russia in 1917 as an example of this manner. In Western Europe, by contrast, since the civil society was much more developed under the bourgeois hegemony, the eventual aim could be accomplished through “war of position”, which incrementally builds up the firmness of “the social foundations of a new state”. As a result, “war of movement” could not be effective against the hegemonic state-societies of western Europe” (Cox, 1996d: 128). Thinking about the situation in the Western European countries, or within the EU-region, the difference between two types of struggle reveals clearly. It can be presumed that the “war of movement” in today’s Europe would absolutely be wrong strategy since the civil society under the aegis of hegemonic historical bloc dominates the whole positions without letting any opportunity for alternative activity. The paradoxical point is that an
alternative counter-hegemonic historical bloc would necessarily be established within the society. And the establishment should be realized from the bottom up. If it takes place from the top down, predominant forces “influence the development of [the] current version of civil society towards making it an agency for stabilizing the social and political status quo” (quoted, from Cox, in Bieler, 2000: 158). In general, if it is intended to maintain a new system for a long time successfully, the immediate revolution, whether bloody or calm, will naturally be destructive rather than constructive. In addition to the argument that the “war of movement” cannot be pursued in Europe where the civil society is rather strong, the same statement is valid in the countries where the civil society is weaker but counter-balance groups are also insufficient. The recent revolutions in some post-Soviet countries, namely in Georgia, Ukraine, for instance, are the most appropriate cases proving this argument. As a result, silent and well-designed revolution or “war of position” must be common strategy for the essential shift in the societies, if in the long-range period. As Cox says, “the task of changing world order begins with the long, laborious effort to build new historic blocs within national boundaries” (Cox, 1996d: 141). Hence, for a successful result all the people within a society have to engage to the “war of position”. For Gramsci, everyone is to some degree an intellectual. Moreover, the intellectuals who are “organically connected with a social class” would perform a pre-eminent role in the creation of a new historic bloc (Cox, 1996d: 132).

In the counter-hegemony context some questions can be posited: How will the EU proceed? Do the European elites and intellectuals tend to establish just a hegemonic order superseding the current hegemonic power? By contrast, will the developments pave the way for a posthegemonic order? What will be the main features of this possible posthegemonic order? The probable posthegemonic world order, and its ramifications, will be exemplified by the EU. Even though national boundaries are essential to embark upon the changing of world order, EU-level struggle may also be succeeded. Indeed, EU, as quiet different system in comparison to the both conventional international organizations and the states, provides new and productive domain for the counter-hegemonic struggle. EU-area in fact poses too many opportunities to be utilized.

Cox’s usage of “hegemony” concept is totally distinct from that of conventional international relations theory. He utilizes “hegemony” in such a way as to “mean a structure of values and understandings about the nature of order that permeates a whole system of states and non-state entities”. Consequently, these values and understandings are unchallenged, and they are perceived as natural, in a hegemonic order (Cox, 1996e: 151). It is, therefore, very difficult to construct a posthegemonic order even if the previous hegemonic order is declining. After presenting the normative goals for a posthegemonic world as “greater social equity” and “a greater diffusion of power” (Cox, 1996h: 250), Cox distinguishes two prerequisites for a posthegemonic order. Firstly, in contrast to the hegemonic orders, “distinct traditions of civilization” is to be mutually recognized. This recognition entails “a readiness to try to understand others in their own terms”. Going beyond this, another condition is a “supra-intersubjectivity” connecting “the distinct and separate subjectivities of the different coexisting traditions of civilization” (Cox, 1996e: 152). In general, the conflict between civilizations and
globalization is crucial in the present time. Especially, for Europe this conflict is worth mentioning since the EU faces by the choice between hyperliberal and social market notions of capitalism. In this confrontation, various social and political forces will have considerable role to guide the process.

To follow van Apeldoorn (2006: 313-314) and Bieler (2000: 161-162), the current dedication in the EU countries to “a full neo-liberal course” and “global free trade” is not necessarily unchangeable. But then, for a fundamental shift in any system, in general, key social movements such as the trade unions have to question the basics of neo-liberalism and associate with the rest of the society in a struggle for a more just order (Bieler and Morton, 2001: 216). In the struggle opposed neo-liberalism within the EU, “the further development of the social dimension” and “common policy against unemployment” are of the essence. Regarding the former, the Commission put forward the so-called “Social Charter”, including especially the measures about “the establishment of common minimum standards and employee information and consultation procedures”. Afterwards, the Social Chapter of Maastricht incorporated it into the EU Treaty giving the Community extensive legal competence in the social policy field. Yet, concerning the common policies against unemployment less has been accomplished. In sum, the EU-level restrictions of neo-liberalism, and consequently the success, have been less thus far in comparison to the country-level even though “the institutional framework for labour’s influence on social policy-making has at least partly been established at the EU level” (Bieler, 2000: 162). The so-called “Works Council” directive might presage a turning point in the progression of EU social policy (Peterson and Bomberg, 1999: 82-83). The more comprehensive package should include “effective social safety nets” and enable people to adjust to the new economic order (Tsoukalis, 2005: 245).

None the less, the counter-hegemonic struggle within the EU cannot merely be thought by virtue of inner dynamics. Once there is a salient global economic and political crisis, European protectionism may prevail. In addition, the hazardous developments in the wake of US unilateralism, even if generally in political and military issues, will surely lead to the crisis of the management of global economy. In van Apeldoorn’s words, “whether the project of European integration will continue to be part and parcel of a neo-liberal globalization process is not decided in Europe alone, either on the part of its political elite or its business elite, but will depend also on the geopolitical and geo-economic developments within the global system”. He, moreover, states the likelihood of a backlash calling for social embeddedness. Thus, “a prolonged crisis of European governance” is foreseen. And the author unavoidably accentuates the predominance of transnational social forces in whatsoever order (van Apeldoorn, 2006: 314).

The EU is arguably a posthegemonic order, and it will be furthered. The extent to which the conditions pointed out by Cox for a posthegemonic order are carried out by the EU is yet problematic. Since there are yet distinct values perceived by the peoples of Europe, the harmony among these is also essential for realizing “mutual recognition” and “supra-intersubjectivity” prerequisites. However, according to Cox, consensus among European societies on acceptance of cultural diversities has been achieved. This is not just a result of moral preference but also a “realpolitik” aiming the autonomy of Europe
and of its component parts in world politics (Cox, 2006: 46). Nevertheless, the reconciliation between EU-based cultures and other traditions of civilization from the out of Europe is more important. This will substantially contribute to the EU to be a posthegemonic order not hegemonic one. But the main basis and the principles to be pursued are of importance. Presumably saying, the rationale of current hegemonic order is really hazardous, thus the world is fraught of the evident. Consequently, the aloof order to the previous one will obtain the more accomplished results. In short, the new political economy of Europe must be built upon a more democratic basis as opposed to the current direction of EU. The social equity and justice principles recalling the normative goals of posthegemonic order are naturally prerequisite for any societal system, as well as the states. In general, the policies which affect states, markets and civil society have to be justified socially, politically, and economically. Throughout the evolution social forces in both national and European levels ought to engage the process actively. In addition, the parliaments in all levels may also be the stimulators of constituting and encouraging a counter-hegemonic force.

None the less, a posthegemonic order as illustrated by the EU will not be achieved through just the EU. The overall global developments will affect the process. The coherence among the counter-hegemony activities throughout the world will accelerate the process. The European Social Forum bringing together many activists to the annual assemblies, for instance, has been established as a spin-off of the World Social Forum. If the correlation is not realized the dispersed social forces cannot prevent the adverse effects of transnational capital, which is unfortunately the current situation. Indeed, not only the transnationalization of the capital but also that of labour and of other societal group instruments comes about in Europe. EU, in fact, is an arena in which competing transnational social forces struggle. Consequently, it forms a base for “war of position” to be incrementally accomplished. The other regions ought to be other rings reinforcing one another. The alternative model for the future world order, otherwise, will be one “in which differences become absorbed into a new unity, a new global hegemony, perhaps the creation of a new global Mahdi”11 (Cox, 1996e: 168).

### 4.2. European Union: A Post-Westphalian Order?

Throughout the world, there are many organizations bringing together the “Westphalian” states in such a way as to provide a domain for alleviating the discrepancies among the states. However, many of such organizations have been rendered to an arena legitimizing the dominant powers’ preferences even contrary to the basic principles of the Westphalian order. Consequently, they have become not a multilateral negotiations field but arenas through which unilateral impositions are sanctioned or at most bilateral

11 “Mahdi", referring to Hz. Isa (Prophet Jesus) in Islam tradition, is an embodiment of the individual or society that would reappear and lead to spiritual dignity of the human beings. The global Mahdi, as Cox states, denotes to collectivity rather than individuality.
reconciliations are realized. Generally, in these traditional international organizations military and political issues are prevalent. On the other hand, questions regarding the economies of the individual states as well as global economy issues are tackled through the organizations (such as IMF, World Bank and World Trade Organization) established and encouraged by the dominant state and the transnational historic bloc. In contrast to the discourse of prevailing hegemonic order, from the critical theory perspective, the questions regarding economy and other spheres cannot be tackled separately.

The EU qualified as "a process rather than a frozen institution" is neither an "intergovernmental organization" nor a "supranational state" (Jönsson et al., 1998: 320-321). This unprecedented structure has undergone outstanding dynamism. To characterize the European governance, Helen Wallace distinguishes the country-based and transnational fields, each with its own inducements and repelling features, utilizing the pendulum as the metaphor. Neither of these governance levels is uncontested and neither provides comprehensive policy capability (H. Wallace, 1996: 12). In fact, the EU is rather complex system in terms of policy levels, participating actors, and etc. However, the EU has not made up a polity based on a clear specification of "powers, scope, and authority" (H. Wallace, 1996: 21). The term governance is oft-used for the EU instead of the term government so as to head off the connections with statehood. Moreover, the EU is considered to be a "multi-level system" which goes hand in hand with "multi-level governance" (see Jachtenfuchs and Kohler-Koch, 2005: 101-105). During the negotiations within the EU system, issues are dealt with at national, subnational, and supranational levels. On the other hand, the research focusing on negotiations and networks within the EU is required to grasp the notions of multi-level governance (see Jönsson et al., 1998: 321-341). None the less, still there are some principal approaches and interpretations, in which the liberal intergovernmentalism is dominant, handling the EU as mainly under merely the aegis of national states. Thus, the preferences of national governments are overemphasized and "intergovernmental bargaining" is posited as the most relevant bargaining process (see Schimmelfennig, 2005: 75-93).

As seen from the general description, the EU as a system is strikingly different from both the international organizations and the states, in any form, stemming from the Westphalian order. Richard Falk identifies the EU as the "most significant political innovation" in the "anarchical heartland of the Westphalian order" and rather as "model of neomedieval future" (see Falk, 2000). Yet it can be labelled as "a post-Westphalian order" in the threshold of new era. However, the ramifications of this order for the future world order are of ambiguity since the EU is inherently different in the context of its inner dynamics. This EU system, more importantly, has formed a very suitable base for the transnational capital forces being unleashed to an unlimited degree and exercised the capital power on the whole "multi-level system". There are, as matter of fact, many interest groups embarking upon the explicit activities in Brussels and other central cities of Europe. Using all the three policy levels – subnational, national and supranational – effectively, they easily shape, at least in part, the policies. Nevertheless, it should not be forgotten that the same sphere, with its host of opportunities, opens the way for counter-
hegemonic struggle. Yet the EU system is to be utilized to promote the counter-hegemonic project and go forward in “war of position”.

4.3. Postglobalization

In the wake of neo-liberal globalization the neo-liberal economic policies are widespread throughout the world ensuing deregulation and privatization as sacred principles. Further, in some countries, the implemented economic policies presage a “hyperliberalism”. Moreover, these policies are strongly advised, and even imposed, to the other states. As a result, the self-regulating market subordinates society to a complete economic logic. In reality, however, the economy is only one manifestation of the social order, that is, the economy is indeed “embedded” in society. To illustrate these society-economy relations, Karl Polanyi’s “double movement” concept shedding light on our understanding of the present time and probable future order is valuable. In Europe throughout the nineteenth and early twentieth centuries in the wake of industrial revolution, the first phase of the double movement was the introduction of self-regulating market. This “disembedding” of the economy from the social order led the unleashed capital forces to exert the unlimited market forces on the societies. Thenceforth, as a second phase, society’s reaction against the decaying and alienating upshots of market-oriented behaviour was realized (see Cox, 1996a: 31-32; Cox, 1996e: 155; Cox, 1996i: 528, 532).

In the early twenty first century, the same double process is recurred. Moreover, the effects of completely market-oriented policies in the present time are much more far-reaching. They disintegrate the society and broaden the gap between several distinguished groups; thus, bring forth socially disruptive upshots. To countervail the disastrous consequences of “pure laissez-faire economy”, Barber argues, all of the successful post-war capitalist nations, including Germany, understood that this economic manner “quickly breaks and then self-destructs along the fissures introduced by labor strife, unemployment, trade cycles, and monopoly”. As a matter of fact, “[t]ruly free economies in this century have always been mixed economies in which democratic governments have balanced the interests of economic utility and social justice” (Barber, 2003: 238). In the future, “less source-depleting or -pollution economy” strongly emphasizing “social and human needs for health, education, child and elder care, and conviviality” will be a solution to the problems engendered by economic globalization. Towards this solution, even if the main role is of states, the bottom-up pressures of citizen activism will be vital (Cox, 2006: 42). Otherwise, the opposite forces rise at all. However, the organization of the arising forces is still far from planned activity. And the way to be pursued is still a question. To this end, the counter-forces should discern the sources of problems correctly, and the activities should be neither emotionally nor irrationally conducted.

The EU is again worth explaining in terms of the double movement since the market-oriented and market-regulating policies have been concomitantly absorbed. The “market-building” policies, such as commercial policy and the EMU process, have been a central
feature of the EU’s policy activities. Besides, the Union also has been very active in “market-correcting” policies, such as Common Agricultural Policy, cohesion policy, social regulation and environmental policies (Sbragia, 2003: 119-129). In sum, as Tsoukalis avers, “there is both competition and solidarity in the European system”. Regarding the latter, the redistribution through the EU budget, one of the main distinguished facets of the EU, proves the sense of solidarity among the participants. Solidarity, furthermore, has been manifested in mutual aid, burden sharing, and other crucial areas (Tsoukalis, 2005: 244-245). The public debate within the EU over “social Europe” is prompted by social forces in the various countries. In this context, what is adopted in the EU-level is “a unique multi-tiered system of social policy” (Wallace and Wallace, 1996: 203). Even if through these policies the member states’ position has been considerably weakened, a wider participation to decision-making is make us hopeful for the future EU order. Consequently, there are many suitable areas, whether formal or informal, for the people who want to exercise their interests at all. William Wallace’s differentiation of the formal and informal integrations is worth mentioning which shows, especially, the informal integration realm to be utilized by the people (Wallace, 1990: 54-56). However, in contrast to the outstanding position of transnational business, according to van Apeldoorn, “the power of labour and of other societal groups remains relatively weak”, although “all kinds of interest and lobbying groups within Brussels” are highly growing (2006: 309). The more participation is normatively demanded by virtue of critical thinking. This involvement, furthermore, should be expanded to all the processes as to human needs. In the wake of “borderless world”, the discussions on several issues, such as environment, migration, human rights and so on, are to be deliberatively taken place in transnational levels (Clark, 2000: 79). Moreover, both formal and informal mediums should be developed so as to provide more useful domain for deliberations. However, developing EU system is gradually legitimizing the different paths towards the satisfaction of human needs. Still, the EU lacks the complete public sphere. The progression in this sense will make the EU momentous on the world scale. Yet, since the EU is still far distant from the desired point, the long way is to be proceeded so as to become far more prosperous system in this sense.
5. Conclusion

Whole Europe testified a much damaged milieu after the World War II, the most catastrophic war period. However, as a reconciliation of this destruction in Europe, in its part, the new organizations were designed and constructed. Consequently, one of the most spectacular progressions in the history has been realized within the European borders. The developments both stipulating and hindering the progression are worth examining since there are crucial lessons to be learnt from the European experiment. For this analysis, the “honest and objective” academic research is inevitable. Otherwise, the lessons extracted from the European integration process would be so limited that could not shed light on the difficulties of the people’s lives and even on the functional roles of the states. This would be a useless, and rather harmful, differentiation of relevant components of the process. Inherently, the object and subject of one experiment cannot be treated separately so as to be able to reflect upon the objective cases as well as subjective evaluations. That is to say, the ontological and epistemological knowledge always interact, and rather they are reciprocal sustenance for one another.

Then, what are the implications of these presuppositions for the EU integration dynamics? I would say that the EU, with both its internal and external dynamics, is very suitable research object that should be dealt with through this entireness. At least because, there are many “objects” as to EU system, on the one hand, and a variety of “subjects” dealing with these relevant objects in a very complex manner, on the other. As there is a mutual deep interaction between these components, the complete differentiation of these would be irrational. In this manner, what the critical theory tends to do is to give a whole evaluation of the integration process. Some crucial developments were handled all together throughout this study in such a way as to be able to present the “whole picture” in a proper way. Just one case could also be examined without the generalizations of the findings. However, in accordance with the theoretical aim – to apply the critical thinking to the progressions within the EU-system – some proper dimensions among the relevant developments were pointed out, and towards the emancipatory aim, some future alternatives were proffered.

On the other hand, as the EU is one of the fast-growing structures of the world, our theoretical perspective should also response to the rapid shifts. In this sense, critical theory is maybe the most appropriate theory since the changing character of the structures in the world is inescapable. Moreover, the EU is not treated as an “object standing there” as to the developments occurring by virtue of globalization. The interaction between regionalization and globalization, therefore, is worth mentioning. It has been observed that EU-type organization bears dual feature in this sense. Even the most powerful social forces overtly exert their capabilities on the EU in accordance with the conjuncture. That
is, even if the transnational forces usually have been pro-global at the expense of pro-Europe, they have sometimes pursued a strategy to use the EU against the global competition, especially after the unleashing of East Asian economies. To be more influential, some associations and organizations have been taken place. As a result, the EU has been predominantly evolved in congruency with the preferences of transnational forces. The enlargement waves of the Union are epitome in this influence sense. Not only European dynamics but also structural and global exigencies can be taken into account as the reasons of the expansions.

Finally, some alternative policy perspectives were mentioned as to the future path of the EU. Drawing upon Robert W. Cox’s innovation, therein three crucial alternative future orders – posthegemonic, post-Westphalian, and postglobalization – were presented. Relying on these future orders, the main assertion of this study is: Europe can be the exact region in which these future world orders will be embodied. It is not to say that other regions will be excluded. Rather, towards this completely different future world, comprising the future orders mentioned, the regional organizations, and the states, will exercise their capabilities together in a coherent and comprehensive manner. In addition, the sense of solidarity among the world peoples is crucial. The choice for the future world is underlined by Cox as such:

The basic choice here is between the vision of one homogenous world to be shaped into one civilization and a plural world of coexisting civilizations. It is a choice between, on the one hand, a fundamentalist drive towards an absolutist moral unity and, on the other, an expectation of diversity with tolerance and a willingness to confront the frustrations of a search for consensus on divisive issues.

(Cox, 2006: 48)

Consequently, we will indeed make the choice ourselves. In other words, our willing is momentous. Therefore, an active participation to this process is obligatory. Otherwise, the world order destructing the lives of all the human beings would be an inevitable fate for all of us.
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