

Contents

<i>List of Tables</i>	vii
<i>Preface</i>	viii
<i>Notes on the Contributors</i>	x
<i>List of Abbreviations</i>	xiii
1 Introduction: Globalization in the Twenty-First Century <i>Axel Hülsemeyer</i>	1
Part I Globalization at the Macro Level	
2 Transnational Practices and the Analysis of the Global System <i>Leslie Sklair</i>	15
3 Problematizing Technology and 'Globalization' <i>Rodney Loepky</i>	33
Part II Intermediate Level 1: Globalization and the State	
4 Globalization and Other Stories: Paradigmatic Selection in International Politics <i>Philip G. Cerny</i>	51
5 Post-Communist Transformation and Industrial Relations: A Fast Track to the 'Competition State' in Eastern Europe? <i>Ralf J. Leiteritz and Lars Handrich</i>	67
6 Becoming 'Competitive': Globalization and State Transformation in Malaysia and South Africa <i>Janis van der Westhuizen</i>	83

**Part III Intermediate Level 2: Globalization
and Regional Integration**

- 7 Globalization, Regionalization and Democracy 101
William D. Coleman
- 8 Toward the Competition Region: Global Business
Actors and the Future of Regionalism 119
Manuela Spindler
- 9 The New Wave of Trade Agreements in the Americas:
Regionalism Converging to Globalization 134
Annette Hester and Eugene Beaulieu

Part IV Globalization at the Micro Level

- 10 The Uneven Pluralization of World Politics 153
Philip G. Cerny
- 11 Conclusion: Convergence or Divergence? 176
Axel Hülsemeyer
- Bibliography* 185
- Index* 205

1

Introduction: Globalization in the Twenty-First Century

Axel Hülsemeyer

Introduction

On the verge of the twenty-first century, one of the two national newspapers in Canada, the *Globe and Mail*, ran an advertisement campaign on television in which individuals were seen voicing various stereotypes, ranging from the laziness of immigrants to the unacceptability of homosexuals, and everything imaginable in between and beyond. The commercials ended with the slogan, 'everyone is entitled to an opinion; but is it informed?'

One can perhaps argue that the *public* 'debate' on the phenomenon of 'globalization' is equally ripe with ideologically motivated stereotypes. If some of the protests at the G8 meeting in July 2002 in Genoa, Italy and certain reactions by the police, which resulted in the first death of a protester, are any indication, then we seem to have reached a point where supposedly irreconcilable differences have led to a breakdown of any informed debate on *either* side of the 'fence', quite literally.

We can observe such lack of informed debate, meaning an absence of well-intended *dialogue*, elsewhere, from the quarrels over the banning of landmines to the financial responsibilities of fighting the spread of HIV/AIDS. The attacks of 11 September 2001, carried out in the name of religious fundamentalism, produced a global 'war on terrorism', including the equally uncompromising and broad-brushed proclamation of an 'axis of evil'. The increasing ability to 'connect with the world' in an instant via television and the internet, however superficial, has met with a backlash into the sense of belonging offered to some by recourse to – often violently pursued – national and local identities.

Simultaneously, the *academic* debate on globalization is sometimes just as fierce and ideologically motivated, which is not surprising since

it does not take place in a vacuum unconnected to the public discourse. There are, nonetheless, many voices of 'reason' among social scientists, trying to work through the quagmires of this highly charged concept, seeking theoretical reflection and empirical validation. The motivation for this volume stems in part from our conviction, at least our hope, that these voices of reason can help make sense of what is expounded in public. This being said, the academic discussion itself is not without problems.

Although the literature on the process of globalization is extensive, so far it has not led to much more conceptual clarity. There is hence an inherent risk of sharing the fate of the 'interdependence' debate, which, despite high expectations and funding opportunities in the 1970s and 1980s, ultimately fizzled out. Having introduced and helped us to understand a few new concepts within International Relations (IR), especially 'transnational relations' and how they are leading to certain restrictions for national foreign policy, as well as the emergence of 'international governance', a theory to integrate these studies did not evolve due to varied but largely uncoordinated and disjointed research efforts, producing only limited scientific insights (compared to the research resources invested). As a result, 'interdependence' has largely disappeared from the academic spotlight and has been replaced by 'globalization'.

Sorting through the globalization 'discourse'

Yet, even more so than 'interdependence', the new term means quite different things to different people, in both the public and academe.¹ As many of those using the label also wish to spread a particular ideological agenda, the contributions to the debate seem to fall on either side along three lines. First, is globalization an old or a new phenomenon? Those convinced of the former maintain that the capitalist economy has since its inception continuously increased in geographical scope, always encompassing what at any given time constituted 'the world'. It is only now that the economic reach is truly global, but this does not in principle challenge the continuity claim.

Second, is globalization 'good' or 'bad', i.e. do the benefits outweigh its costs or vice versa? Clearly, it depends on whom one asks. The NAFTA debate in the United States, for instance, was conducted between the perceived 'winners' and 'losers' of freer trade and finance, the latter by its proponents considered a necessity given the alleged pressures of the global economy. Third, and related, is the process of

globalization inevitable or can/must it be channelled, and maybe even resisted? The recent protests that began in Seattle and have since become a common feature of meetings of WTO, G8, and the so-called Bretton Woods institutions (IMF and World Bank) suggest that some regard globalization – at least in its current guise – as ‘bad’ and feel obliged to resist it, partly regardless of the means.

This book does not attempt to remedy the ‘problems’ of globalization research to date, but rather to take stock of the theoretical approaches offered and then, through empirical chapters that make use of these concepts, probe into their analytical usefulness. We do so also in light of the general observation in the academic enterprise that theoretical research is on occasion far ahead of the empirical evidence; the familiar, and in retrospect somewhat premature, notions of the ‘end of history’ or the ‘end of the nation-state’ may speak to this point. We embark on this endeavour by organizing the chapters according to the three levels of analysis commonly referred to in our discipline. It must be emphasized that the rationale is a purely *analytical* one, and that no single chapter or the book as a whole denies the fact that in reality these levels are interconnected.²

The theoretical chapters in this volume (Chapters 2, 4, 7 and 10) tend to distinguish four aspects of globalization, whereby the last two are on occasion combined into one. *Economic* globalization refers to the familiar technological advances in communications and transportation technology, enabling the ‘easing of international exchange’ (Frieden and Rogowski, 1996). *Political* globalization addresses the adjustment of nation-states to this new environment, primarily the extent to which these entities can still fulfil their function of providing public goods. Some have suggested that the traditional welfare state will ultimately be replaced by a ‘competition state’, with governments acting more as business brokers, rather than being concerned with redistributing income (Cerny, 1995; Hülsemeyer, 2000). However, political globalization is not only a more or less inevitable consequence of its economic component but also its *cause*. The free flow of financial transactions is not conceivable without states releasing capital controls; technological advance is a necessary but by no means sufficient condition for the advent of the ‘global economy’. In this sense, the ‘paradox’ of globalization is that national governments helped to unleash the forces to which they now see themselves having to adapt, potentially losing some legitimacy in the eyes of their citizens along the way (Cerny, 1997).

Social globalization traces the ‘winners’ and ‘losers’ of globalization within and across societies. For instance, we seem to be accustomed to

images of a business elite being at home in every major city and spending much of its time commuting between them. Yet, the vast majority of the population may, in the best case, benefit from globalization through the collection of air miles, and, in the worst case, lose their jobs due to the imperatives of global competition. This divergence between winners and losers is particularly compounded at this point in the transition economies of Central and Eastern Europe, as well as in the older North/South debate.

Finally, *cultural* globalization assesses whether and, if so, to what extent individuals might shift their loyalties from their home countries to some other sub- or supranational entity. On the one hand, the European Union, for example, has its own flag and anthem – symbols of identification similar to those of nation-states. Are citizens beginning to view themselves less as French, Italians or Germans, and more as Europeans? On the other hand, we also observe increased nationalism, especially in the successor states of the Soviet Union. Under which conditions are similar patterns evolving across countries? The so-called world values surveys (Nevitte, 1996; Inglehart, 1997) probe into this question.

IPE and the study of convergence

The discipline of International Political Economy (IPE), to the realm of which this book belongs, is most generally concerned with the interaction of the two dominant forms of social organization in the modern world, ‘the state’ and ‘the market’, the former displaying a clear division of powers and hence being hierarchical, the latter exhibiting more the characteristics of anarchy, at least in the economic theory of the perfect market. It is the function of ‘the state’ to regulate ‘the market’, and although ideologically motivated differences of opinion exist on the degree to which this should be the case, the role of the state in the economy *per se* appears to be beyond doubt. In other words, IPE analyzes primarily, although by no means exclusively, the relationship between the first two forms of globalization mentioned above, i.e. the economic and the political aspects.

Within this realm, the question of whether or not economic globalization is leading, or likely to lead, to some measure of convergence among institutions and actors organized in nation-states has not been given much explicit consideration, with the notable exception of three edited volumes (Unger and van Waarden, 1995b; Berger and Dore, 1996; Crouch and Streeck, 1997). However, the purpose of each of these studies was to examine a more specific, well-defined aspect of the

convergence debate, i.e. a focus on macroeconomic policies and forms of capitalism, rather than providing an assessment of this topic for globalization research in general, as is our intention.

To do so in a systematic fashion, we have separated the chapters according to the level of analysis to which they speak. As the term implies, this is only an *analytical* tool and does not deny their overlap in the 'real' world. In order to understand why we consider levels of analysis a useful tool, we need to briefly introduce what is commonly referred to in the social sciences as the *agent–structure debate* (Dessler, 1989).³ The conventional wisdom, and disagreement, was for a long time that it must be *either* the structure of the international system that compels states and individuals to act in a particular fashion (Marxism and neorealism), *or*, alternatively, individuals are ultimately free to make whatever choices they wish to make (liberal economics and behaviouralism). In other words, the dispute was over the proper 'unit of analysis' to explain human behaviour; is it predetermined by structural constraints (e.g. the capitalist mode of production or the anarchic nature of the international system), or are *agents* (i.e. individuals) in control of, and thereby responsible for, their own destiny? Clearly, these two positions were irreconcilable; one had to be convinced of one or the other.

This changed with the advent of the term *structuration* (Wendt, 1987). The idea here was that it is not an either or, but mutual constitution. The structure puts some constraints on actors and determines the choices they can make, but the latter themselves in aggregate have an influence on the structure, as both are inextricably interlinked. While this now commonly accepted perspective overcomes the previous juxtaposition of structure and agency, it does not lend itself well to empirical analysis because mutual constitution leaves it unclear where to begin; the analytical problem could be one of infinite regress. Against this backdrop, Archer (1996) has made the case for always starting empirical investigations with the structural level, then exploring how certain actors take this context in which they find themselves and work toward altering it to a new structure which then poses both opportunities and constraints for future agents.⁴ This speaks to the interconnectedness of both aspects, but still recommends the distinction for analytical purposes. It thereby has direct implications for the organization of this volume.

Structure of the book

Given the analytical organization of the chapters according to different levels of analysis, the book is separated into four main parts. Part I

examines globalization at the macro level of analysis. By virtue of focusing on the primacy of structural explanations, papers in this realm necessarily approach globalization from a Marxist or neo-Marxist perspective. In Chapter 2, Leslie Sklair outlines what he terms *global system theory*, i.e. his own contribution to the globalization debate. It analyzes the dominant capitalist, or neoliberal, form of globalization and is based on the three components of transnational corporations (TNCs), a transnational capitalist class (TCC) and the culture-ideology of consumerism. Empirical evidence from the 500 largest TNCs supports his claim of a convergence within the capitalist form of globalization. Sklair then speculates about alternative and, at least for some time, potentially divergent scenarios, emanating from what he sees as the two inherent contradictions in the neoliberal version, namely growing class differences and ecological sustainability.

In Chapter 3, Rodney Loepky starts with the observation that notions about technological advance as a 'naturalized' process associated with globalization frequently fail to analyze technology itself and the conditions of its emergence. Grounded in a historical materialist perspective, he examines genome research as one of the clearest examples of the 'inevitability' thesis. Loepky posits that technological developments, and by implication the *kinds* of technology that emerge, are rooted in particular social, i.e. currently capitalist, relations and as such remain a deliberate political choice. Not recognizing this implies denying any agential influence and thereby asking fundamental questions about the social desirability of specific research, as a convergence toward a high-tech 'global imperative' appears to be under way.

Part II shifts the discussion to the intermediate level of analysis, in this case its largest aggregate, the nation-state. Chapter 4 is written by Philip G. Cerny who suggests that globalization, apart from the empirical measurement of the degree of convergence that it does or does not foster in particular areas, is first and foremost also a *discourse*, and an increasingly hegemonic one at that. In his view, the phenomenon qualifies as what Kuhn (1962) has termed the development of a new 'paradigm' in our discipline, contesting the traditional state-focused view. To make this point, Cerny analytically distinguishes between the economic, social (including cultural) and political aspects of globalization, asserting that processes of convergence and divergence are two sides of the same globalizing coin, potentially leading to what he calls a new 'medievalism'. In the realm of *political* globalization belongs Cerny's well-known concept, the 'competition state'. It refers to a shift from the traditional Keynesian welfare state to a situation where gov-

ernments and other agencies, in varied forms, act more as promoters of business activities in their respective constituencies than as redistributors of income. It is this idea of the competition state that is at the core of the subsequent two contributions.

In Chapter 5, Ralf J. Leiteritz and Lars Handrich examine the double challenge of economic globalization and the transition process from state-led to market-based reforms. Under these conditions, the authors suggest, one might expect a fast-track to the competition state, in the process of which neocorporatist arrangements are unlikely to take root. Since the old West Germany was among the continental West European countries where tripartism, to different degrees, was existent, Leiteritz and Handrich begin their investigation examining the transformation of industrial relations in the Eastern part of the country upon reunification in 1990. Certainly, the former GDR's situation was/is unique through the direct financial transfers from the Western part of the country, as well as an almost complete transfer of political institutions in the same direction. Despite this, the authors find that industrial relations in Eastern Germany now exhibit decentralization and flexibility of wage agreements. Using this as a starting point for investigating a few CEE countries, Leiteritz and Handrich discern an equally unsuccessful attempt to establish tripartist arrangements, rooted in disinterested economic and political actors in these countries. They conclude that some Central and Eastern European states have converged at this point on a pluralist form of industrial relations. The authors urge more research into other aspects of the political economy in these countries to determine whether they are likely to exhibit a distinct form of capitalism, or rather 'imitate' the Anglo-Saxon version of the competition state.

Chapter 6 by Janis van der Westhuizen explores the adjustment of so-called 'developmental states' (i.e. the Third World's version of the welfare state), exacerbated by ethnic divisions, to economic globalization. Very little consideration in the globalization debate to date has been given to the concrete adjustment of countries in the developing world, as the focus remains on adaptation within the OECD world. Van der Westhuizen finds that, while there is clear convergence of external economic pressure, the type of capitalist adjustment undertaken in different countries differs. Comparing Malaysia and South Africa, both ripe with ethnic tension, it turns out that Malaysia has since the early 1990s adopted a clearly neoliberal stance, whereas a corporatist form of adjustment has prevailed in South Africa. The author explains that this divergence in political response is premised on a

convergence of ideas and attitudes among the ethnically divided state elites in either country.

Part III is situated at the intermediate level as well, yet with an eye to the process of regional integration. If it is correct that state policies in *some* areas may be converging on a diminishing ability of nation-states to capture the market size which they wish to regulate in a globalized economy (see Part II), then the mushrooming of regional integration schemes, often labelled Preferential Trade Agreements (PTAs), could be viewed as an attempt to pool resources and 'switch the pendulum back' toward political authority. Put differently, PTAs go hand in hand with economic globalization and are in effect in part a state *response* to it (Coleman and Underhill, 1998).

In Chapter 7, William D. Coleman analyzes the interaction between the concepts of globalization and regionalism, making the case for both concepts being part and parcel of the globalization process. He refers to 'regionalism' as the economic, political and cultural underpinnings that determine the shape of regional integration schemes. The significant institutional differences among various PTAs, Coleman holds, can be traced to distinct national conceptions about the proper role of the state in the economy. Hence, the EU as the most institutionally integrated PTA largely encompasses member states where this function is seen as more pronounced, whereas the opposite is the case for the members of NAFTA, for instance. Coleman ends by elaborating on the challenge that both globalization and regional integration, with the partial exception of the EU, pose for liberal democracy, a concept that appeared in tandem with the nation-state. He proposes a set of criteria that can be used to assess the precise degree to which global (e.g. the WTO) and regional (PTAs) institutions currently impede on (liberal democratic) accountability and to trace changes, i.e. 'improvements', over time.

In Chapter 8, Manuela Spindler contrasts the 'old' (protectionist) and 'new' (neoliberal) forms of regional integration in order to explain the transition between them. Like Coleman, she understands regionalism first and foremost as a set of ideas and then analyzes the crucial role of business actors in shaping these very ideas and thereby influencing the institutional form an integration scheme takes. Spindler compares the influence of the European Roundtable of Industrialists (ERT) on the single European market with the role played within APEC by the APEC Business Advisory Council (ABAC). The 'new' and 'open' form of PTAs, she comments, is likely to result in convergence toward the development of 'competition regions'. In Chapter 9, Annette Hester and Eugene Beaulieu are primarily concerned with the impact of six differ-

ent past and present PTAs in South America for the prospect of global trade under the auspices of the GATT/WTO, which from a liberal economic perspective is the preferred option because it is seen as enhancing global welfare in absolute terms. Echoing Spindler, Hester and Beaulieu also observe a changing approach to regional integration in the Southern cone, away from the previous focus on import substitution toward embracing 'open' regionalism, largely associated with neoliberal practices. In addition, the authors stress the new attempt to use regional integration schemes as bargaining chips *vis-à-vis*, for instance, the European Union, as well as the increase in bureaucratic expertise that comes with the managing of PTAs. In light of the strategic linkages that especially Mercosur actively pursues with the like-mindedly 'open' NAFTA, Hester and Beaulieu conclude, regional integration schemes in South America are not a hindrance to world trade but are converging on multilateralism.

Part IV then explores globalization at the micro level. At the conference, the micro level consisted of contributions from scholars working in the behavioural tradition. It is the purpose of the so-called world values surveys to demonstrate that individuals virtually across the globe have a long-term tendency to show signs of similar attitudes, which points to a clear, if very gradual and long-term, form of convergence at the individual level. This being said, this research community with its emphasis on elaborate statistical analysis unfortunately does not speak to an IPE audience, and vice versa. For this reason we decided not to include these thought-provoking contributions in the present volume but instead opted for an exploratory IPE perspective on the role of agency in this still under-researched aspect of our field.

Thus, in Chapter 10, Philip G. Cerny, drawing on the group theory developed by Bentley (1908), emphasizes that actors, be they constituted on subnational, transnational or other scales, are not only constrained by structural imperatives. They also offer opportunities for 'institutional entrepreneurs' to pursue their interests and thereby define the (new) 'rules of the game'. In other words, Cerny maintains (as does Leslie Sklair in Chapter 2), globalization exhibits a dialectical process of convergence and divergence, the possible outcomes of which are open, allowing for what economists call 'multiple equilibria'. This mainly exploratory chapter, inviting further investigation into the role of agency within globalization research rather than presenting empirically validated results, concludes with four possible future scenarios. These range from globalizing pressures, only demanding the rather passive adjustment of traditional political actors, to an erosion

of the state system itself, giving rise to a 'neomedievalism', i.e. an array of overlapping and competing institutions, effectively threatening what we understand as 'governance'. In the end, though, Cerny regards transnational networks of economic, political and social groups as most likely to at some point restore some form of 'governmentality' – dare we say governance? – under the new global conditions.

Finally, the concluding Chapter 11 returns to the overall question of the book, i.e. the degree of convergence or divergence that can be discerned across the various levels of analysis in view of the globalization process. The chapter takes stock of the contributions in this volume and seeks to systematize their findings.

Additional sources

Last but not least, public and scholarly interest in various facets of the globalization debate has fostered the development of numerous web-sites devoted to the topic. For those who seek to keep abreast with the different versions of viewing this topic, we have included an array of the more prominent internet-based sources of dissemination. Given the timeliness of the topic, the list below can by no means claim to be exhaustive; it should be viewed more as a 'place to start'. It is organized in alphabetical order and covers the press, interest groups, as well as governmental and non-governmental agencies. It is our hope that the categories offered in this chapter – and indeed this book – will prove helpful in sorting through the explicit or hidden agendas advanced by the various web pages.

www.attac.org
www.bbcnews.com
www.copenhagencentre.org
www.dw-world.de
www.economist.com
www.ectgroup.org
www.gdnet.org
www.globalknowledge.org
www.globalpolicy.org
www.iht.com
www.ifg.org
www.imf.org
www.jubileeplus.org
www.nologo.org

www.oecd.org
www.oneworld.org
www.oup.com/uk/best.textbooks/politics/globalization2e
www.polity.co.uk/global
www.southcentre.org
www.theglobalsite.ac.uk
www.unglobalcompact.org
www.unu.edu
www.unrisd.org
www.weforum.org
www.worldbank.org
www.wto.org

Notes

- 1 In this sense, it effectively resembles the continued differences of opinion on the proper meaning of such older concepts like 'democracy' and 'civil society'.
- 2 There is scholarly disagreement on whether or not these different levels can be bridged in academic analysis. Most famous for the position denying such a possibility is Singer (1961); for a recent work making the opposite claim, see Hobson (2000).
- 3 Note that levels of analysis and agent–structure debates are related but are *not* the same (see Wendt, 1992b).
- 4 In fact, Archer argued that this form of analyzing the relationship between structure and agency can be transferred to exploring the interconnection of 'culture' and actors. She suggests that culture comes into play as an intervening variable when, for instance, conflicts among agents over material interests reflected in the current structure do not manifest themselves. Her point is that the analytic logic is the same.

Index

- Acta de la Paz 147
Adlan, D.'N. 130
African National Congress (ANC)
92–3, 94, 95, 97
agency
 global business actors *see* business
 elites
 and globalization 52–4
 pluralism and world politics *see*
 groups
agent–structure debate 5
ALADI/LAIA 141, 143
ALALC (Latin American Free Trade
 Association) 141
Albert, M. 71
Albo, G. 47
American National Institute of Health
 (NIH) 41, 42
Americanization 102
Amgen 42–3
Amin, S. 110
anarchy, coming 173–4, 178, 182
Andean Community 148
Andean Pact (Pacto Andino) 141,
 142, 143, 143–4, 147–8
Andersen Consulting 26
Anderson, C. 41
anti-corporate movements 63
anti-globalization movement 3,
 29–32, 102, 156
Anwar affair 91–2
APEC 127, 129–31, 181
APEC Business Advisory Council
 (ABAC) 8, 121, 131
APEC CEO Summits 127, 131
Apeldoorn, B. van 128
Archer, M. S. 5
Argentina 146
Aronowitz, S. 38
ASEAN 110
ASEAN–EU Industrialists Round Table
 129
Asia, East 109–10
Asian capitalism 109
Asian crisis 91, 106
Athukorala, P. 91
Balanyá, B. 129
bank lending 91
Barnevik, P. 20
Bayer 43
Beaulieu, E. 141, 143, 146, 147
Beder, S. 24
benchmarking 23, 26–7, 35–6
Bendix, R. 61, 165
Bentley, A. F. 9, 155, 157, 158–9,
 159–60, 163, 182
Berger, S. 132
Berlan, J.-P. 44
Bertelsmann 105
Bhagwati, J. 135
bilateral agreements 142–3
Bilderberg Meetings 126
biotechnology 36–44
Blokker, P. 80
Blumenfeld, J. 94
Bolivia 147–8
Bowie, A. 87, 89
boycotts 30
Brazil 139–40, 146
Brenke, K. 72, 73, 74
Brenner, R. 36
Brittan, S. 51
Browne, W. 44
budget deficit 87
bureaucratic state 60
bureaucrats and politicians 18–21,
 22, 167, 168–70
business education 20
business elites 8–9, 119–33, 181
 regionalized world of global
 business 127–31
 and the retreat of the state 125–7
Business Network for Hemispheric
 Integration 127
business sectors 23, 25

- Business for Social Responsibility (BSR) 27–8
- Canada 106–7, 145
- Canada–United States Free Trade Agreement (CUSFTA) 142
- capital, hyper-mobility of 34–5
- capitalism
and control 173
globalization and 34–6, 102
technology, genome research and 36–44
- capitalist globalization 6, 15–32, 176–9
Fortune Global 500 21–9
resistance and alternatives to 29–32
transnational capitalist class 6, 17, 18–21, 22
- Caribbean Common Market (CARICOM) 141, 142, 143
- Caribbean Free Trade Association (CARIFTA) 141
- Castells, M. 36, 44
- causative conditions for change 166
- cause groups 170–2
- Celera 42
- Central American Common Market (CACM) 141, 142, 143
- Central and Eastern Europe (CEE) 7, 67–82, 179–80
Eastern Germany after reunification 71–6
industrial relations 76–80
- CEPAL/ECLAC 141
- Cerny, P. G. 60, 64, 67, 69, 70, 83, 84, 125, 132, 160, 167, 171, 173
- Chandler, A. 60
- chief executive officers (CEOs) 126, 127–31
- Chile 139–40, 142, 146
- Chiron 42–3
- citizenship
global corporate 23, 27–8, 35–6
TCC as citizens of the world 20
- civil society, global 172–3, 178, 182
- class
polarization crisis 30, 31–2
TCC 6, 17, 18–21, 22
transnational class system 62–3
- Cloward, R. A. 34–5
- coalitions 97, 155–6
- coherence 58
- Cole, R. 27
- Coleman, W. D. 77, 107, 115
- Collective Action Plans 130
- collective bargaining 70, 71, 72–4
- Colombia 147
- COMECON 77, 107
- common markets 140
- competition regions 8, 131–2
- competition state 3, 6–7, 67–98, 125, 179–80
emergence in the western world 69–71
Germany 74–6
globalization, splintered state and 63–6
Malaysia 85–92, 96–7
scenario 172, 178, 182
South Africa 92–7
from welfare state to 84–5
- competitive advantage 58–60
- Competitiveness Advisory Group (CAG) 129
- complex connectivity 103
- complex interdependence 55–6
- complex social structure 162–3
- complexity 53–4
and coherence 58
- conflict, social 160–3
- Congress of South African Trade Unions (COSATU) 93, 94, 95, 97
- congruence 111, 112–14, 117
- consumerism 6, 17–18, 21, 30, 31
- consumerist elites 18–21, 22
- control 20, 173
- convergence 52–3, 176–84
catch-up industrialization and 60
competition region 132
developmental states 97
IPE and study of 4–5
theoretical and empirical results 176–82
- Cook-Deegan, R. 47
- cooperative democracy 31–2
- core regions 110

- corporate governance 59
 corporate responsibility 23, 27–8,
 35–6
 ‘Corporate Watch’ website 24
 corporatism 70, 80, 91
 South Africa 94–6, 96–7
 see also neocorporatism
 Coser, L. A. 157, 162
 Council for Mutual Economic
 Cooperation (COMECON) 77,
 107
 country of origin 22–3
 Cowles, M.G. 128
 Cox, R. 62, 131
 Craig Venter 41–2
 Crouch, C. 76, 90
 Crowley, S. 78, 79
 cultural globalization 4, 105
 culture–ideology sphere 17–18, 22
 customs unions (CUs) 139, 140
- Deibert, R. J. 165
 democracy 8
 cooperative 31–2
 liberal 8, 111–18
 democratic clause 148
 democratic deficits 113, 114, 118
demos 112
 Deppe, F. 79
 Dessler, D. 5
 deterritorialization 103
 developmental states 7–8, 83–98, 180
 external convergence with internal
 divergence 97
 Malaysia 7–8, 84–92, 96–7, 180
 South Africa 7–8, 84–5, 87, 92–7,
 180
 from welfare state to competition
 state 84–5
 Dicken, P. 26
 Dierckxsens, W. 31
 discourse
 globalization of 54
 quality of 115–16
 regionalism 121–2
 Disney 101, 105
 disorder, durable 173–4, 178, 182
 divergence 176–84
 capitalist globalization and 32
 developmental states 97
 theoretical and empirical results
 176–82
 Dombrowski, P. 165
 Domenici, P. 45
 domestic firms 19
 domestic market, size of 24–5
 domestic policy, internationalization
 of 57
 domestic politics 55–6
 Doremus, P. N. 168
 Douglas, I. R. 165
 Drache, D. 131
 Drezner, D. 33, 37, 97
 Dunning, J. H. 25
 durable disorder 173–4, 178, 182
 Durkheim, E. 162
 Durning, A. T. 18
 ‘dynamic time-path effect’ 135,
 140–1
- Eastern Germany 7, 68, 71–6, 179
 Easton, D. 55
 ECLAC/CEPAL 141
 ecological unsustainability crisis 30,
 31–2
 economic globalization 3, 53, 70,
 105–6, 153
 global system theory 23, 25–7
 market structures and competitive
 advantage 58–60
 supraterritorial relations 103–4
 economic groups 166–7, 167–8,
 173, 178, 182
 economic sphere 17–18, 22
 Ecuador 147
 Edwards, S. 147
 effectiveness 116–17
 Eichengreen, B. 147
 elite consensus 97
 embedded liberalism 119, 120
 regionalism in 123–5
 embeddedness 60–3
 Embong, A. R. 18
 employers 77–8
 employers’ associations 72–4
 enmeshment 104, 106–7
 Enterprise for the Americas Initiative
 (EAI) 142, 145

- epistemic communities 62
 Esman, M. 85
 Esso/Exxon 30
Ethical Consumer 24
 ethnic groups 61–2
 EU–Japan Industrialists Round Table 129
 European Economic Community (EEC) 107
 European Free Trade Area (EFTA) 107
 European Roundtable of Industrialists (ERT) 8, 121, 126, 127, 128–9
 European Union (EU) 4, 8, 81, 139, 180, 181
 democratic deficit 113
 ERT and single market 128–9
 Evans, P. 47, 86
 Evian Group 126, 129
 exporting 26, 89
 extensivity 103, 106–7
- fairness 117
 Fine, R. 94
 Fix-Piven, F. 34–5
 Fordism 60
 foreign direct investment (FDI) 29, 34–5, 35–6
 FG 500 23, 25–6
 industrial relations in CEE countries 77–8
 Latin America 145–6
 Malaysia 89
 Foreign Investment Protection Agreements (FIPAs) 143
 foreign markets 34–5
 formal region 108
Fortune Global 500 (FG500) 21–5
 globalization criteria and 23, 25–9
 Frankel, J. A. 147
 Free Trade Agreement of the Americas (FTAA) 127, 144, 145
 free trade areas (FTAs) 139, 140
 Friedman, T. L. 63
 full economic unions 140
 funding programmes 42–3
- Galbraith, J. K. 60
 GATS (General Agreement on Trade in Services) 138
- GATT/WTO 101, 105, 130, 134
 effectiveness 117
 ‘embedded liberalism’ 124–5
 Latin America and 9, 136–40, 146
 Genentech 42–3
 genome research 6, 48, 179
 and the state 44–7
 technology, capitalism and 36–44
 Germany 46, 65, 76
 industrial relations in Eastern Germany after reunification 7, 68, 71–6, 179
 Giddens, A. 30
 Gill, S. 62, 126, 173
 Gills, B. K. 156
 Gilpin, R. 124
 global business actors *see* business elites
 global civil society 172–3, 178, 182
 global corporate citizenship 23, 27–8, 35–6
 global corporate responsibility 23, 27–8, 35–6
 global financial markets 168
 global localization 53
 global system theory 6, 15–32, 176–9
 Fortune Global 500 21–5; and globalization criteria 23, 25–9
 resistance and alternatives to capitalist globalization 29–32
 transnational capitalist class 6, 17, 18–21, 22
 global tribes 62
 global unicity 104
 global vision 23, 28–9, 35–6
 globalization 6–7, 8, 51–66, 101–2, 102–6
 as an alternative paradigm 58
 and capitalism 34–6, 102
 conceptualizing 51–5
 contested story 51–66
 discourse 2–4
 effect on different kinds of groups 166–72
 interest groups and 163–6
 as paradox 3, 66
 pluralism and politics of 157–60
 and pluralization of world politics 153–6

- public and academic debate on 1–2
 regionalization and democracy
 111–18
 regionalization and regionalism
 106–11
 social conflict, stability and 160–3
 Gold Standard 57
 golden share 87, 97–8
 Gomez, T. 88, 89, 90
 governance 161–2
 government 79–80
 see also state
 Granovetter, M. 55
 Grant, W. 78
 Great Britain 46, 69
 Grote, J. R. 80
 groups 9–10, 153–75, 181–2
 effect of globalization on different
 kinds of 166–72
 group theory 157–60
 interest groups 163–6
 scenarios 172–4, 178, 182
 social conflict and stability 160–3
 Growth, Employment and
 Redistribution (GEAR) 95, 98
- Habib, A. 95
 hardship clauses 72
 Hardt, M. 62
 Harris, S. 130
 Hart, J. A. 59, 168
 Hassan, M. bin J. 90
 Hassel, A. 73
 hegemony 31, 173
 Helbling, T. 57
 Held, D. 103–4, 172
 Henders, D. 37
 Hester, A. 141, 143, 146, 147
 Héthy, L. 76
 Hettne, B. 108, 123
 Higgott, R. A. 109–10, 125
 high throughput 42
 Hirst, P. 54, 60
 historical materialism 34–5, 38
 Holloway, J. 168
 Holman, O. 128
 Human Genome Project (HGP) 45–6
 Human Genome Sciences 41
 human rights 31–2
 Hungary 79
 Hurrell, A. 108, 121, 122
 Hutus 61
 Hveem, H. 108, 110, 119, 121–2
- import substitution 141, 142
 in-house contracts 74
 Individual Action Plans 130
 industrial relations 7, 67–82, 179–80
 in CEE 76–80
 Eastern Germany 7, 68, 71–6, 179
 industrialization, catch-up 60
 information-based economy 36–7
 Inkhata Freedom Party (IFP) 97
 input congruence 111, 112–13
 institutional entrepreneurs 9, 164,
 167, 168–9
 institutional strategies 160
 institutional transfer 72–6
 intensity 103, 106–7
 interdependence 2, 55–8, 117
 interest groups 163–6
 see also groups
 interest rates 91
 interlocking positions 21
 intermediate level 6–9, 177–8,
 179–81
 see also regionalism; state
 intermediate regions 110
 intermediation processes 83–4
 international governance 2
 International Labour Organization
 172
 international law 55, 159–60
 International Monetary Fund (IMF)
 101
 International Political Economy (IPE)
 123
 and study of convergence 4–5
 international political system 55–6
 International Trade Organization
 137
 internationalization 54–5
 of domestic policy-making 57
- Jacoby, W. 75
 Japan 22, 46–7, 59–60
 Jayasuriya, K. 122
 Jessop, B. 161

- Jolly, R. 63
 Jomo, K. S. 88, 89, 90, 91
- Kanter, R. M. 164
 Kaplan, R. 63, 174
 Katzenstein, P.J. 71
 Keck, M. E. 170
 Kellaway, L. 168
 Keohane, R. 57, 163
 Kerr, C. 60
 Kerr, W. A. 137, 138
 Keune, M. 80
 Keynesian economics 69
 Khoo, B. T. 89
 Kotkin, J. 62, 166
 Krasner, S. 57
 Krieger, J. 163
 Krugman, P. 136
 Kuhn, T. 6, 51
 Kurds 61
- labour
 exploitation 38–9
 mobility 34–5
 labour movement *see* trade unions
 Lacher, H. 125
 LAIA/ALADI (Latin American
 Integration Association) 141, 143
 Lasswell, H. 157
 Latin America 8–9, 134–50, 181
 evolution of regional trade
 agreements 140–8
 and the GATT 136–40
 Lawrence, R. Z. 139
 Leeson, R. 70
 legitimacy 116
 Lewontin, R. 44
 liberal democracy 8, 111–18
 liberalization 77
 regionalism in Latin America
 145–8
 life-style 20
 Lindblom, C. 156, 165
 local–global relationship 29, 53
 logic of capitalism 35–6
 Lustig, N. 135, 143, 144
- Macadar, B. M. de 141, 147
 Machin, H. 65
- machinery 39
 macro level 5–6, 176–9
see also global system theory;
 technology
 Mahathir bin Mohamad 87, 88, 89,
 90, 91–2, 96
 Maisonrouge, J. 20
 Malaysia 7–8, 84–92, 96–7, 180
 boom to bust in 1990s 90–2
 NDP 90–1
 NEP 85–7, 90
 political and economic crises in
 1980s 88–90
 Malcolm, J. D. 60
 Mandel, E. 40, 42, 44
 Mansfield, E. D. 101, 106, 107, 108,
 134, 147, 148
 Marais, H. 95
 market 4
 complex market structures 58–60
 political authority and 123–4, 125
 regionalized world of global
 business 127–31
 TCC and markets 19
 Marshall, R. 37
 Marx, K. 38–9, 102
 mass media 16
 Mattli, W. 134, 136, 139, 141, 142,
 145–6
 Maucher, G. H. 20
 McCormack, S. 41
 McDonald's 101
 McKinsey 26
 McMichael, P. 36
 Mendoza, M. R. 144, 148
 Mercosur 110, 140, 142, 145, 143,
 148, 181
 accord with Andean Pact 143–4
 FDI 146
 mergers 40, 42–3
 Mexico 139–40, 142, 145, 146
 Michie, J. 94
 micro level 9–10, 178, 181–2
see also groups
 Microsoft 29
 migration 105, 166
 Millennium Pharmaceuticals 43
 Milner, H. V. 101, 106, 107, 108,
 134, 147, 148

- Minc, A. 174
 mission statement 28–9
 Mitsubishi 27
 Mittelman, J. H. 107
 monopolization 41–3
 Monsanto 44
 Mont Pèlerin Society 126
 Montpetit, E. 107
 Morita, A. 20
 most-favoured-nation (MFN) 124
 Motorola 26
 Multilateral Agreement on
 Investment (MAI) 30
 multilateralism 134–5
 multinational corporations (MNCs)
 see transnational corporations
 (TNCs)
Multinational Monitor 24
 multiple equilibria 9, 53, 59, 70,
 166
 Murdoch, R. 20
 Murphy, C. 155, 163
 Muzzafar, C. 92
 Myant, M. 79
- Naim, M. 144
 nation-building 61
 nation-state 111
 see also state
 national interest 57–8
 National Party (South Africa) 97
 nationalism 4
 Natrass, N. 92, 93
 Negri, A. 62
 neocorporatism 71, 74, 75, 76, 80
 neoliberal institutionalism 55–8
 neoliberal supply-side economics
 69–71
 ‘neomedievalism’ 10, 173–4, 178,
 182
 neo-pluralism 156–60
 neorealism 55–8
 Nestlé 30
 networks 155–6
 New Development Programme (NDP)
 90–1
 New Economic Policy (NEP) 85–7,
 90
 ‘new medievalism’ 6, 53–4, 179
- ‘new multilateralism’ 58
 Noble, D. 47
 North American capitalism 109
 North American Free Trade
 Agreement (NAFTA) 2, 8, 113,
 139, 142, 143, 148, 180–1
 Latin America and 142, 144–5
 Nye, J. S. 163
- OECD 30
 Offe, C. 112
 open regionalism 129–30
 open trading blocs 135
 opening clauses 73
 openness 119
 ‘orthodox liberalism’ 124
 Ost, D. 78, 79, 80
 Ostrom, V. 161, 162
 OTA 40, 43
 output congruence 111, 113–14
 outward-oriented global perspectives
 20
 Overseas Chinese 61–2
- Pacific Basin Economic Council
 (PBEC) 127, 130, 131
 Pacific Economic Cooperation
 Council (PEEC) 130
 Padayachee, V. 94, 95
 Padgett, S. 75
 Panitch, L. 44–5, 47
 paradox of globalization 3, 66
 Paraguay 148
 Parsons, T. 52
 participation, open 115
 patent protection 41–3
 patron–client linkages 86, 88, 89–90
 Payne, A. 109
 Perdikis, N. 137, 138
 peripheral regions 110
 Perkin-Elmer 41–2
 permissive conditions for change
 166
 Peru 147–8
 pharmaceutical industry 40–3
 Philip Morris 30
 Picciotto, S. 168
 Pickel, A. 75
 Pijl, K. van der 62

- Plaza Accord 87, 89
 Plein, C. 46
 pluralism 9–10, 74, 75, 153–75,
 181–2
 CEE 76–80
 effect of globalization on different
 kinds of groups 166–72
 interest groups and globalization
 163–6
 pluralization of world politics
 153–6
 and politics of globalization
 157–60
 scenarios 172–4
 social conflict and stability 160–3
see also neo-pluralism
 Poggi, G. 55
 Pohl, R. 72, 73, 75
 Polanyi, K. 123
 polarization 63
 class polarization crisis 30, 31–2
 policy transfer 170
 political economy 123–4
 political globalization 3, 53–4, 105,
 153
 competition state and splintered
 state 63–6
 political groups 167, 168–70
 political opportunity structures (POS)
 154
 political sphere 17–18, 22
 politicians and bureaucrats 18–21,
 22, 167, 168–70
 Pollert, A. 79
 Porter, T. 115
 Posner, E. 165
 post-communist transformation 7,
 67–82, 179–80
 CEE 76–80
 Eastern Germany 7, 68, 71–6, 179
 Prebisch, R. 141, 149
 preferential trade agreements (PTAs)
 8, 107
 new wave of 8–9, 134–50, 181
see also under individual names
 primitive region 108
 Primo Braga, C. A. 135, 143, 144
 Pritchard, W. 24
 privatization 77, 87–8, 89
 procedural fairness 117
 product monopoly 41–3
 production 34–5, 40–1
 professionals, globalizing 18–21, 22
 protectionism 118, 119, 120–1,
 124–5
 proto-region 108
 Radice, H. 53, 63
 Rainforest Action Network 27
 Razaleigh, T. 88–9
 realist paradigm 51–2, 55
see also neorealism
 Reconstruction and Development
 Programme (RDP) 93–4
 reconstruction pact 93
 Redclift, M. R. 30
 redistribution 92, 93
Reformasi movement 96
 region-state 109
 regional anarchical society 108–9
 regionalism 8–9, 119–33, 177–8,
 180–1
 competition regions 131–2
 in ‘embedded liberalism’ 123–5
 global business and future of new
 regionalism 125–31
 globalization, regionalization and
 106–11
 new wave of trade agreements
 8–9, 134–50, 181
 regionalization and 121–3
 regionalization 101–2, 106–18
 globalization, democracy and
 111–18
 globalization, regionalism and
 106–11
 regionalism and 121–3
 regulated decentralization 73
 regulation 65–6
 Reich, R. 33
 Reinicke, W. H. 117
 relative prosperity 45
 religious movements 61
 rentierism 86
 representation 116
 Responsible Care initiative 27
 Rhenish capitalism 109
 Robbins, P. T. 23

- Robertson, R. 51, 54, 104
 Rockefeller, D. 20
 Ruggie, J. 58, 64, 124
 Ruigrok, W. 126, 127
 Ruysseveldt, J. van 71
- scenarios, possible 172–4, 178, 182
 Scharpf, F. W. 111, 117
 Schmitter, P. C. 77, 80
 Scholte, J. A. 54, 103, 108, 114, 127
 Schulte, T. 73
 Schulz, M. 110
 science 38–9
 Scott, J. 21
 Seagrave, S. 62
 Second Industrial Revolution 60
 sectional groups 170
 sectors, economic 23, 25
 Seleny, A. 79, 80
 September 11 terrorist attacks 1, 61
 Shell 28
 Sideri, S. 110
 Sikkink, K. 170
 Simmel, G. 162
 single nucleotide polymorphisms (SNPs) 42
 Sklair, L. 15, 24, 25, 26, 28, 30, 32, 35–6
 small and medium-sized enterprises (SMEs) 78
 Smith, S. 79
 social accord 95
 social conflict 160–3
 social-democratic parties 80
 social globalization 3–4, 53–4, 105, 153
 global system theory 23, 27–9
 new forms of embeddedness 60–3
 social groups 167, 170–2
 social movements 29–32, 165–6
 anti-globalization movement 3, 29–32, 102, 156
 scenario 172–3, 178, 182
 transnational advocacy coalitions 170–2
 social partnership 71, 72–4
 socialist globalization 31–2
 solidarity 112
 South Africa 7–8, 84–5, 87, 92–7, 180
 South African Communist Party 94
 South African Reserve Bank 93
 South America *see* Latin America
 space-time compression 52
 Spain 76
 Spar, D. 157
 Speth, J. G. 63
 splintered state 63–6
 Spruyt, H. 160
 stability 160–3
 stabilization 77
 Starr, A. 63
 state 6–8, 36, 177, 179–80
 bureaucratic state 60
 business elites and retreat of 125–7
 changing role under globalization 109
 competition state *see* competition state
 developmental states *see* developmental states
 genome research and 44–7
 globalization, paradigmatic selection and 6–7, 51–66, 179
 hollowing out of 161–2
 and market 4
 post-communist transformation *see* post-communist transformation
 splintered state 63–6
 welfare state 64, 70, 84
 state-centrism 15, 16, 159
 ‘static impact effect’ 135, 140
 Stopford, J. 65
 Strange, S. 62, 65, 83, 125, 157
 strategically situated groups 164
 Streeck, W. 77
 structuration 5
 structure
 agent-structure debate 5
 globalization 52–4
 Stubbs, R. 86, 108, 109
 substantive fairness 117
 supranational organizations 114–17
 suprateritorial relations 103–4
 surplus value 38–9
 sustainable development 28

- Tabaksblat, M. 129
 tariff rates 146
 Tarrow, S. 154
 Tatur, M. 79
 technological rent 42–4
 technology 6, 33–48, 177, 179
 genome research and capitalism
 36–44
 genome research and the state 44–7
 globalization and capitalism 34–6
 territory 54
 terrorism 1, 61
 Thatcher, M. 173
 Thompson, G. 54, 60
 Tomlinson, J. 103
 total quality management (TQM)
 26–7
 Tóth, A. 79
 trade 124–5
 see also GATT/WTO; preferential
 trade agreements
 trade unions 71, 72–4, 78–9, 167
 COSATU 93, 94, 95, 97
 Transatlantic Business Dialogue 129
 Transatlantic Policy Network 129
 transnational advocacy coalitions
 170–2
 transnational capitalist class (TCC)
 6, 17, 18–21, 22
 transnational class system 62–3
 transnational corporations (TNCs)
 6, 16, 17–18
 control in possible scenario 173,
 178, 182
 globalization and *Fortune* Global
 500 21–9; globalization
 criteria 23, 25–9
 leaders and regionalism 125–31
 owners and managers 167–8
 TNC executives 18–21, 22
 transnational cultural groups 61–2
 transnational opportunity structures
 (TOS) 163–6, 171–2
 transnational practices 17–18, 31–2
 see also global system theory
 transnational relations 2
 transnational social movements *see*
 social movements
 transparency 115
 treaties, international 55
 triangular diplomacy 65
 Trilateral Commission 126, 173
 tripartism 7, 76–80
 TRIPs (Agreement on Trade-Related
 Aspects of Intellectual Property)
 138
 Truman, D. A. 157
 trust 112
 Tulder, R. van 127
 Turner, L. 72, 73
 UMNO (United Malays National
 Organization) 86, 88–9, 91–2,
 96
 Underhill, G. R. D. 124, 127
 unemployment 75
 unicity, global 104
 United States (USA) 22, 69, 108,
 144, 145
 Americanization 102
 legislation 46
 output congruence 113–14
 regulation 65
 technology 45–6, 46–7
 Ushuaia Protocol 148
 Vachudova, M. A. 81
 velocity 103–4, 106–7
 Venezuela 147
 vertical integration 40
 virtual spaces 54
 vision, global 23, 28–9, 35–6
 Vision 2020 90
 Visser, J. 71
 Vivendi Universal 25
 Wade, N. 41
 wages 72–4
 Walch, J. 24
 Walkerton, Ontario *E. coli* outbreak
 106–7
 Wallerstein, I. 57
 Waltz, K. 52, 57
 wars 61
 Waters, M. 34
 Weber, M. 103
 welfare state 64, 70, 84
 Wendt, A. 5, 127

- Wescott, R. 57
Westphalian (realist) paradigm
51–2, 55
Wiesenthal, H. 71, 76
Willetts, P. 159, 170
Wood, E. 35, 48
Wood, R. 46
Woods, L. 130
working class 62–3
world best practice (WBP) 26–7
World Business Council for
Sustainable Development 28
World Economic Forum 173
world order 123–4
World Trade Organization *see*
GATT/WTO
world values surveys 4, 9
world view, regionalism as 121–2
Wright, V. 65
Wyk, G. van 94
Xerox 26
Zanuddin, D. 88–9
Zehr, L. 40
Znaniiecki, F. 165