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1

Introduction

Looking forward over the 21st century, we see the forces of globalisation driving the integration of national and regional economies. In the developed world, at least, it seems likely that globalisation will challenge inherited traditions, institutions, and ways of thinking about the organisation of economy and society. Looking forward, we see industries being brought to the global marketplace, the inherited configuration of productive assets increasingly put in play by the forces of global competition. And looking forward over the next 25 years, who would disagree that three of the most important economic and political issues facing nation-states will be: ‘How should “local” firms respond to the forces of globalisation?’, ‘What are the advantages and disadvantages of inherited assets for global competitiveness?’ And, ‘Where should firms locate to take advantage of the emerging global economy?’ There are clearly other important issues to be addressed. At this point, we simply wish to emphasise the fact that answers to these questions will have profound consequences for people’s long-term employment and incomes.

Looking back over the 20th century we see a moment in history wherein the forces of market competition and global integration were tempered and deflected by war and ideology. In retrospect it seems that much of the 20th century was about reining in and regulating market competition within the closed walls of nation states and their allies. Indeed, seen over the long stretch of economic history, the post World War II settlement and the economic architecture of the Bretton Woods agreement extended for a time the

strong role of nation states. Over the last two decades of the 20th century, however, we saw the re-emergence of the forces of cross-border and international economic integration that dominated development for much of the 18th and 19th centuries. Markets have re-emerged from the 20th century to rival nation states as the focus of decision-making, though the balance of power between market globalisation and the status of the nation state remains to be resolved.

Having been engaged in academic research devoted to the dimensions of corporate and firm based competitive strategies in Asia, Europe, and North America it seems obvious that the forces of economic and geographical integration have profoundly affected where firms invest, what technologies they adopt or do not adopt, who they employ and where, how and what they pay their employees (if they still have direct or immediate employees). Our own research, for example, on the competitive strategies of small and medium enterprises in Europe suggests that their competitors may come from as close as the next village or town and as far away as India and China (Tracey, Clark and Lawton-Smith 2001). Likewise, our research in Asia suggests that there are always more competitors eager to come to the global market (Clark and Kim 1995).

It is clear that the gathering forces of globalisation and economic integration pose significant challenges to contemporary academic inquiry and policy-making. There remain many unresolved debates about issues such as the definition of competitiveness, the proper scale of analysis (global, national, regional or firm), the crucial variables (macroeconomic as opposed to microeconomic), and the role and status of industry competition as opposed to local, national and international public policy. One consequence of the re-emerging global economy is a realisation that intellectual innovation is needed; while it may still be true that macroeconomic policy levers like interest rates and government spending can set the parameters for short term national economic performance, it is more than likely that the growth potential of firms is set by their global and regional links, their rate of technological adjustment to international competition, and their capacity to adapt processes and products to rapidly changing market tastes and preferences. Indeed, whereas conventional macroeconomic policy takes as given the borders of the national economy, firms increasingly seek to expand

their market reach beyond those borders just as they face new competitors from other nations and places.

In this book, our goal is to help chart ways forward. Our approach is therefore largely analytical rather than empirical. No path-breaking empirical results based upon detailed case-studies and econometrics are reported herein. Rather, we hope our argument is actually an intellectual framework for research on the competitive consequences and dimensions of economic globalisation. Tackled here are the core topics in studies of globalisation: how to study, in a comparative manner, the global region connection; the proper status attributed to economic agents; the role of history and geography in affecting agents' competitive strategies; the interaction between agents and their environments; their cognitive and decision-making capacities; and the transformation of modern economies from production systems to systems of learning with high levels of social and intellectual capital. These topics are summarised at the end of this chapter.

By the end of the book, we hope to convey to the reader why we believe that economic agents are more than passive entities whose imagination is encumbered by the past, and who self-consciously seek ways of going beyond the past to the future. This is one way of coming to terms with the role and significance of history and geography in global and regional competitiveness.

Competitiveness and regional economic performance

Competitiveness continues to be a controversial issue in social science, and particularly in economics. This is partly because the term is often used uncritically and inappropriately in the public domain. It is also, as Reinert (1995) argues convincingly, because the assumptions contained within it contradict many of the tenets of neoclassical economics: 'In a world inhabited by "representative firms" operating under perfect information and with no scale effects ... the term competitiveness is meaningless' (p. 26–27). Perhaps this is why Reich (1990) believed the concept to be more or less meaningless, and Porter (1990) suggested that the term competitiveness is essentially a proxy for productivity. Like Reinert, we consider competitiveness and productivity to be separate issues: although high productivity and efficiency are normally prerequisites for

competitiveness, these factors alone do not necessarily result in financial returns or added value. There are many firms (and nations) throughout the world which are efficient but not profitable, and whose employees (and inhabitants) are desperately poor.¹ This is the essence of competitiveness – it refers to the capacity of firms, industries, regions and countries to grow and make profits in markets subjected to international competition, and for this to be translated into sustained higher living standards and domestic income (Scott and Lodge 1985, Maskell et al. 1998, Reinert 1995).

At this point, we do not wish to exaggerate or idealise the prospects and scope of firm-based strategic decision-making. If markets are highly competitive it might reasonably be argued that firms' strategic options are very limited; strategic choice and decision-making in this context may be simply an issue of internal flexibility and adjustment potential in accordance with market signals (Clark 1994). By focusing upon the firm and its strategic choices and decision-making, we do not mean to ignore the context in which such issues are considered and resolved. In point of fact, we argue throughout the book, as many others would also argue, that the time and place of strategic decision-making can have significant implications for those options considered as relevant, those ignored, and those ultimately taken. But whatever the regional bases for decision-making, market scope and prospects have broadened enormously over the past 25 years, working-up the spatial scale from local to regional and national, and now to Europe and the world beyond. Indeed, just as 'local' firms have had opportunities to expand into markets that have taken them away from their local communities, so too have other firms located in faraway jurisdictions come to understand that the commodity and consumer markets of the developed and developing worlds are increasingly open to rival producers whatever their original location of production (Clark et al. 2000a).

There clearly remain, however, considerable tensions between where firms produce and the ultimate market destinations of their products. If, at some point in time in the past, the geographical scale of production matched the geographical scale of final markets, it might have been the case that there was a symbiotic relationship between the organisation of the production process and the configuration of consumer markets. At times, the literature on

economic development and growth assumes that this was once the case and goes on to show that the increasing spatial disjunction between the site of production and the geographical scope of markets has increased the premium placed upon the strategic capacity of those firms that still have a distinctive and committed place of origin. Much of the literature focuses upon the mobility of capital in relation to the configuration of final demand; in Europe at least, given that in many industries small and medium enterprises are the dominant unit of production, we should be less sanguine about the prospects of firms relocating in relation to the imperatives of market competition. In many cases, relocation is less the option than designing and implementing changes to the organisation of production and the technology of production itself.

It must be recognised, however, that conventional models of regional economic growth begin with rather different assumptions. Being dominated by Anglo-American theoretical presumptions and a distinctive heritage of empirical research, much of the literature assumes high levels of factor mobility, and ultimately spatial and economic convergence, measured by employment and welfare (Barro and Sala-I-Martin 1995). By implication, also assumed is at least a national market for firms in an industry and relatively low transaction costs, both with respect to the distance to market and the flow of commodities between firms within related chains of transactions that produce the products and services brought to market. Clearly, the case in point is the US economy and, by extension, NAFTA. Just as obviously, those that advocate a single integrated European market have in mind an institutional configuration that would at least mimic the US case, particularly in terms of enhancing the efficient allocation of capital and labour between the regions of Europe. If European firms are 'embedded' in their local jurisdictions, in the end it is hoped that European market integration may transform existing geographical constraints into an extensive geographical opportunity set.²

These theoretical and empirical expectations have been challenged in recent years by the new economic geography allied with Paul Krugman (1991) but shared with many economic geographers whatever their disciplinary heritage (see Clark et al. 2000b). If we introduce increasing as opposed to constant returns to scale then it is possible that individual firms may wish to concentrate at one site

while developing local networks of intensive linkages that in effect share between firms the benefits of increasing returns to scale. If we also assume that 'learning by doing' characterises many firms' experience in exploiting their inherited productive assets, there may be considerable benefits in sticking with past investments while adopting new forms of technology that reinforce their knowledge-base (the logic of path dependence). And finally, if we assume that knowledge spills over between firms within an industry by virtue of the movement of labour between related and not so related firms, a firm's labour productivity may develop in accordance with its collocation with other firms. Assuming limited geographical mobility of labour, there is a theoretical rationale for linking-up the competitiveness of firms with the attributes of regions (as suggested by Cooke and Morgan 1998).

At the limit, we can assume firms' competitiveness to be dependent upon their location in region and industry specific regimes of accumulation. And it is possible, at the limit, that those firms' competitive strategies are both enabled and limited by their region-industry setting. To suppose that this is actually the case, however, would be to assume a distinctive theory of agent cognition and decision-making. To make the argument work, we must suppose that entrepreneurs' imagination and capacity for innovation is so tightly structured that their options are *derived* from their contexts rather than developed either through interaction or complete independence from those contexts. As we show elsewhere in this book, this is an unlikely theory of cognition and decision-making (see Chapters 3, 4 and 5). Here, then, is our point of departure for the book: it has to do with how we should conceptualise decision-making and innovation given the fact that all economic agents begin from a point in time and space and compete with one-another over regions, nations and the global economy.

Agent decision-making in time and space

For many years, the study of decision-making was a relatively small field of endeavour in the social sciences. For all the newfound significance attributed to the work by Herbert Simon (1986, 1997) (Nobel laureate in economics) and his colleagues, those genuinely concerned with understanding the scope and nature of human

decision-making were consigned to the margins of disciplinary respectability. And yet, over the past decade, there has been remarkable growth in research about decision-making from a wide variety of social science perspectives. Characteristically, this research is driven by a commitment to better understand empirically how and why people make the decisions they do. Even so, why has decision-making been so marginal to the social sciences? In economics and finance, for example, the answer is surely obvious: the theoretical building blocks of the nascent science relied upon an ordered and tractable analytical logic that enabled the generalisation and summing-up of individual behaviour across economies and societies. Textbooks are dominated by this analytical imperative: at base, the rational utility maximising model holds sway over the vast territory of social science affecting the study of all kinds of economic activity including labour productivity, industrial organisation, and economic development.

In essence, the study of decision-making has been dominated by a golden-rule: by definition, all people act according to their best interests and, in doing so, are rational in the sense that they choose the best or optimal course of action most consistent with their goals. This means that people are assumed to systematically assess all possible options for action in accordance with their acknowledged interests. To think otherwise, to suppose that people are neither so systematic (re options for action) nor as focused upon their ultimate interests (re their goals), is to suppose that they are irrational or at least inconsistent. At this point in the argument, Charles Darwin comes to the rescue of the theorist of rationality in the form of an assumption about market efficiency: surely failures of rationality and consistency are stripped out of the market by virtue of the acquisitive instincts of those who are more rational and more consistent than their competitors. This is less a theory of decision-making than it is a normative theory of how the whole system should function given assumptions about deeply-seated competitive instincts.

Of course, it has been widely recognised for many years that non-rational behaviour and decision-making is more common than assumed. Whole disciplines like anthropology and cultural studies have developed in opposition to the perceived narrowness and isolation of the golden-rule from many aspects of social life. Surely

social identity and social commitment make a difference to decision-making. Surely these attributes of social life provide important parameters for setting the options for action as well as the ultimate goals of many people. These ideas have been applied to understanding observed behaviour and decision-making (in general) and financial decision-making (in particular). But for all the observation of actual behaviour and decision-making in relation to culture and society, this research has had less impact than we might have expected. In part, this is because 'culture' has been invoked as a counter golden-rule: by this logic, it is tempting to reduce behaviour and decision-making to cultural imperatives (which differ from culture to culture). Also important has been a subtle rank ordering of behaviour and decision-making allowing for the co-existence of all kinds of behaviour: from the ephemeral (presumably dominated by culture) to the market-related (presumably dominated by rationality).

By rational decisions we mean decision-making amongst choices and consequent action, based upon either deductive logic or inductive logic. This much is clear. But when performed by people, rational decision-making seems always less than optimal. People are not ideally rational: reasoning by means of propositions and quantified experiences is notoriously poor. Syllogistic reasoning is impaired by the 'atmosphere effect': people tend to accept erroneously an affirmative conclusion to do something if the premises are affirmative. Furthermore, arguments involving sequences of sentences with multiple quantifiers appear to be beyond people's computational capacities (Clark and Marshall 2002). It has been argued (somewhat controversially) that many of our reasoning heuristics evolved in the Pliocene, an era in which they were well suited to the social and physical environment of our hunter-gatherer ancestors. Now that the environment has changed beyond recognition, some of these 'innate' strategies may still be useful but others have become maladaptive (see Gigerenzer and Todd 1999 on 'fast and frugal heuristics'). In response, anchoring tasks in concrete settings is essential for reasoning even if oftentimes misleading.

To make a rational decision in the real world is to choose as best as possible between a set of alternatives. The phrase 'as best as possible' is intended to contrast with 'optimally', emphasising the physical and psychological constraints that may render it humanly

impossible for the decision-maker to follow ideal-rationality to perfection. Such decisions clearly involve: the acquisition of information relevant to choice; the appraisal of the values attached to the possible outcomes of different choices; and the assessment of the probability of occurrence of each of those possible outcomes. The final decision will then be made on the basis of some combination of these three factors. Normative approaches have typically emphasised the latter two factors, no doubt because they can in principle be quantified and subjected to mathematical analysis. In markets, however, all three elements are significant. But it is unlikely that the resultant ideal-rational construct – economic man – will behave in the same way as psychological man or woman. While we may idealise decision-making, invoking theories derived from economics and finance, we remain biological entities subject to systematic constraints on cognitive capacity.

Even so, we do observe ourselves and others' behaviour. We can learn. And we can adjust how we behave by making decisions by conscious effort.³ Indeed, our ability to reflect upon our actions, intentions, and motives mark us profoundly different from other biological entities. In this sense, we should not be overly pessimistic about observed errors of judgement, mistakes of recognition, and prejudices that seem to characterise so much of our decision-making. Left to our own devices we are risk adverse, overly sensitive to the short-run, and too often affected by immediate events rather than the discernable patterns of events over time and space. But many of us have mechanisms for monitoring our actions and also mechanisms that alert us to known shortcomings. This is also one important function of institutions – to be centres of competence that transcend the idiosyncrasies of individual decision-making. Likewise, this is one role of expert advisors – to go beyond 'local' situations, prompting reflection and encouraging better decisions. While it would be foolish to pretend that institutions are necessarily more efficient than individuals, the organisation of knowledge and the institutional processing of information are important industries in their own right.

Individuals are also distinguished by an ability to collaborate with others. For some theorists this is a defining characteristic, the one that underpins our capacity to create opportunities and induce change, and a crucial component of global and regional competitiveness.

Mayntz (1993) argued that the development of networks and alliances has shown itself to be intrinsic to 'societal modernization', and that where individuals and organizations obtain a degree of autonomy from political and religious control they will tend to seek to further their objectives through collaboration with others. She gives the example of the collapse of the former East Germany where the dominant political party exerted pervasive and omnipresent control over virtually all aspects of the country's economy and society, and where even minimal local autonomy was denied. East Germany's demise should not, Mayntz argued, be thought of simply as a violent reaction against decades of political repression, but as the consequence of a system which deliberately and systematically stifled innovation and prevented local flexibility and responsiveness – a position which became increasingly untenable in the context of the growing success and self-confidence of its western neighbour. Conceptually, Mayntz places autonomous agents with the capacity to act responsibly, to make conscious choices, and to form alliances voluntarily and deliberately at the core of sophisticated and 'modern' socio-economic systems. See also Bathelt and Glückler (2003), and Bathelt, Malmberg and Maskell (2002).

And yet such informal collaboration cannot be incorporated within the rational choice paradigm: rational and self-interested actors would not deliberately participate in alliances in the absence of legal or contractual protection, nor would they exhibit the reciprocity required of such relationships. That they do so provides further evidence of the shortcomings of rational choice as a valid framework within which to consider economic activity. But it is also a reminder that informal networks, and behaviour more generally, are positioned within wider institutional structures which impose boundaries to accepted behaviour and generate the conditions for the existence of such networks (Scharpf 1993). Archer (1996) noted that it is common among human beings across time and space to 'feel both free and enchained', a contradiction she described as 'the most pressing social problem of the human condition' (p. xii). In economics and geography, explanations of behaviour continue to be, in Archer's terms, entirely deterministic, entirely objectivistic or exclusively microscopic. Rationalism has given way to institutionalism, with proponents tending to proceed either by collapsing institutional structure and individual behaviour, or by prioritising the

former over the latter to such a degree that agents appear almost passive, overpowered by the constraints imposed upon them by institutions. Either way the firm remains, for all intents and purposes, as the proverbial black box.

An important lesson to be drawn from social theorists such as Archer (1996, 2000) and Mouzelis (1995) is that a clear distinction must be drawn between agents and the social structures of the places they inhabit if either are to be useful and coherent analytical concepts (Healy 1998). This is what we have tried to do in this book. We discuss in some depth the central role that social institutions play in global and regional competitiveness and we emphasise the very real contribution that scholars working in the institutional tradition have made to understanding economic behaviour. But, and as is suggested in the title of this book, a large part of our thinking is devoted to agency, partly because it has been so neglected in the study of economic activity, and partly because it goes to the heart of our subject matter. Our view is that there is a cognitive dimension both to knowledge (in the sense that information requires a cognitive framework for it to become knowledge), and to institutions (in the sense that agents rely on institutions for developing their cognitive frameworks and for interpreting the world around them). See Nooteboom (2000, 2001 and 2002).

Looking forward

With these arguments as points of reference, the book proceeds in the following manner. To launch the theoretical argument of the whole book, in Chapter 2 we begin by observing that there have been many projects comparing and contrasting social and economic phenomena across the regions of Europe. Broadly speaking, three rival approaches to comparative research can be identified. One suggests that the study of different countries and their regions is unproblematic. Stress is placed on an integrated theoretical perspective emphasising apparent similarities while explaining differences by reference to the heritage of nations and places. By way of contrast, a second approach relies on case studies and presumes the existence of profound differences between countries and regions. Stress is placed upon the local cultural, social and political factors that sustain persistent difference. A third approach argues for the

significance of national institutional frameworks, supposing that those frameworks limit and structure agents' decisions and actions. Whatever their differences, idealism drives each method of comparative study. We consider these rival theories of comparative study, and suggest an alternative model based upon a set of fundamental assumptions about the nature of human cognition. These assumptions are the building blocks for our analysis (as noted above). We focus in particular upon consciousness and reflexivity, the interplay between agency and structure, and the connection between intention and rationality. Implications are then drawn for study of competitiveness and comparative studies. In the penultimate section of the chapter we comment on the limits of comparative studies emphasising the problems that lie behind the translation of complex concepts within and between languages.

From this reference point, in Chapter 3 we emphasise the links between agent-centred decision-making and the role and status of the context in which decision-making takes place. Our problem is simple yet complex: how can we explain the acknowledged importance of path dependence while allowing for agents to step away (even defect) from local imperatives in the light of European integration and globalisation? To answer this question requires adding on three conceptual building blocks to our previously introduced framework. Beginning with a critique of W.B. Arthur's notion of path dependency and drawing upon the work of Herbert Simon, we introduce a *contingent* model of rationality and decision-making. We then suggest how and why social customs and norms – relational capital – may be important place-specific *endowments* at worst constraining, perhaps neutralising, sometimes enabling, and at best promoting agents' decision-making. Given a *multi-jurisdictional environment*, the third piece of the analysis concentrates on the process whereby agents may take advantage of the possibilities offered by other jurisdictions (a common-scale process of competition and differentiation). Implications are drawn for the role and importance of place-specific relational capital in the context of accelerating global competition. While recognising the empirical reality of path-dependence, we dispute the necessity of its persistence.

Following this crucial intervention, in Chapter 4 we begin by challenging deterministic approaches to decision-making that assume action can be reduced to structural constraints, arguing that

the environment in which firms operate is dynamic rather than static, and that firms have a demonstrated capacity for strategic choice. In doing so, this chapter extends the previously introduced framework regarding the role and significance of agents in economic and geographical integration. Following on from this, we consider networks of interaction, which have assumed particular significance in recent years because of their presumed importance for learning and innovation. Alliances between related firms are thought to encourage interactive learning between participating organisations through the sharing of knowledge and information, which is itself facilitated through trust, shared values and ways of working. The vast body of literature that has emerged is, however, incredibly fragmented, encompassing an array of theoretical positions and perspectives. We focus upon two issues which we believe to be of particular significance and which need clarification in order to move to a clearer understanding of the ways in which networks of interaction evolve, and of their capabilities and limitations in relation to economic performance and competitiveness: (1) the importance of network structure, arguing that innovative activity requires flexibility with regard to network formation; (2) the role of geography in relation to the construction and functioning of alliances. It is our contention that networks are likely to be increasingly international in scope.

In the penultimate chapter of the book, we extend our framework to the new economy comparing the US and Europe. Quintessentially a US phenomenon, the information and knowledge economy combines regional clusters of innovation with new and sophisticated forms of intellectual and finance capital. Regions such as Silicon Valley in California and Route 128/495 Boston have excelled in technologically sophisticated, knowledge-based industries such as telecommunications, information technology and software development. They have won praise for their innovativeness, entrepreneurship and phenomenal growth, and have been central to the remarkable renaissance of the US economy over the last two decades. Although some point to similar regions in Europe, there is widespread concern that Europe cannot match the innovativeness of the US. For those European economies struggling to adjust to global competition, the information and knowledge economy is seen as the panacea. It is regarded as a proven recipe for all places

and sectors, with the potential to remedy structural weaknesses that have become ever more apparent in a world subject to globalisation, increased international competition, and technological change.

This chapter begins with the information and knowledge economy as a source of wealth creation and competitive advantage. Building on previous chapters, we use our agent-centred perspective to consider the information and knowledge economy, stressing the significance of cognition and learning for innovation while making the connection between organisations and their environments. It is argued that the information and knowledge economy is complex and multi-faceted, and cannot be transposed easily between cultures: it is underpinned by place-specific features of social and spatial organisation which act as resources for actors and promote collective action. We conclude the chapter by drawing together the implications of our approach for European economic development.

In Chapter 7 we bring the book to a close, noting the avenues for future research opened-up by our arguments.

Coda

We should pause, for a moment, before going on to the substantive chapters of the book to consider a possible objection to our project. The objection we foresee can be stated as follows: by focusing upon the cognitive and decision-making capacities of economic agents we, in effect, idealise individuals both in terms of their relevance to the study of economic geography and in terms of their status in relation to social and political structure. Taking this point further, some critics may argue that we privilege individuals as if social structure and the distribution of political power are secondary to their theoretical role as the driving force behind economic matters. Furthermore, it could be said that we effectively strip economic agents of their social identity, thereby rendering any discussion of their place in civil society as superfluous or irrelevant. At worst, our analytical logic may be thought destructive of valuable local traditions, loyalties and commitments. In any event, it could be argued that we attribute too much significance to decision-making given the over-whelming forces of globalisation and economic integration.⁴

We find it difficult to accept the charge that by focusing upon the cognitive and decision-making capacities of economic agents we

ignore or trivialise history and geography. Throughout the book, our point of reference is precisely the interaction between economic agents' decision-making and the contexts in which they live, work, and may wish to escape. We are very conscious of the need to situate economic agents in space and time believing that to do otherwise is to build empty castles in the sky. Clearly, economic agents must take into account and do take into account the fact that they live in certain places and have a set of opportunities and capacities that are the product of social, economic and political developments over long stretches of time. But having acknowledged the significance of history and geography does not mean that *ipso facto* economic agents must somehow drop out of the analytical equation. Our book is all about the role and competitive significance of history and geography from the vantage point of economic agents.⁵

Most importantly, our project was deliberately conceived to challenge those who believe that history and geography are of such profound significance that economic agents are solely creatures of the past. There are two reasons for this point of departure. In the first instance, we are convinced that history and geography should not be read in such a determinant manner and that social identity itself is far more open to debate and dissent than is often assumed. We could, at this point, invoke all kinds of post-modern commentary on the multiplicity of identity and the social construction of identities given a world where culture and consumption are far more significant than we would otherwise recognise (see, for example, Thrift 2000). Surely the deep debate occasioned by the emerging fiscal crisis of European states is testament enough to the deep divisions in many societies about what society is and what individuals are in relation to social commitments and obligations (Clark 2001).

European integration is, in part, a project about providing economic agents from various regions with a scaled-up regulatory framework in which they are able to accumulate more effectively economic resources and make decisions about the best use of those resources across the economic landscape. Surely the goal of European integration, according to the single market ethos, is a goal informed by a commitment to economic agents as the building block of long-term wealth and income. Granted it is hardly ever officially discussed in this manner. But it seems to us a most

important argument about the relative significance of history and geography in relation to a united Europe. Perhaps it is precisely this issue which informs right-wing hostility to the European project. In that case, we would place ourselves firmly with those who see the long-term advantages of European integration just as we would ally ourselves with the forces of progressive social and political development in Europe for people of all kinds and nationalities.

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