Sciences Po/Princeton Collaborative Research Grant 3-year Open Grant

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Europeanization vs. Globalization: The Euro Crisis and the Changing Politics of Economic Interdependence in Europe (EUROGLOB)

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Introduction

The Princeton-Sciences Po Collaborative Partnership “Europeanization vs. Globalization: The Euro Crisis and the Changing Politics of Economic Interdependence in Europe” (EUROGLOB) introduces a transatlantic research program that builds on existing structures at both partner institutions — the European Union Program at Princeton (EUPP) and the political economy group within the Centre d’Etudes Economiques (CEE) at Sciences Po. The program would bring Princeton and Sciences Po faculty as well as BA, MA and PhD students together to carry out collaborative research on globalization and European integration, with a particular focus on the changing politics of economic interdependence in the wake of the euro crisis. EUROGLOB would provide a framework and seed money for the development of collaborative research projects organized in three related clusters, which may be extended over time to examine the emergence of a globalization cleavage in polities beyond Europe. EUROGLOB will include participants from the EUPP and the CEE as well as additional affiliated departments and programs, such as Princeton’s Program on Contemporary European Politics and Society and Sciences Po’s MaxPo.

Research Focus

The acceleration of globalization since the end of the 20th century has revealed the benefits but also the dangers of economic interdependence. While entire groups in some countries have enjoyed a rapid rise in their standards of living, others have seen their job shipped overseas and their social welfare eroded. Globalization is about to accelerate even further if all the current trade and investment agreements negotiated between multiple partners over the
world (such as the Trans-Pacific-Partnership, the Transatlantic Trade and Investment Partnership, the US-China Bilateral Investment Treaty, the EU-China Bilateral Investment Treaty, etc.) are indeed concluded and implemented.

In Europe, globalization has come in two flavors, which have been combined or distinguished on purpose, depending on the political point to be made: “globalization”, which refers to external, often American, global, macro forces; and “Europeanization”, which refers to the gradual process of integrating regions, removing barriers, harmonizing regulations, and even creating a common identity between the 28 member states of the European Union (EU). In both cases, goods, services, financial flows, ideas, and people have started to massively circulate across borders, but the intensity of such exchanges is much deeper in the European case.

For almost two decades, European publics were reassured that the continuing process of European integration would protect them against the negative impact of globalization. Europeanization was presented as the best bulwark to “manage” globalization –that is, to enable the opportunities to flourish while redistributing the costs and providing adjustment to the losers through a variety of EU-level policies, including the creation of a common currency. Popular support for global economic interdependence hinged on support for the project of “ever closer union” between the peoples of Europe.

The euro crisis, however, shook to the core the foundations of this tacit equilibrium. When revelations about the true state of the Greek economy in 2009 triggered a crisis of the common European currency that snowballed into an economic crisis in Ireland, Spain, Portugal, Cyprus, Italy, and even France, which is not over yet, the question of the links between globalization and European integration became front-page news. What if, instead of protecting European citizens from the vagaries of globalization, Europeanization had instead precipitated and even amplified a crisis born in the United States and had imported it into the heart of Europe, like a Trojan Horse, enabling it to spiral out of control? What if the recovery that has taken place in the U.S. had remained elusive in Europe precisely because Europeanization, which was supposed to be protective and insulating, was on the contrary preventing the economic adjustment necessary? What if the solution to what ails many “old” European economies today lies in withdrawing from global economic interdependence, starting with leaving the euro and the European Union, as many populist politicians seem to suggest?

This project asks how the linkages between globalization and Europeanization have changed, both in reality and in perception, in the wake of the euro crisis and what this change means for politics and policies in Europe.

Rationale

Understanding how globalization and Europeanization relate to each other and how these linkages have been altered in recent years is important for several reasons.
First, if Europeanization has now replaced globalization as the culprit in popular perceptions, we do not know with certainty whether regionalisation dynamics have indeed really trumped globalization dynamics in aggregate terms in Europe in recent years. It will be one of the objectives of this project to evaluate this empirically. Since the 1960s, the terms of intra-European trade and investment have improved markedly – and clearly much more rapidly than those associated with extra-European trade and investment. Yet, all things being equal, we might expect the relative pace of these concurrent but distinct processes to change over time as the EU economy becomes close to being as fully integrated internally as we might ever expect it to be. Insofar as this might prove to be the case, we should expect the relative (if not the absolute) pace of extra-European integration to increase, with the effect that we will begin to see a net globalization (or, more accurately, inter-regionalisation) replacing the net intra-regionalisation which has endured for four decades. In other words, a net Europeanization to date might be expected to give way to a new globalization in due course.

Second, however, this takes no account of the effect of the crisis itself – which has undoubtedly served to reduce the size of the European economy relative to the rest of the world and has also seen EU member states target more consciously the diversification of their export orientation, such that they might be become less dependent on intra-European export trade and inward foreign direct investment. Whether their efforts have served to achieve such and effect is, of course, an open empirical question – and one this programme also seeks to explore directly.

Third, in the wake of the global financial crisis and the Eurozone crisis it has spawned, European public opinion and political discourse is increasingly sensitive to the politically charged distinction between globalization and Europeanisation. Even when the ostensible need for reform is accepted, it matters whether the source of exogenous competitive and institutional imperatives is (and is perceived to be) primarily regional or global in character (Hay and Rosamond 2002). Yet, regardless of the ways in which such perceived pressures are rationalised domestically, it matters massively whether the terms of competitiveness of the European economy are set to a considerable extent locally – such that the principal determinant of de facto competitiveness is competitiveness in EU-European markets – or globally. In matters, is short, not just whether Europe is seen to globalising or Europeanising, but whether it is globalising or Europeanising.

This makes it all the more surprising that, in stark contrast to European political discourse and public opinion more broadly, so much of the existing academic literature has proved itself unwilling and/or incapable of differentiating clearly between the two processes. Globalization and European economic integration are either treated as interchangeable terms – since globalization is little more than a synonym for openness (see, for instance, Garrett 1998) or the two are treated as “components of the same process” (Hall 2001: 68). Within this literature, whether the possibility of a distinction is acknowledged or not, no distinction is operationalised either analytically or
The result, in all likelihood, is that the consequences of complex economic interdependence in Europe are misattributed as Europeanisation and globalization are conflated. This will not do. Indeed, arguably the distinction (and the associated danger of misattribution) becomes more not less significant as Europe struggles with the legacy of the global financial crisis and the Eurozone crisis it has spawned. Our aim in this project is to draw clearly the distinction between the two and to map this empirically.

Finally, the aim of this linked programme of work is to develop a series of methodologies which, though applied to the European context in the first instance, might in future research be extended to look at the globalization cleavage beyond Europe – most obviously in North America, Australia and East Asia.

Objectives of the collaborative partnership

In this collaborative research initiative we seek to develop a number of linked research projects conducted by faculty and students at both Princeton and Sciences Po to differentiate analytically and to map empirically the dynamics at play between regionalising and globalising tendencies in Europe before and since the onset of the crisis. The initial research program will gather and analyze data in three related clusters to provide:

1. A mapping of actual Europeanization vs. globalization processes: economic interdependence (trade, financial flows, foreign direct investment interdependence) and political interdependence (regulatory harmonization, labor and educational mobility, etc.);
2. A mapping of public positions (policy-makers, academics, media) on globalization and European integration before and after the outbreak of the euro crisis;
3. A mapping of the emerging globalization and Europeanization electoral cleavage in European domestic politics since the launch of the euro in 2002.

Cluster 1: Changing patterns of economic and political interdependence

The first research cluster aims to provide a full comparative picture of Europeanization vs. globalization processes. We aim to provide empirical evidence of patterns of economic interdependence (trade, financial flows, foreign direct investment interdependence) and political interdependence (regulatory harmonization, labor and educational mobility, etc.) in order to be able to answer notably the following questions:

- Has this aggregate regionalisation trend been reversed with the onset of the crisis and the reduction in Europe’s share of world economic output, trade and investment?
• If so, is such a reversal a temporary or a longer-term phenomenon?
• To what extent might we account for any such reversal simply in terms of the reduction in the size of the European economy relative to that of the world as a whole?

These questions might be explored in a variety of different ways, using a range of methodologies -- once we have the empirical evidence. We will invite proposals drawing on the full range of appropriate methodologies here.

Cluster 2: Analysis of public discourse on globalization and Europeanization

The second research cluster focuses on gathering empirical evidence of public positions (policy-makers, academics, media) on globalization and European integration before and after the outbreak of the euro crisis. We will collect this data in different ways: through a detailed analysis of media records and published policy documents and political speeches, through interviews with policy-makers and public intellectuals, and through the construction and administration of a survey of elite and public attitudes to globalization and European integration in several European countries, including France.

Cluster 3: The emergence of a globalization/Europeanization cleavage in domestic politics

In the third research cluster we seek to analyze the emergence of what some authors are referring to as a “globalization cleavage” in domestic politics. The forces of economic interdependence, both global and regional, have changed the character and substance of interest representation. Some of the political consequences have been a challenge to existing, traditional parties which no longer adequately represent; an increase in electoral volatility and government turnover because the diffusion of neoliberal ideas has reinforced widespread sentiments that governmental authorities lack the capacity to make meaningful social and economic choices; and the emergence of new parties, usually at both extremes of the traditional left-right spectrum, who give a voice to the losers of global economic interdependence. Data collection in this cluster will focus on electoral results across Europe for the past twenty years and also include coding and analysis of party manifestoes to see how they locate themselves relatively to the globalization and Europeanization cleavage.

Taken together, the empirical evidence collected in the three clusters will allow the research team to provide the first systematic assessment of the relationship between empirical trends in interdependence, the discourses to which they have given rise, and the individual political behaviors in which they have resulted, comparatively and longitudinally.

Nature of the collaboration
EUROGLOB will provide funds for a delegation of 3 Sciences Po students (BA, MA and PhD) and 3 Sciences Po faculty members to attend a research planning and mentoring workshop in Princeton in May 2015, May 2016, and May 2017, which will coincide with the EU Program at Princeton’s Annual Workshop on European Integration. The summer period of research will also culminate in a workshop in Paris each July at which research findings will be presented and discussed.

EUROGLOB will select the students for this summer grants and research mentoring program based on a competitive call for proposals. The call for proposals would be aimed at early stage researchers—advanced BA students (mostly Juniors at Princeton, with the possibility of including Sophomores and Seniors; those entering their fourth or fifth years at Sciences Po), MA students (including Princeton’s Woodrow Wilson School MPAs and Sciences Po's various joint Masters’ programs), and Ph.D. candidates at both institutions. These early stage researchers will work both as Research Assistants for the project and as data collectors for their own research (for instance, Senior Thesis research for Princeton students). We expect that each cluster will include Princeton and Sciences Po students and faculty.

A joint-Princeton-Sciences Po committee will select 6 student proposals per year for funding (3 from Princeton and 3 from Sciences Po). This funding would provide two months of support for 3 Princeton and 3 Sciences Po undergraduates and graduate students to carry out their research in Europe. The concrete timing and travel plans would be as follows:

- The call for proposals will be issued in December 2014.
- The decision on grants will be made by March 1, 2015.
- In May 2015, all of the summer research grant recipients (from both Princeton and Sciences Po), as well as selected Sciences Po faculty, will attend the Princeton Workshop, followed by a separate seminar and individual meetings with Princeton scholars set up expressly for this group. This will serve to launch the summer research projects of the 6 early stage researchers that will be conducted in June and July 2015 in Europe.
- The Princeton summer research grantees would fly to Paris in June, receive an orientation, and then go on to conduct their research in Paris or elsewhere in Europe, as needed. The Sciences Po summer research grantees would attend the orientation, and begin their research in June and July, as well. As our common topic is Europeanization vs. globalization, the Sciences Po students would also carry out their research in Europe. Obviously, for any Sciences Po students that do not need to travel outside of Paris, the stipend would be adjusted accordingly.
- The same cycle will be repeated with a new group of early stage researchers in 2016 and 2017.

All materials and data collected, quantitative and qualitative, will be made available to all the participants to the project. We will notably build a common repository of interviews, which will be able to be used by all project participants over the three years. For instance, Princeton students writing their Senior Thesis in 2017 will be able to use not only the interviews they have conducted as
Juniors in the summer of 2016, but also interviews collected by Sciences Po students in the summer of 2015.

Please note that we are modeling the EUROGLOB collaboration on the successful Princeton-Humboldt Partnership under the direction of Sophie Meunier and Ellen Immergut, which has devised the cluster model with common data collection and sharing and a pre- and post-research workshop each year.

As a final note, we want to add that even though our work has long focused on similar issues and we have interacted often at international conferences, we have never worked together. This will finally give us the long-overdue opportunity to collaborate. And for Sophie Meunier, an alumna of Sciences Po, this will be a special chance to work closely with faculty and students at her alma mater.

References


