

# The Power Politics of Peace

## Exploring the Link between Globalization and European Integration from a Realist Perspective

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### ABSTRACT

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The purpose of this article is to explore globalization and European integration and the link between the two developments from a realist perspective. I demonstrate how realists have engaged in analyses of globalization and European integration but have so far failed to provide a link between the two developments. I argue that realists can convincingly provide such a link by utilizing the perspective's often neglected process variables: socialization, competition and interaction capacity. Using these variables, I demonstrate how the dynamics of power politics perfectly consistent with realism may result in an international system characterized by actors and processes incompatible with realist predictions. The article is a contribution to the ongoing debate on the applicability of international relations theory to globalization and European integration and to the contemporary debate between realists and their critics on the development of the realist research programme.

*Keywords:* empire; European integration; globalization; polarity; power politics; process variables; realism

The realist perspective on international relations is usually considered a 'double denier' of both globalization and European integration. Despite this reputation, the past decade has seen a number of attempts at analysing globalization and European integration from realist premises. While some attempts have been dismissive of these two developments, others see them as important and with potentially wide-ranging implications for the theory and practice of international relations.

In this article I explore globalization and European integration and the link between the two developments from a realist perspective. Even in sophisticated and thorough discussions of theoretical perspectives on globalization and European integration the contribution made by realist scholars tends to be underestimated because many of the realist discussions of these phenomena are 'hidden' within analyses of international security,



American foreign policy, international institutions, the global economy and the nature of the international system. The article will be useful to students of globalization and European integration because it maps this 'hidden' research and shows how realism may contribute to our understanding of globalization and European integration by telling 'the other side of the story', i.e. directing our attention to a different set of questions than those usually asked in the literature. By mapping the realist contribution to research on these two phenomena, and by using this mapping as a point of departure for theorizing an explicit link between the two developments from a realist perspective, the article is a contribution to contemporary debates about the applicability of traditional international relations theory to globalization and European integration.<sup>1</sup> In particular, I explain how a realist focus on the interaction level, i.e. the concepts of socialization, competition and interaction capacity, allows us to conceptualize the link between globalization and European integration as intra-systemic, systemic or extra-systemic change with potentially wide-ranging implications for the international system.

Realists and their critics engaged in the contemporary debate over the future of the realist research programme will find the article useful as well.<sup>2</sup> Globalization and European integration are increasingly important phenomena in European and international relations. If realists are to maintain the claim that their theoretical perspective is applicable to international relations in general, they need to explain how and why globalization and European integration — developments seemingly antithetical to the realist world of power-seeking states — continue to grow in importance. In addition, an important issue in the contemporary debate on realism is the extent to which expanding the explanatory power of realism necessarily violates the core of the realist research programme and makes it increasingly indistinguishable from rival perspectives. The article is a contribution to this debate by exploring the extent to which globalization, European integration and the link between the two developments may be explained within the confines of realism. One important — and surprising — conclusion stemming from this discussion is that realism may explain how the dynamics of power politics perfectly consistent with realist core assumptions may result in an international system characterized by actors and processes incompatible with realist predictions.

The argument proceeds as follows. As a point of departure, I briefly present the case against realism as a theory of globalization and European integration in order to depict how these two phenomena challenge the basic assumptions of the realist perspective and show why realists need to take them seriously if they are to preserve the relevance of their theory as a general perspective on international relations. Two sections mapping realist research on globalization and European integration follow in order to outline the nature and implications of these two developments according to realism. Based on these discussions, I argue that power politics remain central to the realist understanding of international relations, even when globalization and European integration are explained, but that realists fail

to present us with an explicit link between the two developments. Accordingly, I seek to conceptualize this link and outline its implications for international relations from a realist perspective. Finally, I unpack the implications of the discussions for the realist research programme and conclude the analysis.

### **The Case Against Realism: Globalization and European Integration as Anomalies in a Realist World**

Looking at the basic assumptions of realism, its promise as a theory of globalization and European integration is by no means self-evident. Realism's most important insight is that power politics tend to dominate relations between states, because of the anarchic structure of the international system, i.e. there is no world government. Since there is no overarching authority to prevent states from taking advantage of each other and since states cannot be sure about each other's future intentions, each state ultimately depends on its own relative power vis-à-vis other states to survive. Accordingly, international norms and institutions are unlikely to have any significant influence on state action or the nature of the international system in general. Instead, the overall stability and peace in the anarchic international system is expected to vary with polarity, i.e. the number of great powers. For these reasons realists conclude that fundamental change is unlikely in world politics. Power politics prevail.<sup>3</sup>

Globalization and European integration seem to contradict this depiction of international affairs. European integration can be seen as one of the most successful examples of states overcoming power politics. From the initiation of the European integration project the participating states aimed explicitly at 'ever closer union' in order to overcome the inter-state rivalries that led to the First and Second World Wars. The ongoing process of integration has replaced military conflict with political and economic cooperation created and maintained by a coalition between France and Germany — two former enemies — and today the risk of regional great power war in Europe is virtually non-existent.

Furthermore, the European Union challenges realist predictions that states only reluctantly give up autonomy and commit to international institutions (Grieco, 1990; Mearsheimer, 1994/95). In particular, the willingness of most member states to give up their national currencies in favour of the Euro and the rapid development of the European Union's security and defence policy since the late 1990s challenge realism, because they show the readiness of most European states to give up one of their core functions (coinage) and accept a strong role for international institutions in another (defence).

Globalization seemingly poses an even more fundamental challenge to realist theory. Realists believe states to be the primary actors of world politics, because they hold more power than any other group in international relations. They believe the power disparity between states and other actors

to be so significant that we can meaningfully conceive of international relations simply in terms of inter-state relations. In contrast, the literature on globalization points to the increased importance of a variety of new entities such as economic macro-regions in North America, Europe and the Asia Pacific; cross-border regional states such as Hong Kong and Southern China, Singapore and its neighbouring Indonesian islands and in America the Vancouver and Seattle region and the Toronto, Detroit and Cleveland region; and mega-cities such as Tokyo, Mexico City, Los Angeles and Bombay (Axtman, 1998: 3–4). In addition, territorially unbound private actors now seem increasingly important, even in the security policy of great powers, as exemplified by the rise of the privatized military industry and terrorist networks (Posen, 2001/02; Singer, 2001/02). None of these entities fit easily into the state-focused realist framework.

Moreover, realists expect relations among states to be characterized by competition, because every state seeks to secure its position of power in an anarchic international system. However, the economic, political and cultural interconnectedness of a variety of different actors associated with globalization seems to be more compatible with theories of 'complex interdependence' and 'liberal transnationalism' than realist theories of states competing for power (Keohane and Nye, 2000; Owen, 2001/02).

### **Globalization**

Realism leaves a limited — albeit sometimes important — role for the processes usually associated with globalization. In general, realists conceptualize globalization as primarily an economic endeavour (e.g. Waltz, 1999, 2000b; Gilpin, 2000). Even though they sometimes include the spread of new information technologies and other factors related to economic globalization (Luttwark, 2002; Walt, 2002), globalization is about economic processes in general and international trade in particular. Accordingly, realists measure globalization in terms of growth rates in world output and trade, foreign direct investments and exports. Based on this conceptualization they find that globalization is neither as new nor as significant as we would believe from much of the globalization literature.

First, realists believe politics prevails over economics. If globalization is primarily economic, then its role in world politics is dependent on political developments (e.g. Waltz, 2000b). Second, globalization shares many characteristics with similar processes at the beginning of the twentieth century. Trade is not significantly higher today, although it did drop during the twentieth century only to return to previous levels at the end of the century. In this sense, the 'resurgence of the market is really a return to the pre-World War I era of expanding globalization of markets, production and finance' (Krasner, 1999; Waltz, 1999; Gilpin, 2000: 19). Third, realists argue that globalization is limited to a part of the international system, most importantly the transatlantic area (Waltz, 2000b), and even though some regions — most notably East Asia — are now more deeply integrated in the

international system — others — most notably Africa — remain isolated (Krasner, 1999: 13).

For these reasons, realists find that much of the contemporary literature on globalization is exaggerated in its claim that globalization has radically reduced the autonomy and control of national policy-makers. National control and autonomy was always confined by the struggle to survive in an anarchic international system characterized by security competition and unequal growth rates. This has not changed fundamentally (e.g. Krasner, 1999; Gilpin, 2000; Waltz, 2000b).

Globalization may fit into a realist framework as an independent, an intervening or a dependent variable. As an independent variable globalization may be one variable among others influencing national growth rates, and thereby — in the long run — affecting the structure of the international system. Most realists agree that economic capability is an important source of national power, either in its own right (e.g. Waltz, 1979; Wohlforth, 1999) or as an important and necessary part of the foundation for military power (Mearsheimer, 2001). Therefore, significant differences in national growth rates may eventually lead to a shift in the number of great powers, i.e. a change in the polarity of the international system (Gilpin, 1981).

In addition, globalization is an important determinant of the nature and intensity of competition between states in the international anarchy (Calleo, 2001: 207–12). If globalization makes economic factors more important for the success and failure of states in the international system, then we will expect economic competition to become more important as globalization proceeds. If economic competition becomes more important to states, then we would expect it to intensify, because the stakes are now higher. In addition, this may lead to the identification of new threats and enemies based on economic rather than military assessments (Huntington, 1991). As summed up by Robert Gilpin, '[i]n a world still divided by rival national ambitions in which economic factors in effect determine the fate of nations, many conclude that international economic affairs will become increasingly filled with conflict' (2000: 29). This argument is strongly embedded in the realist tradition, which has always 'viewed uneven rates of economic growth, which continually redistribute power in the system and thereby undermine the international status quo, as a primary cause of interstate conflict and competition' (Schweller, 1999: 31).

As a dependent variable, globalization is analysed as a consequence of American unipolarity:

[G]lobalization, which refers primarily to the increasing interconnectedness of the world economy, occurs within the context of the global dominance of American economic and political ideas, accompanied by the spread of American mass culture. (Wolfowitz, 2000: 317)

Thus, 'the word "globalization" is really a contemporary euphemism for American economic dominance', which means that states in the international system today must adapt to important American-generated economic forces in order to modernize their economies (Kapstein, 1999: 468).

This argument is underpinned by the observation that the historical periods characterized by globalization — 1870–1914, a brief period after 1945 and again from 1990 — are also the periods characterized by unipolarity (Wohlforth, 1999; cf. Hirst and Thompson, 1996). In essence, '[t]he main difference between international politics now and earlier is not found in the increased interdependence of states but in their growing inequality' (Waltz, 2000b: 56).

Finally, globalization may be analysed as an intervening variable between international structure and state action. Realists have argued that globalization was a critical factor at the end of the bipolar struggle between the United States and the Soviet Union, because the changing structure of world production significantly increased the opportunity costs of being isolated from the world economy (Brooks and Wohlforth, 2000/01). Globalization — in the form of an increasing number of inter-firm alliances, an increased geographic dispersion of production and growing foreign direct investment — allowed states to manage 'the greatly increased cost, risk, complexity, and importance of technological development' and to benefit from the 'dramatic improvements in transportation and communications technology' (Brooks and Wohlforth, 2000/01: 34–5). However, the Soviet Union was effectively isolated from this process because of its isolation from the world economy. As the benefits of globalization increased, so did the costs of staying outside. The process was particularly intense in the sectors 'that provide much of the foundation for military power in the modern era' (Brooks and Wohlforth, 2000/01: 37) and created powerful incentives for the Soviet Union to change its foreign economic policy and seek integration into the capitalist world economy.<sup>4</sup>

### European Integration

To realists, European integration is closely linked to the global level. Most realists see European integration (and regionalism in general) as a result of a particular power configuration in the international system, although some of the more elaborate attempts to explain regionalism from realist premises have focused on the regional — and not the global — distribution of power. Even though realists have speculated that continued integration might one day turn Europe into a great power and thereby transform the system from uni- to bipolarity (e.g. Waltz, 2000a), they have, in most cases, seen European integration as the dependent variable and the power structure — regional or global — as the independent variable.

For realists, the puzzle of European integration is why states striving to survive in an international system dominated by considerations about relative gains and security issues are willing to give up a relatively large part of their autonomy in return for mostly economic gains (e.g. Grieco, 1995, 1996). It follows from this puzzle that European integration is not viewed as *sui generis*, but rather as an extreme case of inter-state cooperation. In general, realists point to two basic mechanisms in anarchy that are likely to

influence the prospects of regional integration: hegemonic leadership and balancing (cf. Wivel, 2000: 95–103).

Some realists stress the direct influence of balance considerations and argue that the security externalities of trade become irrelevant if an outside power takes care of security in the region, as in Europe after the Second World War (Waltz, 1979; Joffe, 1984; Mearsheimer, 1990; Heurlin, 1998; Wivel, 2000). According to Kenneth Waltz, it was the shift from multipolarity to bipolarity after the war that made European integration possible (Waltz, 1979: 70–1). For the first time in the history of the modern state system, no European powers were great powers in the international system and their preservation now depended ultimately on the great powers outside the region: the United States and the Soviet Union. Because they were all dependent on the United States for their security, the former West European great powers did not fear that the gains obtained through cooperation would be transformed into military strength and endanger their security and survival. They stopped balancing each other and benefited from the American presence aimed at balancing the Soviet Union. Other realists stress the indirect effects of balancing. They argue that alliances internalize the security externalities produced by trade, because the gains of free trade increasing the power of an alliance partner increase the relative power of the alliance (Gowa, 1994; Mansfield and Bronson, 1997). According to this explanation European integration became possible because of the shared alliance commitment of the major West European powers. Focusing on the importance of balancing, realists have interpreted the strengthening of the European integration project after the Cold War as a consequence of European balancing of the American superpower in the unipolar world order. Thus, initiatives such as the EMU and the ESDP are interpreted as evidence of an emerging policy of balancing leading to an action–reaction process between American and European policy-makers eventually resulting in sharpened United States policy positions and strengthened European Union institutions (cf. Wivel, 2000).

Realists have argued that European integration — and regionalism in general — is at least partly dependent on hegemonic leadership. The hegemon provides the military and political resources needed to create and maintain order within its sphere of influence (Krasner, 1976), and the other powers may help finance the hegemon's efforts in return (Gilpin, 1981). Some realists stress that United States hegemony in the transatlantic alliance was decisive for the formation and development of the European integration project. Changes over time and between different regions are explained in terms of the superpower's changing or differentiated strategies (Grieco, 1999; Loriaux, 1999). In this interpretation we would explain the post-Cold War strengthening of the European integration project as a European response to a change in American strategy (Wivel, 2002b).

Other realists argue that regional hegemony in Europe has played an important role in the creation and development of the European Union, even though they disagree over the exact nature and consequences of the hegemony. Thus, realists have argued that Franco-German leadership constitutes a cooperative hegemony (Pedersen, 1998, 2002; cf. Gilpin, 2000:

198–200), that Germany alone is a hegemon (Grieco, 1997) and that Germany was a hegemon, but only in monetary affairs, and only until Economic and Monetary Union came into force (Grieco, 1995, 1996; Baun, 1996). From this perspective, the strengthening of the European integration project after the Cold War may be interpreted as the result of regional great powers taking advantage of their increased room for manoeuvre by responding to new threats and insecurities in the post-Cold War world, at the same time as the relatively modest progress in creating a European defence policy can be seen as ‘the Achilles’ heel of Franco-German Europe’, potentially allowing for the inclusion of the United Kingdom in the exclusive club of closely cooperating regional great powers (Calleo, 2001: 294).

### **Linking Globalization and Regional Integration**

So far, realism has not presented us with an explicit link between globalization and European integration. Most importantly, realism lacks a precise conceptualization of how and to what extent globalization and European integration and the relation between the two change the nature of European and international relations.

This is not surprising in light of the relatively sparse realist literature on any of these developments. As in many other areas of international relations, realism would benefit from trading some parsimony in return for greater explanatory power (Snyder, 1996: 167), and as in most other areas of international relations this involves the risk of *ad hoc* explanations unrelated to the broader realist logic. However, the arguments above allow us to deduce a number of insights about the logic, nature and intensity of this link according to a realist understanding of international relations.

As a starting point it is worth noting that power politics remain central to the realist analysis. Globalization is seen as potentially moving the main conflicts from the military to the economic sector, but only because this sector is now seen as more important to the security and survival of states. European integration is seen either as a corollary of Western alliance building against the Soviet Union or as a means of governance by the most powerful actors (the United States, France, Germany). Globalization is viewed as closely coupled to the unipolar power structure, whereas bipolarity is seen as a major factor in the initiation of the European integration project.

In sum, realism explains how the age of globalization and European integration may be understood as yet another age of great power politics, even though the means may be different from those of the past. This is an important contribution to our understanding of globalization and regional integration because it leads us to ask a different set of questions about these processes than is usually asked: How is the relative power position of states affected by globalization and European integration? What are the security interests of the major powers in furthering/curbing the processes of globalization and integration? Which strategies would we expect them to follow?

Realists give different answers to these questions, but they all emphasize the continued importance of power politics and link the processes directly to changes in the structure, i.e. anarchy and polarity, either globally or regionally.

The realist understanding of globalization and European integration as a continuation of power politics, rather than a break from it, implies that we should explain the two processes and the relation between them by sharpening our theoretical tools rather than inventing new ones. However, globalization and European integration fit neither the structural nor the unit level in realist theory. Rather, their systemic nature suggests that the interaction level is the most valuable starting point for this kind of inquiry.<sup>5</sup> At this level, three concepts have been fully integrated into contemporary realist thought: interaction capacity, socialization and competition (Waltz, 1979; Buzan et al., 1993).

The neo-realist concepts of socialization and competition — both explicated by Kenneth Waltz in *Theory of International Politics* and accepted by most contemporary realists — are two separate but mutually reinforcing mechanisms. Socialization takes place by learning and imitation. Less successful actors imitate the most successful actors in order to maximize their chance of survival. This tendency to 'like units' is reinforced by competition: states that do not compete well get eliminated. Both mechanisms are general and are seen as a result of states' concern with national security and maintaining their position in the international anarchy. Competition and socialization are equally important and they constitute the two main transmission belts between structural effects and state behaviour (Waltz, 1979: 74–7). Therefore, we would expect variations in the nature and effectiveness of these two mechanisms to be of crucial importance for how anarchy and polarity affect international relations.

Interaction capacity denotes the 'absolute quality of technological and societal capabilities across the system' (Buzan, 1993: 79). The evolution of systemically distributed technological capabilities is vital for the increase in capacity for interaction within the system. This is particularly true for communication and transportation technologies. Societal capabilities include shared norms and organizations. Shared norms facilitate political communication and thereby contribute to the construction of international organizations. In turn, these organizations strengthen political communications and shared norms even further. In accordance with most realist thought, technology is the more fundamental of the two, because it enables the communication that might eventually lead to shared norms.

Interaction capacity conditions the effects of a particular structure on state action.<sup>6</sup> If interaction capacity is low we would expect the international system to be subsystem dominant to the extent that 'even the existence of a meaningful international system is in question' (Buzan, 1993: 77). If interaction capacity is medium — as Buzan argues has been the case for several centuries and still is — subsystems lose their importance relatively and we observe the same structural logic throughout the system. Finally, if interaction capacity is high the structural effects of anarchy may change once more. Buzan reserves this category for the future and is not specific

about its implications. However, we would expect interaction capacity to be a useful realist tool for understanding globalization, because it allows us to avoid

... the rather silly issue of choosing between either interdependence or anarchy, and asks instead what kind of dialectic emerges when both fragmenting anarchic and integration market logics are powerfully and durably in play. (Buzan, 1993: 78)

Combining the concepts of socialization, competition and interaction capacity with the insights of the preceding sections of this paper allows me to construct three different stories about the interplay between globalization and European integration according to realism. First, I discuss globalization and European integration as intra-systemic change (cf. Waltz, 1979: 67). Intra-systemic changes are changes taking place within power configurations, i.e. anarchy combined with multi-, bi- or unipolarity. Second, globalization and European integration are conceived of as systemic change, i.e. transforming the structure from anarchy to hierarchy or from one type of polarity to another. Finally, I discuss how realists might conceive of globalization and European integration as extra-systemic change, i.e. transcending the meaning and implications of international structure.

#### *Globalization and European Integration as Intra-systemic Change*

Realists who see globalization as dependent on unipolarity will see much policy-making in the European Union and the rest of the world as evidence of socialization to the most successful actor in world politics, the United States. In this interpretation, European integration is an aspect of globalization: an attempt to adapt to the American-generated economic forces in the world economy. This is done by adapting to the seemingly successful practices of the United States, and, thereby, strengthening the competitiveness of the European states. The high interaction capacity of the present system speeds up market integration, i.e. globalization, and, thereby intensifies socialization. Economic integration lowers the costs of socialization significantly, because increased competition creates a sense of urgency, making it easier for national policy-makers to respond to international pressures despite their costs to domestic society. In addition, the winners and losers are more easily discerned when all actors compete in the same market place rather than on separate markets. Thus, globalization eases socialization by increasing transparency. Therefore, 'as integration proceeds, we should expect to see such economic variables as productivity levels, wages, interest rates, and ultimately growth rates converging toward some common values' (Kapstein, 1999: 482). The spread of neo-liberal practices — as found, in particular, in the development of European Union-level industrial policy, where they displace elements of the traditional European social model — is socialization to the values of the most powerful actor in the international system, not the triumph of a particular polit-

ical ideology (cf. Walt, 2002). Thus, according to this logic the global and the European integration processes may be mutually reinforcing: Europeans take steps at the regional level to adapt to the global environment of market integration and thereby facilitate further globalization, so creating the need for more intense socialization.

Will European socialization to American values eventually prove to be as strong in other policy areas as it has been in economics? Realism provides us with no clear-cut answer to this question, but it does point to three factors conditioning the outcome. First, socialization depends on the presence of one or more successful actors in the policy area in question. Less successful actors imitate them in order to maximize their chance of survival. Thus, socialization will only take place to the extent that the United States proves itself to be more successful than the European states. Nobody wants to imitate a superpower in decline and in some policy areas the European Union may prove to be a more successful role model than the United States. Second, socialization depends on the ability of the less successful actors to adopt the practices of the more successful ones. For instance, the European Union countries may want to emulate the military power of the United States, but their technological, economic and military capabilities leave them unable to do so for the foreseeable future. Finally, the intensity of socialization in a policy area depends on the importance of this policy area for the survival of the state. One reason why socialization is intense in economic affairs is that economic globalization affects growth rates and therefore has pivotal importance for the security and survival of the state (cf. the section on globalization above). In sum, globalization and the ensuing European socialization to American values have so far been most important in economic affairs, but may intensify in other policy areas if these three conditions are met.

Staying within the confines of intra-systemic change, globalization may be seen as an intervening variable between the unipolar power structure of the international system and European integration. Unipolarity puts the United States in a unique position. High interaction capacity leads to market integration and, therefore, to interdependence. However, interdependence in the global economy is highly asymmetrical, with the United States much less dependent on other states than they are on the United States. This leaves the United States with the power to force weaker powers to accept second-best outcomes in international negotiations by threatening to 'go-it-alone' (cf. Gruber, 2000). In a globalized world this is a severe problem, because market integration leaves a still more important role for global economic regulation through organizations such as the WTO and IMF. While this state of affairs leaves most states with two equally unattractive options — either they submit to United States pressure or they accept a much lower degree of institutionalization, leaving more room for the strongest state, the United States, to set the agenda without institutional constraints — it creates a powerful incentive for the European Union to define common interests and policies and to speak with one voice in regard to external regional and global affairs, i.e. to develop into an international actor. This international actor does not challenge United States unipolarity,

but it may play an important role in modifying the American agenda and supplementing it with European priorities.

*Globalization and European Integration as  
Systemic Change*

Realists who see globalization as an independent variable influencing either international structure or the nature and intensity of competition inside that structure will see the strengthening of European Union integration after the Cold War as a first step toward the creation of a new superpower. Again, accelerated market integration and the spread of communication and transportation technologies are central to the argument but to opposite effect. A key factor is growing inequality among states triggering a sense of insecurity among losers, who witness a rapid erosion of their economic power base (cf. Schweller, 1999; Gilpin, 2000: 24–9).

In the beginning, unequal growth rates may benefit the United States as they have done since the Cold War, but eventually the costs of maintaining order in the system will erode United States power, whereas states able to free-ride on this order will rise to challenge America. This will happen in any international system, but during globalization it will happen faster because of the increased competition and transparency associated with market integration in a system with high interaction capacity, and the consequences for the system as a whole may be more dramatic owing to the high levels of interdependence. A European superpower — according to this logic — is likely to be the product of globalization, but also to undermine globalization in the long run as Europe rises to challenge the American world order.

The European Union may be seen as the most likely future challenger, because the region scores highly on traditional measures of capability (GDP, army size, etc.) as well as the societal component of interaction capacity: norms and organizations. Shared norms of policy-making and economic policy — quite distinct from the American and Asian models — have evolved in Europe, and European institutions have actively sought to further this development. This, in turn, has strengthened European norms, further galvanizing institutions and moving Europe further away from the United States. The logic of realism leads us to believe that this may provide the basis of a bipolar world order undermining globalization by creating a European superpower out of the combined effects of globalization and integration.

In the long run, realists will expect bipolarity to give way to a multipolar order. Europe is the most advanced example of regional integration, but — as noted above — realists do not view it as *sui generis*. Therefore, they expect the same dynamics to create and — eventually — destroy the bipolar order. Even if the European Union succeeds in taming or undermining the effects of globalization within the European region, economic competition is likely to intensify as market integration and communication and transportation technologies spread from the transatlantic area throughout the international system. This effect of globalization prompts states in most

regions to shift their strategic focus from the military to the economic sector, because the value of military conquest decreases as the security and survival of states become increasingly dependent on relative growth rates resulting more from technological innovation and high productivity levels than the accumulation of territory and national resources.

One effective strategy for most states to maintain or maximize their relative position in an anarchic system characterized by globalization is to initiate or strengthen integration projects in order to maximize growth rates by reducing transaction costs and the risk of monopolization and enhancing the possibility of taking advantage of economies of scale, benefits that are usually the privilege of actors of continental size. However, if states in one region enjoy the benefits of integration, this will threaten the relative position of states in other regions. Either they respond by internal build-up, i.e. economic reforms and restructuring, or by participating in a regional integration project themselves (or by a combination of the two). If this response is successful, these states will increase their economic performance and relative power. However, this leads to a reduction in the relative power of states outside the successful regional integration project. In order to close the gap they will now try to intensify their cooperation and an action–reaction process — an ‘integration spiral’ — is set in motion, leading to intensified regional integration and inter-regional competition throughout the international system (Wivel, 2000). Following this argument, we would expect ‘integration spirals’ rather than security spirals to dominate international relations in a globalized international system leading eventually to a multipolar order based on regionalist projects such as NAFTA, ASEAN and the European Union. In this interpretation, the rise of regionalism after the Cold War may be seen as a first sign of a future multipolar order. Paradoxically, the creation of these new poles may result in a regionalized, mercantilist world order undermining global interconnectedness and economic interdependence, and thereby, ultimately, resulting in a return to traditional great power politics and a breakdown of the globalized, multipolar order.

### *Globalization and European Integration as Extra-systemic Change*

Realists may take a more radical position on the effects of globalization and European integration and the relation between the two, while still building on the realist logic of how the effects of anarchy and polarity are transmitted through varying degrees of competition, socialization and interaction capacity. According to this interpretation the coupling of globalization and European integration is neither intra-systemic change signifying the logical conclusion of unipolarity, nor a process of systemic transformation leading from a unipolar to a bi- or multipolar anarchic order. Instead, globalization and European integration are understood as extra-systemic changes transcending the nature of international relations.

Realists may argue that such a fundamental transformation is coming about as an unintended consequence of American grand strategy. The main

elements of this strategy have been to bolster American power and security by promoting 'an open and integrated international order based on the principles of democratic capitalism, with the United States as the ultimate guarantor of order and enforcer of norms' (Bacevich, 2002: 3). European integration and globalization are two expressions of this strategy conditioned on the structure of the international system. In the bipolar world order, the United States actively promoted European integration as a means towards securing the position achieved by the Americans through victory in the Second World War and, thereby, created an 'empire by integration' (cf. Lundestad, 1998). After the Cold War, the unipolar world order allows the United States to expand its ambitions in most parts of the world, and globalization is seen as the primary expression of this strategy establishing a set of rules of the game internationally and thereby aiding the United States 'in the long-standing contest to decide which nation — and whose values — would predominate' (Bacevich, 2002: 39). Increased interaction capacity in the international system facilitates this process to the extent that 'in a sense, the wonders of the digital age offered to the 1990s what the atomic bomb seemingly provided to the late 1940s: the technological means of ordering the world while fostering the spread of American values and assuring continuing U.S. pre-eminence' (Bacevich, 2002: 40).

The primary goal of the strategy is to maximize the power and security of the United States in an anarchic international system and globalization is seen as more cost-effective and less risky than a traditional imperial strategy of conquest and dominance. This strategy is a function of relative American power, allowing the Americans to build a regional 'empire by integration' during bipolarity and a worldwide one during unipolarity. In short, the strategy is perfectly consistent with realist assumptions about great power behaviour in the anarchic international system. At the same time, the implications of the strategy transcend the international system as contemporary realists understand it by creating a world order that is characterized by neither 'anarchy' nor 'hierarchy', but empire. Empire, in this interpretation, implies:

... the rule exercised by one nation over others both to regulate their external behaviour and to ensure minimally acceptable forms of internal behaviour within the subordinate states. Merely powerful states do the former but not the latter. (Rosen, 2003: 51–2)

This new structure transforms the patterns of socialization and competition in the international system. The primary effect of socialization in an anarchic international order was the creation of functionally like units, i.e. all units attended to the same core functions such as defence, policing and the judicial system, in a process of adapting to the practices of the most successful among them. If they did not, their relative position of power was eroded by the progress of others, and ultimately their survival was put at risk. Only units able to participate successfully in the process of functional

socialization survived. Thus, all surviving states attended to the same functions and each was entitled to make its own decisions about domestic affairs. In the present world order, ideological, not functional, socialization has become essential for survival and success in the international realm. States no longer need to be functionally like units to survive and, as shown by the experience of the European states, they are often rewarded, not punished, for delegating some of their core functions to other states or international organizations. At the same time, states are increasingly ideologically like units in a world order characterized by economic and political liberalism and made up of capitalist and democratic states. The United States sees this world order as vital for peace and stability, and, hence, the preservation of the American empire, and is ready to punish those states that actively oppose it.

Competition in an anarchic order tends to be military, because military power is pivotal for the survival of the state. In the present world order, military competition among the great powers is dampened, because no one is strong enough to challenge the United States (Wohlforth, 1999; Hansen, 2000). In addition, one important aspect of the American strategy of globalization has been to rule out conquest — ‘in which ground is seized and populations are controlled against their will for extended periods’ — as an acceptable policy option (Simons, 2003: 41). Realists do not see this as the end of power politics, but rather as a process of redirecting power politics towards new issue areas where it matters for the relative power position of the states. For this reason, power politics are increasingly conducted by peaceful means such as globalization and institutionalization rather than war (cf. Gruber, 2000; Walt, 2002).

In this state of affairs the European Union may be seen at the same time as a creation of the American strategy, and, in its more recent development, as a strategic response to the American grand strategy of globalization. As the European states participate in a global market economy, their economic power base is no longer tied to national territory but instead to regional or even global economic developments. For these states, a rational power maximizing strategy may be to trade some of their autonomy for influence over regional and global affairs. European Union member states delegate powers to the European Union that allows them to play an important role on the world stage in various policy sectors, such as trade and environmental policy, that none of them would be able to play alone. Thus, European integration may be seen as an indigenous way of maximizing the national interest in a world order characterized by globalization. When functional likeness is no longer a prerequisite for survival and success, and opting out of the global market place is no longer an option, states may choose to give up several of their core functions in order to preserve or improve their international position. Even though they do this for reasons fully consistent with realist expectations, the result may be the creation of units that are not like, but highly heterogeneous.

In sum, it could be argued that the American strategy of globalization has created an empire that allows for the survival of units that are no longer functionally like in a world order that is no longer anarchic and where mil-

itary conquest is outlawed by the strongest military power. Thus, paradoxically, realists may explain the construction of the contemporary world order as a result of American great power politics at the same time as their concepts of anarchy and 'states as like units' become increasingly obsolete.

### **Implications for the Realist Research Programme**

The most important point of criticism that may be raised against this article's rethinking of the realist research programme is that it broadens the realist perspective to such an extent that predictions of empirical outcomes become unclear and indistinguishable from predictions made from other theoretical perspectives. If realists predict war *and* peace, integration *and* fragmentation, the rise of globalization *and* the continuation of power politics, then it might be argued that the research programme has lost its consistence as well as its explanatory power and that almost any *ad hoc* hypothesis can be associated with it (cf. Vasquez et al., 1997; Legro and Moravcsik, 1999; Rosecrance, 2001). Fortunately this is not the case. Even though realists acknowledge the importance of European integration and globalization, their definitions, assessments and explanations of these phenomena are easily discernible from those made by liberals and constructivists. As this article has shown, realists do not view integration and globalization as anti-theoretical to fragmentation and power politics but as the continuation of power politics with other means than the military. Moreover, the link between the two developments has been explained strictly in terms of concepts already fully integrated at the interaction level of contemporary realist theory, at the same time as it has been shown how these processes fully consistent with realist theory may result in an international system characterized by actors and processes incompatible with realist predictions.

The processes of globalization and European integration and the link between the two developments should make realists rethink five aspects of their research programme. First, realists need to specify more carefully the relation between global and regional levels and how this relation is influenced by interaction in the international system. This is important if realists are to understand and explain a world where systemic, non-structural developments such as globalization and European integration have important consequences for international outcomes as well as the foreign policy of individual states. Second, realists need to explore how globalization and European integration empower new actors at the regional and global levels that may challenge realist assumptions about the primacy of the states in international relations.

Third, globalization and European integration have important implications for the concept of power. Many realists fail to define, let alone operationalize, power despite the crucial importance of this concept to realist analysis. Those who do tend to rely on the primacy of military power (e.g. Mearsheimer, 2001) or a laundry list of variables in need of specification (e.g. Waltz, 1979). Globalization and European integration change the nature of power or, at the very least, the relative importance of different

parameters of power. Therefore, realists need to specify their concept of power and to explore its applicability over time and space. Fourth, the changing nature of power in international relations leads to changes in the nature of competition and conflict. Realists need to explore these changes and to what extent they fit with realist expectations about world politics.

Finally, realists need to consider the implications of globalization and European integration for grand strategy. Globalization and European integration redefine the national interests of all states affected, but what are the strategic options in a world characterized by globalization? How do the options differ between regions and between regional great powers and small states? How does European integration affect the globalization strategies of states inside and outside the European Union? What are the implications of European integration for globalization? Realists need to answer these questions if they are to preserve their traditional role as policy advisors and continue to claim a high degree of 'real life relevance' of their research. The contemporary intra-realist debate between offensive and defensive realists will prove a valuable point of departure for answering the questions, as it discusses the tendency for states to follow offensive and defensive strategies and explores the implications of these strategies for state security, but has yet to address systematically these issues in regard to globalization and regional integration.

### **Conclusion**

'Globalization of the world economy has affected and will continue to affect almost every aspect of both domestic and international affairs', Robert Gilpin writes in a recent analysis (2000: 293). In this article I have explored how Gilpin and his fellow realists have attempted to explain globalization and European integration. The most important strengths of these explanations are that they seek to explain the role of power politics and international structure in globalization and European integration, while their main weakness is the lack of a precise conceptualization of how and to what extent globalization and European integration and the relation between the two change the nature of European and international relations.

In order to provide such a conceptualization, we need to focus on the interaction level of realist theory, in particular the concepts of socialization, competition and interaction capacity. Combining these concepts with the insights of realist analysis of globalization and European integration allows us to conceptualize globalization and European integration as intra-systemic, systemic or extra-systemic change and outline the potentially wide-ranging implications of the link between the two developments for the international system. Furthermore, the distinction between intra-systemic, systemic and extra-systemic change may be used as a template for future investigations and, as such, facilitate a more detailed discussion and application of realist concepts on European integration, globalization and the possible links between the two developments.

### Notes

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1. On European integration and international relations theory, see for example Pollack (2001) and Rosamond (2000: 157–85). On globalization and international relations theory, see for example Clark (1999), Holm and Sørensen (1995) and the contributions to Baylis and Smith (1997).

2. Important contributions to this debate include, Vasquez et al. (1997), Legro and Moravcsik (1999), Feaver et al. (2000) and Walt (2002).

3. For more elaborate discussions of these assumptions, see for example Donnelly (2000) and Wivel (2002a).

4. Another example of analysing globalization as an intervening variable between international structure and state action is Jakobsen's study of the dramatic changes in the number and nature of United Nations peace operations during the 1990s (Jakobsen, 2002).

5. Moreover, as noted by several authors, the lack of development at this level of neo-realist theorizing constitutes an important problem for theory claiming to be 'systemic' (Buzan, 1993; Nye, 1988; Snyder, 1996).

6. Buzan is not clear whether it is interaction *capacity* or interaction *frequency* which is of importance. However, it makes little difference in realist logic. If the capacity is there, states are likely to exploit it to its fullest.

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