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The Third Wave in Globalisation Theory

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This article examines a separation made in the literature between three waves in globalisation theory – globalist, sceptical and post-sceptical or transformationalist - and argues that this literature requires a new look. The article is a critique of the third of these waves and its relationship with the second wave. Contributors to the third wave defend the idea of globalisation from criticism by the sceptics but also try to construct a more complex and qualified theory of globalisation than provided by first wave accounts. The core new argument of this article is that third wave authors come to conclusions that try to defend globalisation yet include qualifications that in practice reaffirm sceptical claims. This feature of the literature has been overlooked in debates and the aim of this article is to revisit the area and identify and bring out this problem. This has political implications. Third wavers propose globalist cosmopolitan democracy when the substance of their arguments do more in practice to bolster the sceptical view of politics based around inequality and conflict, nation-states and regional blocs, and alliances of common interest or ideology, rather than cosmopolitan global structures.

Some recent contributions in the globalisation literature have identified three waves or perspectives in globalisation theory – globalists, sceptics and transformationalists or post-sceptics (eg Held et al 1999; Holton 2005). Globalisation theory, seen to have started in about the 1980s, is said to have begun with strong accounts of the globalisation of economy, politics and culture and the sweeping away of the significance of territorial boundaries and national economies, states and cultures. Ohmae (1990, 1995) is often picked out as an example of this wave in globalisation theory and other proponents are said by some to include writers like Reich (1991) and Albrow (1996) and discourses in the business world, media and politics (Hay and Marsh 2000: 4. One example is Blair 1997). The first wave in globalisation theory is said to have a 'hyper' globalist account of the economy where national economies are much less significant or even no longer existent because of the role of capital mobility, multinational corporations and economic interdependency. Because of reduced political restrictions on the movement of money and technological change in the form of the computerisation of financial transactions, large amounts of money can be moved almost instantaneously with little to constrain it within national boundaries. Many corporations are seen now to be multinational rather than national, in their ownership and internationally distributed production facilities, workforces and

consumers. Such corporations that often get mentioned include Coca-Cola and McDonalds, or media multinationals such as News Corporation that have stakes in many forms of media, from newspapers to book publishing, the internet and TV, and across different areas of the globe (Thompson 1995; McChesney 1999). Consequently the global economy is seen to have opened up, integrated and included more parts of the world, although whether this has been a positive thing or not is debated – both Marxists and economic liberals have seen the world as very globalised and can agree on it as a fact whilst disagreeing whether it is good one or not (eg Sklair 2002; Wolf 2004). Along such lines there is also debate about whether opening up and integration has happened or globalisation has had an equalising and levelling effect or not (eg Wolf and Wade 2002; Friedman 2006).

The globalist perspective is sometimes seen as quite economic (Held et al 1999: 3-4) with economic changes having political and cultural implications. Nation-states lose power and influence or even sovereignty because they have to (or choose to) tailor their policies to the needs of mobile capital, with consequences for the viability of social democracy or the welfare state which are curtailed to fit in with the wishes of business interests (eg Gray 1996; Strange 1996; Cerny and Evans 2004; Crouch 2004). Culturally it is said to lead to the decline of national cultures and more homogenised (or sometimes hybridised) global cultures where national differences become less marked as globally people consume culture from around the world rather than so exclusively from their own nation (Tomlinson 1999; Sklair 2002; Nederveen Pieterse 2004). This is facilitated further by global electronic communications, such as the internet, globalised TV broadcasts, migration and tourism. The role of new technologies has made globalisation seem to some a relatively recent thing, perhaps of the post-1960s or post-1980s period (eg Scholte 2005). Politically nation-states in the hyperglobalist perspective are also seen to be superseded by international organisations such as the UN and IMF, social movements which are global or even a global civil society (eg Gill 2000; Keane 2003). Economically, politically and culturally globalists see transnational, global forces taking over from nations as the main sources of economy, sovereignty and identity. For some this means that social science has to move away from a methodological nationalism it is attached to, even from ideas of society to more cosmopolitan and global perspectives on social relations (eg Beck 2006; Urry 2000; but see a response from Outhwaite 2006).

Then, it is said by writers on the three waves, there was a more sober set of accounts that reacted against this with scepticism and argued that globalisation is not new and that probably the processes being described are not very global either (eg Hirst and Thompson 1996. See also Krugman 1996). I will return to second and third wave perspectives in more detail throughout this article and wish to avoid repetition but an initial outline can be made here. Sceptics are concerned with the abstract nature of globalist perspectives, which seem to be thin on empirical substantiation and make sweeping claims about processes as if they affect all areas of the world evenly and with the same responses. They see evidence of the continuing role of nation-states, both within their own boundaries and as agents of

the transnational processes of globalisation, through which they maintain as much as lose power. In the cases of the core, for instance in North America and Europe, states continue to be very powerful. National identities have a history and a hold on popular imagination that global identities cannot replace, evolving rather than being swept away, and there may even be evidence of a resurgence of nationalism as old nations come under challenge but from strongly held smaller nationalisms as much as from transnationalism (eg see Smith 1990; Kennedy and Danks 2001).

Sceptics have wanted to test the claims of globalism against evidence, and when they have done so have sometimes found it wanting. They have also been concerned to see whether globalisation is received evenly and with the same response everywhere and, not surprisingly, have found signs of differentiation in its spread. Sceptics have tended to see the global economy as not globally inclusive. For instance areas of sub-Saharan Africa are much less integrated than the powerhouses of East Asia, Europe and North America, with global inequality rising and protectionism still rife, for example in Europe and the USA in response to imports from growing Asian economies. As we shall see sceptics argue that the global economy is inter-nationalised and triadic rather than global and that its internationalisation is not unprecedented in recent years, in fact that it may even have been more internationalised a hundred years ago than it is now (see also Osterhammel and Petersson 2005 and O'Rourke and Williamson 1999 on historical forms of globalisation and, going even further back in history, Frank and Gills 1993 and Abu-Lughod 1989). Whether globalisation or free trade, insofar as there really is free trade, is the answer to global poverty is questioned. Liberal policies and integration into the global economy may have helped some parts of the world, China, India and other parts of Asia for example. But in these places protectionism and state intervention may also have been an important part of the story, and other parts of the world, in Africa for example, have fallen prey to greater inequality and poverty while globalisation has progressed and are increasingly less likely to stand any chance in the open global economy which some see as the solution to their problems (eg Rodrik 2000; Wolf and Wade 2002; Kaplinsky 2005).

Politically the effects of globalisation could be said to be uneven – states have gained as well as lost powers in processes of globalisation, many states are more powerful than others globally and some are able to continue with more social democratic policies in defiance of hyperglobalist perspectives which see pressure from globalisation for compliance with neoliberalism (Mann 1997; Mosley 2005). This suggests nation-states retain autonomy and sovereignty in many ways, and unevenly so (see also Weiss 1998). Bodies like the UN seem to be as much international as transnational, composed of nation-states and driven by them as much as above and beyond them. Global governance, from the UN Security Council to agreements on global warming, nuclear proliferation and international justice, is treated with scepticism by some critics, seen as inevitably the tool of the most powerful nations, who bypass or exempt themselves from their rules when it doesn't suit them, and use such bodies to impose their will for their own benefit when it does (Zolo 1997, 2002).

Culturally it is said that nations may well respond to globalisation differently. Macdonalds may have proliferated around the world, but the ingredients vary to fit in with local customs (from shrimp burgers in Japan to kosher burgers for Jewish customers), its consumers are more working class or middle class depending on location, and eating customs vary from fast to leisurely in different contexts. From France to parts of the Middle-East not everyone responds positively to the globalisation of American culture. In fact a retreat to fundamentalism and greater rather than lesser nationalism are seen to be notable reactions to globalisation in some places (Robins 1997). It is noteworthy too that it is the culture of one nation, America, that is often talked about in relation to cultural globalisation, as much as culture originating from all around the world (Beck et al 2003). There have even been well known predictions of clashes of culture arising from globalisation, against hyper-globalist assumptions about the homogenisation or hybridisation of culture (Barber 1996; Huntingdon 1996). However such clashes, insofar as they are real, may be to do with economic interest and foreign policy more than culture, and ideas of civilisational clashes often over-homogenise cultures and have the effect of demonising them and provoking clashes as much as accurately analysing the world. Sceptics like Hirst and Thompson would not want to have too much to do with the suggestion of a clash of civilisations. Nevertheless such perspectives are amongst those which are sceptical about the growth of globalised culture.

However there have been another set of reactions alongside and in response to the sceptic alternative to hyperglobalism. There are those who share the concerns of the sceptics about evidence and differentiation but can't help but see processes of globalisation before their eyes, moving ahead at unprecedented levels in recent times. Economic interdependency, for instance, is seen as having grown significantly so that national economies are no longer contained within national territorial boundaries. Third wavers have been keen to critically reassess the claims of globalism but without throwing out the baby with the bathwater (eg Held et al 1999 and Held and McGrew 2003 who name Giddens 1990 and Rosenau 1997 as other fellow 'transformationalists'). The outcome of this has been a departure from some of the conclusions of sceptics and instead a more complex picture of globalisation, in which globalisation is seen as occurring but without just sweeping all away before it, as hyper-globalists might have it (see also Scholte 2005).

The global nature of institutions such as finance, problems such as the environment, drugs and crime and developments in international communications and transport lead to more global political forms. National economic, political and cultural forces are transformed and have to share their sovereignty with other entities (of global governance and international law, as well as with mobile capital, multi-national corporations and global social movements) but they are not removed. Globalisation may have a differentiated effect depending on type (eg, economic, cultural or political) or location where it is experienced, whilst still being a force. Global inequality is seen as having moved from a simple core-periphery

shape to more of a three tier structure including a middle group, without clear geographical demarcations because, for instance, the marginalised may live in the same cities as the elites (eg Hoogvelt 1997; Bauman 1998). All of these involve both the continuation and transformation of existing structures, something in between what is described by sceptics and hyper-globalists.

Globalisation's future may be uncertain and open-ended, it could take different forms (perhaps more neoliberal or more social democratic) or even be reversed, rather than the future being one of unavoidable globalisation or just continuity with unaffected nation-state structures. With a recognition of uncertainty comes a recognition of the importance of agency in deciding what happens to globalisation rather than an assumption that it is predetermined or inevitable, as is suggested is the case in some first wave accounts (Holton 2005).

In short a third wave has emerged which is critical of hyperglobalism and wishes to formulate a more sophisticated picture but feels, contrary to scepticism, that globalisation is changing the world. Third wave perspectives have been ones that do not go as far as the sceptics in that they do not deny that real significant changes have happened. They acknowledge the reality of globalising changes and so defend a globalist position but one that is modified to be more complex than that of the hyperglobalists. To avoid repetition I will not dwell further just yet on the claims of the third wave. This article is focused on this third wave in globalisation theory and we will see more of its detailed claims on economy, politics and culture as the article proceeds.

The table below summarises the three waves or perspectives as they have been presented in the literature. The table presents images of the three waves. Individual contributors, including those cited above, do not always fit only into one wave, and, as we shall see, one wave presents itself in one way but when you look more closely at the details seems to actually reinforce one of the other waves it seeks to criticise. So the emphasis in this table is on how the three waves are presented. What the reality is, is explored in the rest of this article. (See also Held et al 1999: 10).

Table 1: Images of the Three Waves

	Globalists	Sceptics	Transformationalists
Globalisation	Globalisation Globalisation as causal	Globalisation is a discourse Internationalisation as effect of other causes	Global transformations, but differentiation and embeddedness
Method	Abstract, general approach	Empirical approach	Qualitative rather than quantitative approach
Economy	Global economy Integration, open Free trade	Inter-national economy Triadic, regional, unequal State intervention and protectionism	Globally transformed New stratification Globalised but differentiated
Politics	Global governance or neo-liberalism Decline of nation-state Loss of national sovereignty	Nation-states, regional blocs, inter-national Power and inequality Political agency possible	Politics globally transformed Nation-states important but reconstructed Sovereignty shared
Culture	Homogenisation	Clashes of culture Nationalism Americanisation Globalisation differentiated	Globally transformed Hybridisation Complex, differentiated globalisation
History	Globalisation is new	Internationalisation is old	Globalisation old but present forms unprecedented
Normative politics	Global governance or neoliberalism End of social democratic welfare state	Reformist social democracy and international regulation possible	Cosmopolitan democracy
Future	Globalisation	Nation-state, triad, conflicts, inequality	Uncertain, agency Left or Right Continued, stalled or reversed

The three waves identified

The three waves are not absolutely clear-cut from one another. Some authors fit into more than one perspective, although in this article I suggest this leads to some contradictions. But they do show different waves, tendencies or perspectives in globalisation theory. I am focusing here on this third wave and will be looking at: Hay and Marsh (2000) who outline three waves and associate themselves with what they see as an emerging third wave; and Held et al (1999) who outline three perspectives which match the three waves - they define their views in terms of the third perspective, transformationalism, which has similarities with Hay and Marsh's third wave (see also Held and McGrew 2003). I will look briefly at Scholte's (2005) concept of globalisation. This does not explicitly talk of three waves, but his approach is based on giving a more complex definition of globalisation than more extreme globalists but in a way which tries to keep up globalisation rather than lapsing into scepticism. In this way, Scholte is in practice a third waver on globalisation.

For reasons of space and to ensure greater depth of analysis I focus in this article on particular representatives of scepticism and transformationalism or post-scepticism. I focus on Hirst and Thompson (1996) and Held et al (1999) as they are widely seen as representatives of the second and third waves respectively, much read and cited as such, and rightly so as their perspectives are theoretically and empirically developed, and have addressed each others findings (eg Open Democracy 2002). Hay and Marsh (2000) I focus on because they have reflected explicitly on the second and third waves, advocated the latter, and have been cited as important authors in this area (see Holton 2005). Some third wavers practice a third perspective but without such a conscious reflection on the fact as in the case of Hay and Marsh. Scholte (2005) falls into the former category. He does not refer to the waves idea but his ideas include all the characteristics of the third wave. His book is clear, accessible, user-friendly and widely discussed and cited. He provides a good example of the third wave in practice and the tensions that I wish to discuss in this article.

A number of others such as Hopkins (2002), Cameron and Palan (2004), Holton (2005) and Hopper (2007), also identify three waves but without going into any greater detail on this issue than the above thinkers. Kofman and Youngs (1996) made an early brief outline of perspectives on globalisation but discuss two waves rather than three. That they have done this is significant for my argument and I will come to their approach at the end of this article.

Bruff (2005) talks about three waves but in a way which categorises them differently, his first wave including more moderate globalisers such as Held and Scholte who most others categorise within the third wave, hyperglobalists excluded from the first wave within which most place them, and his third wave including neo-Gramscian and poststructuralist perspectives. This article touches on the power of discourse as highlighted in neo-Gramscian and poststructuralist perspectives but there is not space here to expand further on such approaches. Neo-Gramscian and post-structuralist perspectives like those of Bruff and Cameron and Palan

(2004) provide important advances in discussions of globalisation perspectives but my argument is that there is a problem in some of the earlier waves debates that has gone without being noted, that third wave theories reinforce the scepticism they seek to undermine. Alongside some of the more recent discussions which take debates forward I think it is important to return to this earlier problem which has not been previously identified and needs to be brought out in the literature.

There is a large and growing literature on cultural globalisation (Tomlinson 1999; Nederveen Pieterse 2004) and on areas such as transnational civil society (Keane 2003). There is not space in this article to cover all areas of globalisation studies so I will focus primarily on the economic and political dimensions of globalisation that are a main emphasis of some of the authors I am looking at, although I hope that I have highlighted some of the cultural dimensions above.

Beyond the second wave?

This article is concerned with the second and third waves of globalisation theory. The first wave is seen by those in the second and third waves as having exaggerated the extent of globalisation, and as having argued for globalisation in an abstract and generalising way which does not account sufficiently for empirical evidence or for unevenness and agency in processes of globalisation. Third wave theorists try, to different degrees, to distance themselves from both more radical globalists and outright sceptics. They try to defend an idea of globalisation, and so distance themselves from the sceptics, but in a more complicated way than has been put forward by the first wave. My core argument is that in doing this they add qualifications and complexities which actually bolster second wave sceptic arguments. This is not always the case and there are some differences between third wavers and sceptics. But third wavers in trying to rescue globalisation theory by adding complexities and qualifications actually in some ways undermine it and add to the case for the sceptics.

Third wave analysis claims to either rescue globalist arguments (Held et al 1999) or to have a more sophisticated advance on second wave arguments (Hay and Marsh 2000). As such it directs readers away from sceptical viewpoints to either a modified globalism (Held et al) or what is said to be a more sophisticated scepticism (Hay and Marsh), the latter of which is couched in terms which accept a form of globalisation as an actuality. The theory of second wave sceptics is projected as a weaker analysis. But if it transpires that third wavers are in fact confirming the second wave, whether they intend to or not, then it is important that the sceptical view is validated rather than treated as a less adequate analysis as it is by third wavers who are claiming to be able to provide something better. Getting a correct understanding of what the third wave is actually saying is important to us understanding globalisation properly. Sceptics and third wavers have argued the toss over which of their perspectives is more adequate (eg, Open Democracy 2002) but if it is the case that in fact third wavers are in practice reinforcing second wave scepticism then this new dimension needs to be identified.

As I will outline in more detail later, a side-effect is that there are political consequences of this. By drawing globalist conclusions, albeit more complex ones, from their analysis, and arguing they have shown the flaws in scepticism, some third wavers, such as Held et al, then go on to conclude that forms of politics such as cosmopolitan global democracy are the most appropriate ways for trying to direct globalisation along more progressive paths. Surmising that their analysis supports globalist perspectives leads them to such conclusions. By drawing conclusions which go against scepticism they undermine the sceptical analysis of politics which argues for a more realist view of the world in which such global forms are not possible because of the superior power of advanced states, especially western states and the G3, the conflicting interests and ideologies of global actors, and the importance of politics at the level of nation-states, regional blocs and other alliances.

Sceptical analysis leads to conclusions which stress power, inequality, conflict and the importance of the nation-state, all of which point to a politics other than (or as well as) global democracy. This might rely on states, political alliances at a more decentralised level between states with similar objectives or interests, for instance perhaps a shared antipathy to what are perceived as neoliberalism or US imperialism, and specific global social movements who have related objectives. This is rather than, or in addition to, more global universal structures, in which common agreement may not be possible and which may be hijacked by more powerful actors. If third wave analysis leads more in the direction of the sceptics' findings than it says it does, as is the argument of this article, then an analysis of global power inequalities and nation-state power in political strategy, of the sort highlighted by the sceptics, should become more part of the picture and cosmopolitan global democracy looks more problematic. It may be significant that Hay and Marsh do not show the same faith in cosmopolitan global democracy as Held et al. Their political conclusions are based more around the possibilities of nation-state politics. This may be one reason why, as we shall see, they teeter between the second and third waves in their chapter on the topic.

The second wave

Much of my case will be about what implications third wave argument has for the second wave. In order to pursue this I need first to lay out some of the claims of the second wave. When looking at the third wave we can then compare arguments. The crux of this article is an argument about the status of third wave arguments in relation to second wave arguments, but for this to be made an outline of both waves is necessary. To do this I will focus on Hirst and Thompson's arguments. Hirst and Thompson (1996) are frequently cited as leading proponents of the sceptical point of view and have engaged directly in discussions with third wavers, for instance in Paul Hirst's Open Democracy (2002) debate with David Held. Theoretically and empirically their analysis makes them a good choice to focus on for an outline of the sceptic case.

Hirst and Thompson's analysis of globalisation claims are mainly economic and rely on using empirical data to test an ideal type of globalisation. The ideal type they use is, they say, an extreme one, but represents what globalisation would be if it were occurring and they say it is one that shapes discussions in business and political circles. Though they do not address culture they argue that many of the changes in culture and politics claimed by globalisation theorists would follow from economic globalisation, so that if claims about the latter are found wanting then claims about the former look problematic also. What are their main points? (See Hirst and Thompson 1996: ch.1).

- There has been internationalisation of financial markets, technology and some sections of manufacturing and services, especially since the 1970s, and some of these changes put constraints on radical policies in national level governance. For instance, it is risky to pursue radical policies at a national level because internationalisation allows investment to flee across national boundaries more easily.
- The current highly internationalised economy is not unprecedented. In particular the international economy was more open between 1870 and 1914, its international dimensions are contingent and some have been interrupted or reversed. For instance, Hirst and Thompson outline figures which show high levels of trade and migration before 1914, much of which was reversed in the inter-war period, showing how globalisation is not going along an evolutionary or predetermined path, but one that can stop or even go into reverse.
- Greater international trade and investment is happening but within existing structures rather than there being a new global economic structure developed. What is happening is between nations, ie international, especially between dominant states or regions, rather than something which has extended globally or gone above and beyond nations or the inter-national or inter-regional.
- Transnational corporations (TNCs) are rare. Most companies are nationally based and trade multinationally (ie MNCs rather than TNCs). There is no major tendency towards truly global companies. So a company may be based in one country and sell its goods or services abroad. But this makes it a national company operating in the international marketplace, rather than a global company.
- Foreign direct investment (FDI) is concentrated amongst advanced industrial economies rather than there being any massive shift of investment and employment towards third world countries. The latter remain marginal in trade. The exceptions to this are some newly industrialising countries (NICs) in Latin American and East Asia.
- The world economy is not global but trade, investment and financial flows are concentrated in the triad of Europe, Japan and North America. Something that falls so short of being inclusive on a world-wide scale cannot be seen as a global economy.
- The G3 have the capacity to exert powerful economic governance over financial markets but choose not to for reasons of ideology and economic

interest. They have an ideological commitment to unfettered finance or find that they benefit from it. This is the reason for any restraint in economic governance rather than because it is impossible. States, by themselves, or in regional or international collaborations have the capacity to regulate the global economy and pursue reformist policies if they chose to do so.

- Radical expansionary and redistributive strategies of national economic management are not possible because of domestic and international requirements such as norms acceptable to international financial markets. Capital would flee if governments were to pursue policies which were too radically socialist. Governments and other actors are forced to behave differently because of internationalisation. But globalisation theory leads to too much of a sense of fatalism, and the injunction that neoliberalism is unavoidable because of globalisation is as much ideological as an actual inevitability. Politicians may say that neoliberalism is inevitable as much to justify policies they are ideologically committed to as because they really are inevitable. Reformist strategies at national and international level are possible, using existing institutions and practices.

You can see here that Hirst and Thompson argue that in some respects the world economy is very internationalised (see also Hirst and Thompson 2000 on the 'over-internationalisation' of the British economy). But they use the word 'internationalisation' rather than 'globalisation' and argue that evidence from the former is sometime used to justify claims about the latter. They see the world as internationalised rather than globalised because of a number of the conclusions in the list above: for instance that there are distinct national economies and companies; that internationalisation of the economy is restricted to advanced economies and the triad rather than being of global extent, ie worldwide; and that internationalisation is happening within existing structures rather than creating new global ones that go beyond national or inter-national structures.

Let us look now at those taking the third perspective on globalisation. This tries to maintain a globalist outlook, one that does not retreat from globalist claims as the sceptics do, but attempts to outline a more complex globalism than outlined by the first wave of hyperglobalists.

Hay and Marsh – between the second and third waves

Hay and Marsh in their edited book on 'Demystifying Globalisation' say that what they want to do is 'cast a critical and in large part sceptical gaze over some of the often wildly exaggerated ... claims made in the name of globalisation' (2000: 2-3). They say that this echoes the second wave of globalisation theory but that they wish to contribute to a third wave approach which has a multi-dimensional view of the many processes of globalisation that develop in complex and uneven ways. This they see as 'part of an emerging and distinctive "third wave" of writings on globalisation' (2000: 4).

The first wave is seen as one which portrayed globalisation as inevitable, a singular process across different areas, eroding the boundaries of nation-states, welfare states and societies. It is said that this is a view which is popular in the media, business and political worlds, amongst some academics and on the neoliberal right as well as the left. It is argued that the first wave perspective is sustained by a lack of empirical evidence or its misuse (2000: 4).

The second sceptical wave is seen to have brought empirical evidence to bear in a way which has undermined the first globalist wave. Focusing on the critique of business globalisation, Hay and Marsh say that the second wave has shown state interventionism as effective (against the idea that globalisation undermines the nation-state), limits to the mobility of capital and FDI, lack of global convergence in economic indicators and policy, a domestic focus to production, the concentration of flows of capital in the G3 regions, and precedents for flows of FDI (suggesting that globalisation is not new) (2000: 4-5). All of these give empirical reasons to doubt the case of the first wave.

In advocating a third wave, Hay and Marsh, while talking of a sceptical and critical view, do so within a framework that does not treat globalisation as something they are rejecting, as sceptics like Hirst and Thompson do. Their analysis is, therefore, one that tries to develop a complex theory of globalisation rather than one that tries to debunk it as a phenomenon. As such it can be seen as being, like Held et al's, an attempt to rescue globalisation theory in a more critical and sophisticated form. The tone is more sceptical than Held et al's but their analysis is of a form of globalisation, conceptualised in a particular way.

Hay and Marsh praise the second wave but say that it is still derivative of the 'globaloney' of the first wave and that a third wave is needed building on the foundations of the second's criticisms (2000: 6). They argue that this third wave needs to see globalisation not as a process or end-state but a tendency to which there are counter-tendencies (2000: 6). It is changing and can be reversed or go in different directions. And, as Rosenberg (2000) has also argued, causes of globalisation and the agents behind it need to be identified rather than globalisation being seen as a cause in itself or inevitable and not under the control of subjects. It could be governments and businesses that drive globalisation rather than globalisation that is determining their behaviour. From a third wave point of view globalisation is tendential, contingent and limited.

If these things need to be taken forward by a third wave the implication is that the second wave does not do so. If the new work that needs to be done involves that of a new wave then the second wave must be lacking to the extent that it could not be improved by extra work within its existing framework.

Hay and Marsh argue that they are developing innovations which differentiate them from the second wave (2000: 7) and that they 'see the need to initiate a break with the second-wave globalisation literature' (2000: 13). Following this they identify

four common themes of their book (2000: 7-13) which they say indicate 'some of the central themes that will need to be taken up if a third wave is to develop' (2000: 13). One is that the discourse of globalisation yields material effects. For instance governments reacting to capital flight may be reacting just as much to discourses about capital flight as its reality. Politicians' statements that globalisation means governments have no choice but to pursue business-friendly policies may be as much a response to the discourse of globalisation as to reality in which this actually may not be the only possible path. Or politicians may themselves be the agents of this discourse which justifies policies which are chosen for ideological reasons but presented to the electorate as necessary because of globalisation.

A second theme is that in previous waves globalisation is given a causal power it does not have. In fact, Hay and Marsh argue, globalisation is more an effect of other causes than a cause itself and is something that is contingent, caused by political will and subject to de-globalisation. Rather than being inevitable and out of control, as the phrase 'runaway world' implies (Giddens 1999), and driving other economic, political and cultural processes, globalisation could be caused by the decisions of companies and politicians, by capitalism and the interests of states, and so something that is under control and could be taken in other directions or reversed if companies and politicians made other decisions.

Third, globalisation is seen as something heterogeneous with varying effects in different forms and locations rather than something which is homogeneous and general. So financial globalisation is different to cultural globalisation, they may be proceeding at different paces and extents, and either of them may have different effects in different areas, for example American culture proliferating more widely in, say, Britain or Japan than North Korea or China.

Fourth, Hay and Marsh stress that there is an interplay between culture and economy in globalisation rather than these being two separate spheres best explained by different disciplines. Cultural globalisation may follow from the attempt to sell it, from economic globalisation and the spread of capitalism. Or economic globalisation may be driven by people believing in discourses of it, so resulting from the culture of globalisation.

But all four of these observations in fact affirm arguments made by second wave sceptics rather than moving analysis on to a third wave. Third wave critique aims to move on from the second wave but in practice confirms the latter. Let's see here where Hay and Marsh are reinforcing second wave arguments rather than moving on to a new third wave as suggested.

First, globalisation is a discourse and sometimes subjects' actions are a response to this rather than to any reality. Hay and Marsh put this proposition forward as one of the third wave innovations differentiating it from previous waves. But this reinforces what Hirst and Thompson have said. Hirst and Thompson argue that the norms of international financial markets put restrictions on radical policies. But they

also argue that evidence of internationalisation is used to falsely justify that globalisation is happening. Globalisation theory, they say, leads to a false fatalism and they suggest that the argument that neoliberalism is inevitable is more ideological than a reality. Reforming strategies are in fact possible at national and international levels – perhaps redistribution, regulations to make companies more responsible towards workers and communities, or increased spending on health, education and welfare. Hay and Marsh have gone into greater detail on the power of discourses of globalisation in their work than Hirst and Thompson have with their more economically focused approach (for example, see Hay and Rosamond 2002 and Marsh, Smith and Holti 2005 and see also, for instance, Cameron and Palan 2004 and Bruff 2005). Nevertheless, on this question Hay and Marsh reinforce second wave claims rather than moving on from them as they say their point does.

Second, Hay and Marsh say that an innovating and differentiating analysis is one that sees globalisation as the effect of causes and agency rather than a cause itself and inevitable. Hirst and Thompson see what is going on as internationalisation rather than globalisation. But the historical account they outline shows internationalisation as the consequence of actors' decisions as much as a cause or subject-less process. For instance, as we have seen, they say that it is the ideology and interests of G3 actors that leads internationalisation to go in the direction it does, rather than in an alternative more regulated direction which would be possible. Again Hay and Marsh are reinforcing the second wave rather than providing something that moves on from it.

Third, for Hay and Marsh a third wave innovation is to develop the analysis of globalisation as something heterogeneous with specific effects rather than homogeneous and general. But again this reiterates the findings of sceptics rather than moving beyond them. Hirst and Thompson's see more advanced internationalisation in financial markets than in other sectors. They see internationalisation as variable and reversible in different historical conjunctures, the *belle époque* having been a high point of globalisation after which there were reversals (eg 1930s) and advances (eg 1970s), and they argue that some advanced and newly industrialising countries are more integrated into the international economy while others are relatively outside the world of trade and investment. In short, Hirst and Thompson show globalisation to be a very uneven process.

Fourth, in third wave analysis there is by Hay and Marsh said to be an interplay between culture and economics rather than these being separate spheres of study by different disciplines. But Hirst and Thompson argue for such an interplay. They say that their book focuses on economics but that they feel if there are doubts about the globalisation of the world economy then there have to be doubts also about the globalisation of culture, because the latter is strongly connected to the former. Hirst and Thompson's points do not analyse culture and its relationship with economics, and Hay and Marsh pay more attention to this area, but they do posit this relationship. So Hay and Marsh's suggestion of analysis of this interplay

is within a framework like the second wave's rather than one that moves on from it except in that it pursues it more concretely.

Hay and Marsh also say that in the third wave globalisation can be seen as a tendency with counter-tendencies rather than a fact or a process which is going only in one direction. But Hirst and Thompson's analysis shows that globalisation is far from accomplished and that internationalisation has had moments of advance and moments of reversal and that it is within the capacity of agents like the G3 to change its direction. As with the previous four points it seems that the innovations Hay and Marsh are arguing for are not so much innovations as, in practice, confirmations of and continuous with second wave sceptical analysis.

So, many of the approaches and insights that Hay and Marsh argue are needed already exist within the second wave. What is by implication a suggestion of limits in the second wave in practice reinforces it by raising and endorsing points it has already made. The general argument of this article follows this line – that third wavers try to move on from second wave thinking, proposing a more advanced qualified globalism. But in doing so they emphasise features highlighted by the second wave and so reinforce the second wave's sceptical approach.

It is perhaps not surprising, then, that Hay and Marsh identify their book as 'somewhere between the second and third waves of the globalisation debate' (2000: 7) and that they 'do not regard the present volume as unambiguously pioneering this third wave'. But this qualification, along with their theoretical assertions which in practice replicate second wave analysis, undermines their claim that they are initiating a third wave and moving in the direction of innovating and differentiation from the second wave. The qualifications and the arguments they make reinforce the second wave rather than show a move forward from it.

Held et al – transformationalists, a modified globalism

The situation with Held et al does not exactly replicate that in Hay and Marsh's analysis and its relationship with the sceptics. Hay and Marsh are more sceptical in tone and Held et al more globalist in leaning. But there are some parallels between the way these two sets of third wavers deal with the sceptics and globalisation. Held et al try to distance themselves from the sceptics, saying that the latter have attacked a false ideal type and that globalisation is a real process. But they argue that globalisation needs to be put forward as more complex and uncertain than it is by first wave hyperglobalists. Held et al advance a third perspective, transformationalism, which outlines such a more complex picture of globalisation. This is done most notably in their book Global Transformations (1999) but also in a number of other places - for instance in the Open Democracy (2002) debate between David Held and Paul Hirst (and Held and McGrew 2003).

My argument is that there are elements in Held et al's arguments which go in different directions to each other. Held et al are trying to defend globalisation

theory by putting forward a modified version of it. But the qualifications and complexities they add to globalisation theory lead to confirmation of many claims in the sceptics' theses and so do not undermine scepticism or support globalisation as much as is claimed.

Let us look at what Held et al set out as the transformationalist position and what they criticise about scepticism. The examples given below to illustrate transformationalism are my own. Held et al tend to focus most on transformations to political forms while Hirst and Thompson, as we have seen, focus on economics. But there is still substantial overlap in the areas they focus their analysis on.

According to the transformationalist position (Held et al 1999: 7-14):

- Contemporary globalisation is historically unprecedented. At the same time, transformationalists say, it is a long-term historical process with pre-modern forms. So there may have been trade and migration, for instance between Asia, the Middle-East and fringes of Europe way back in pre-modern times. But technological and political changes since the second world war have led to an unprecedented growth in the extent, velocity, volume and intensity of things like global media communications, economic interdependency between countries, international political organisations, etc.
- Globalisation involves profound transformative change and is a central driving force behind changes reshaping the world. There are not clear distinctions between the domestic and the international in economic, social and political processes. For instance, aspects of national culture such as media, film, religion, food, fashion and music are so infused with inputs from international sources that national culture is no longer separate from the international. This is a transformatory driving force because this globalisation changes peoples' life experiences.
- Economies are becoming deterritorialised, global and transnational. This is happening through, for example, the mobility of capital across national boundaries, the role of multinational corporations and interdependency between different nations' economies.
- While they are still legally sovereign, nation-states' powers, functions and authority are being reconstituted by international governance and law, by global ecological, transportation and communications developments and non-territorial organisations such as multinational corporations (MNCs) and transnational social movements. The nation-state is not a self-governing, autonomous unit (although they say states never have had complete sovereignty) and authority is more diffused. Held et al also say that states have become more activist and their power is not necessarily diminished but is being reconstituted. This is unlike both the globalists' claim that nation-state sovereignty has ended and what is said to be the sceptic position that nothing much has changed.
- Territorial boundaries are still important but the idea that they are the primary markers of modern life has become more problematic. Economic, social and

political activities are locally rooted but become territorially disembedded or reterritorialised in new forms of localisation and nationalisation. So a company may have roots in a particular territorial area but become disembedded as its workforce become internationally located or its products sold internationally. It may be reterritorialised in terms of the new places where the workforce is located or the way its products are tailored for markets in different areas. Types of music may start off from a locality but become disembedded as they are performed or sold globally, or take on global influences. They can become influences on, and infused into, other types of music globally or in other national places where fusions of music create new forms of local or national culture in that area, ie new forms of localisation and nationalisation.

- Transformationalists say they do not reduce the world to a single fixed ideal type, as other perspectives do, and that they recognise it is contradictory and contingent. They feel that globalists and sceptics reduce the world to global or non-global types respectively, without realising how contradictory it is, with aspects of both and middle elements where things like cultures may stay national while what the national is is changed by global inputs - so a mixture of the national *and* global. And they see globalists or sceptics as suggesting inevitabilities when whether the world becomes more or less global is not predetermined but is open to going in different possible directions.
- Sceptics are said to see the world as a singular process when actually it is differentiated with different patterns in different areas of life. So, for instance, some types of globalisation (eg finance) may be more globalised than others (eg corporations), and some countries in the world (for instance those most needing of inward investment) may experience the impact of global finance more than others.
- Held et al argue that sceptics are empiricist because statistical evidence is taken to confirm, qualify or reject the globalisation thesis when more qualitative evidence and interpretive analysis is needed. Migration or trade, for example, may (arguably) be no more globalised now than in the *belle époque* in terms of quantitative indicators such as value of goods exchanged or numbers of people on the move. But the qualitative impact of migration and trade on economies, politics and culture could be greater in the current period. Quantitative indicators of limited change do not necessarily demonstrate lack of qualitative change.
- There is a single global system that nearly all societies are part of but not global convergence or a single world society. National societies and systems are enmeshed in patterns of interregional networks but these are different from global integration which does not exist because it implies too much singularity, and different from convergence which does not exist because that would assume homogeneity. For example, there may be global economic interdependency but that does not mean there is global convergence on economic factors like prices or interest rates. So a global economic system can exist but without global convergence or a single economy.
- Globalisation involves new patterns of stratification across and within societies, some becoming enmeshed and some marginalised but in new configurations

different to the old core-periphery, North-South and first world-third world classifications. It follows that globalisation is not universalisation because globalisation is not experienced to the same extent by all people. In place of the core-periphery model of global inequality there is now a model that shows a middle group of developing countries in Latin America and Asia that have grown significantly and become more integrated into the global economy, so lifting themselves out of the periphery, but others, some African countries for example, who have become more debilitated and left out in the periphery. So a bipolar model is replaced by a more complex stratification with both greater inclusion of some but also exclusion and greater polarisation between the top and bottom. Globalisation here has an uneven effect, some becoming more integrated into it and others more excluded.

- Transformationalists say that unlike hyperglobalists and sceptics they recognise that the future direction of globalisation is uncertain rather than teleological and linear with a given future end-state. So rather than globalisation being destined to sweep ahead, or the status quo being the predetermined future, transformationalists are saying that the international future is open and can be decided in a number of directions by factors such as the choices of big corporations and governments or the influence of civil society and social movements in the world.
- Government strategies for dealing with the globalised world are said to include neoliberalism, the developmental or catalytic state and more outward looking strategies based on international regulation, which is a line of government action that global or cosmopolitan democrats like Held et al favour (Held and McGrew 2002). So with openness in the paths that globalisation could take in the future, comes a number of options that governments can take to influence that direction, including economic liberalism, greater state intervention in guiding the future of economies and societies, or global governance of the world economy and global problems.

Transformationalists and sceptics compared

But how much does this transformationalist third wave as outlined by Held et al rescue globalisation in a modified form and undermine the sceptics? Let us go through some of Held et al's points.

There is no doubt that there are differences between the transformationalists and sceptics: on definition (should the processes they see be defined as internationalisation or globalisation?); on historical periodisation (is current globalisation unprecedented or the period between 1870-1914 the most globalised?); and normative proposals (divergence between seeing nation-states and international blocs or global democracy as the bases for future political action).

Hirst and Thompson are accused of attacking an extreme ideal type to undermine the case for globalisation. This is a fair point and Hirst and Thompson agree that this is what they do. They take a model of what they think globalisation would be

were it to exist and show that this model does not exist in reality. However this is an ideal type that shapes business and political debate and Held et al themselves justify their own transformationalist position in relation to a strong hyperglobalist position that they criticise. More important than these points, however, is that the ideal type that Hirst and Thompson criticise portrays something that they say does not exist. In comparing transformationalists and sceptics views it is more sensible to compare like with like. Rather than comparing Held et al's outline of global transformations that they say are happening with a model of what Hirst and Thompson say is not happening, it is more useful to compare what Hirst and Thompson say is going on in the world – internationalisation – with what Held et al say is going on in the world – global transformation. Then we can see if there are real differences in their positions that need to be evaluated. We can do this by going through the transformationalist points outlined above.

Held et al say that contemporary globalisation is historically unprecedented but that there are earlier pre-modern forms of globalisation. This sounds like a contradictory statement, but it means that there are precedents for globalisation but none as intense, extensive, fast and of such great volume and impact as at present. Sceptics and transformationalists may not disagree that globalisation is something quite long-running. But there is a difference between Hirst and Thompson's view that its heyday was the 1870-1914 period and that it is less intense now and Held et al's view that the current period is the most advanced.

Held et al argue that there are not clear differences between domestic and international processes. This is something sceptics agree on. As can be seen from the summary of the sceptics' position above, they see domestic economies as very much internationalised, for instance in terms of finance, trade and investment. Where there is a difference is on whether international processes are characterised as 'global' or not but their view on the interpenetration of the national with the international does not mark transformationalism off from scepticism.

Held et al argue that economies are becoming deterritorialised, global and transnational. This sounds like a more radical position than that of the sceptics but Held et al qualify this argument with the view that territorial boundaries are still important. Economic, social and political activities are locally rooted and become territorially disembedded or reterritorialised in new forms of localisation and nationalisation. How different is this from the sceptic position that there are national economies trading internationally, and companies with local bases whose production, trading and investment activities go on beyond this location? The emphasis on deterritorialisation and disembeddedness goes beyond the sceptical position but rootedness and reterritorialisation does not.

The view of nation-states that Held et al have is of agents, legally sovereign with their power not necessarily diminished but reconstituted, more activist, but with authority diffused and lacking self-governing autonomous powers. For example, a nation-state may have reconstituted itself in regional and international

organisations, so having its authority diffused more and self-governing power diminished by this and by global economic pressures. But it is still legally sovereign, taking an active role in so reconstituting itself in a more globalised world in a way which maintains or even enhances its powers. This is said to be unlike the sceptic position that nothing much has changed. However this distinction from the sceptical position is problematic on three counts.

First of all sceptics do not say nothing has changed. They say a lot has changed, in the earlier *belle époque* period, and in the 1970s and 1980s, but that this does not mean that we live in a globalised era. As noted in the summary of their position above, they argue that there have been big transformations in the international economy, although within existing structures. Companies have to act differently and the norms of international financial markets have come to restrict what it is possible for nation-states to do, for instance that this rules out radical macro-economic policies.

Second, sceptics agree that nation-states lack complete sovereignty and have to share this. For instance they outline the role of international organisations and international finance in the world and, as we have seen, constraints on radical redistributive politics at state level. Their qualification is that this has always been the case and is not new. But they do not depart from the view that there is not clear sovereignty that does not have to be shared.

Thirdly, they agree with the view of the activist state, but if anything the transformationalists' emphasis on this gives credence to the sceptic view that nation-states are important actors in the world stage with the power at national and international levels to determine the forms that what is called globalisation takes. Sceptics argue that nation-states have the autonomy to determine the future of globalisation and Held et al's outline of alternative strategies such as neoliberalism, the developmental state, the catalytic state and cosmopolitan democracy seems to reinforce the view that, in their globalised world, nation-states have some autonomy and power to determine the future, in the way that Hirst and Thompson also argue. This is not to say that the transformationalists and sceptics are in complete harmony on the role of the nation-state in the current global or international world. But it does seem that the qualifications in the transformationalist analysis affirm many of the arguments of the sceptical case as much as rebutting them.

For Held et al one difference between the transformationalist and sceptical positions is that the former recognise the multidimensional, contingent, contradictory nature of the world and its uncertain direction whereas the latter see it as singular and linear and with a given end-state. But this appears to misinterpret the sceptical position. Hirst and Thompson focus on the economy rather than other areas so there is not too much indication of how they see globalisation as it affects different areas. But they argue that internationalisation has many different effects in different parts of the world, with much activity being concentrated in advanced

economies while other areas of the world are less integrated. They state that internationalisation is not linear but is subject to reversals, such as that after the *belle époque*, and that the idea that globalisation is predetermined and inevitable is a myth used to justify neoliberal policies, the reality being that nation-states individually or organised internationally have it in their power to alter the course of internationalisation. The difference from scepticism created by the transformationalists here is based on a misunderstanding of what the sceptics say. In fact what transformationalists argue on these points seems to be in accordance with the sceptics.

Finally, transformationalists argue that there is a single global system in which all societies are enmeshed, something that appears to differ from the sceptic position that much significant activity in the international economy is concentrated in the triad of Japan, the EU and North America, with some NICs up and coming into this sphere of influence, and other parts of the world much less integrated. However the differences seem smaller when it is considered that transformationalists outline a situation in which, while there is a single world system, they say there is not global convergence or a single world society, that they see patterns of stratification across and within societies involving some becoming enmeshed and some marginalised, and in which globalisation is not universal because globalisation is not experienced to the same extent by all people. The unevenness of integration into the global system comes closer to the sceptics' outline which leads the latter to the conclusion that there is no global economy because of such patterns of inclusion and exclusion.

The Politics of Globalisation

So, attempts to rebut scepticism and defend a modified globalism seem often to actually share substantive ground with the sceptics' analysis, one that raises doubts about the reality of globalisation. Rhetorically transformationalists are stronger in defending globalism as a fact, despite such commonality with the sceptics, and this may be partly what leads to one area of significant difference. Despite the shared ground with scepticism, transformationalists remain committed to a globalist outlook and their normative suggestions about a politics which can respond to globalisation puts strong emphasis on cosmopolitan global democracy (see Archibugi and Held 1995; Held 1995; Archibugi 2004; Beck 2006; Fine 2006). This involves global political fora in which different communities and interests can participate to reach agreements on issues, many of which have a global character and cannot be solved purely at national levels. Issues like human rights and war, ecological problems, drugs and crime, economic instability and inequality are seen as global rather than national problems which require global co-ordination or global interventions to be solved. Cosmopolitans look to global cosmopolitan fora or international interventions, based in global cosmopolitan consciousness, to solve such problems.

Sceptics whose analysis does not lead to such globalist conclusions do not share this faith in global politics (see Zolo 1997 and 2002; Hirst 2001; Open Democracy 2002). This is because sceptics do not believe that powerful western states would be willing to put up with the political equalisation that global democracy would allow. They would resist political equality and inclusivity and try to maintain their superior power in global fora. They would use global politics against others when in their interests and evade being subjected to it where it was against their interests. There are important conflicts of interest and ideology and over resources between nation-states, increasing as a consequence of ecological problems such as climate change. Solutions to global problems would have to involve the interests or ideologies of some being favoured and those of others gone against – there are not win-win solutions to such problems. So conflict is more likely in global politics and the co-operative consciousness that cosmopolitanism would rely on is unlikely.

An example of some of these issues can be found in the role of the USA in international politics. It tries to maintain its power against equality in international institutions (eg in the UN Security Council), uses those international institutions as a basis for pursuing its interests against others but exempts itself from them or bypasses them when this is not so. It will support or undermine international agreements (eg on global warming, international justice and rights, and nuclear proliferation) on a selective basis depending on its own ideology and interests, whether economic, political or geo-strategic.

Cosmopolitans are well-intentioned, right to be concerned about issues such as ecology, rights and inequality and to see such problems as global and solutions as needing often to be transnational. But if cosmopolitan politics is unlikely or undesirable for the reasons mentioned what might an alternative politics to solve such issues involve? For sceptics the future lies in nation-states acting alone or, because such problems are transnational, acting together multilaterally (rather than globally), for instance in regional blocs or alliances of the likeminded. So this involves not universal or global agreements but multilaterally and bilaterally agreed blocs and alliances based on shared objectives, interests and ideologies. It may be better for states and other political actors to ally transnationally with those actors who are likeminded and with shared interests rather than trying for cosmopolitan consciousness at a global level where many have opposed interests and ideologies and are more powerful. This is a politics that works more with a reality of divisions, antagonism and state alliances than the global commonality and agreement required for global cosmopolitan democracy. Such alliances could be forged, for instance, between states or movements who see themselves as anti-neoliberal or anti-imperialist, such as left-wing governments in Latin America and other places, the non-aligned movement, or the global justice movement (eg see Gill 2000; Gills 2000; Motta 2006; which is not to say that there aren't aspects to the practices of some such governments which are not defensible and where there have been failures).

International institutions exist and have to be engaged with so such actors should participate in cosmopolitan institutions. But they will also see these as representing particular as much as global universal interests and as a tool for the powerful as much as equality and democracy. As such their politics has to operate also outside such institutions, with agents forming alliances with each other, using what resources (eg, energy resources and human expertise) they have for mutual assistance, in a politics of conflict (rather than cosmopolitan universality) against powerful forces where these preserve inequality or lack of democracy or are amongst those who transgress human rights and are behind ecological problems or war.

This politics is neither statist nor globally centralist (although it uses both levels). It does not ally a scepticism about cosmopolitan politics with anti-interventionism, pacifism or inertia. It favours activism and intervention transnationally in issues of global concern and relevance but through a recognition of conflict because these issues involve conflicting rather than common interests and objectives; and transnationally and beyond the state through multilateral and bilateral blocs of actors with common agendas and interests where they exist or can be forged rather than through the isolated state or global universals. This is an alternative to statism and centralism/globalism, operating at both these levels but also at a level in between of conflictual politics and selected transnational multilateralism. It involves harnessing the interests of the poorer and less powerful rather than globalist hopes or a visionary holism.

Furthermore, transnational politics needs to be not just procedural and based on institutional solutions to global problems, for instance cosmopolitan democracy and international law. It has to have a substance beyond legal or institutional procedures being advocated because many of the problems outlined above are ones which require particular sorts of substantive policies as much as the right sort of institutional means. Different institutional means can lead to varying substantive policies and the choice of the latter is as important as the appropriate means being chosen.

The differences in sceptics and transformationalists' normative political conclusions seem to stem more from the transformationalists' globalist conclusions than from the substance of their arguments which in practice often share similar ground with the more sceptical approach. Transformationalists' analysis, as outlined above, gives a picture of: unevenness of integration; inequality, stratification and power; nation-states (albeit reconstituted ones) for whom there are different possible activist strategies; and reterritorialisation and regional blocs. On this basis the politics of cosmopolitan global democracy they favour seem unlikely. Their analysis shows up inequalities and conflicts which would make it difficult for global agreements to be realised. These are often between nation-states who remain in their outline still powerful actors. The more appropriate political conclusion from such a picture of the world order would seem to be one which recognises

inequality and conflict, nation-states and regional or multilateral likeminded blocs, as identified by sceptics as more likely structures in future politics.

One problem, then, with transformationalism is that in drawing globalist conclusions they are led to globalist politics. But if it is the case that what they say actually lends more credence to the sceptic case then such global politics may only offer some hope. It may be better to have a more realistic view of politics as about economic and political conflicts of a sort that do not lend themselves to global democracy but more to nation-states, regional and other blocs, alliances, and struggles between them and other opposed interests in civil society, rather than universality and global agreement. One reason to get the analysis of globalisation right in the three waves is to make sure that the political conclusions reached are the best ones.

So the transformationalist approach tries to rebut the sceptics while rescuing globalisation theory in a more sophisticated form than that in which hyperglobalists have advanced it. But there are some problems with this. In general transformationalism is a perspective which rhetorically defends globalisation but in practice bolsters up quite a bit of the sceptical case. One reason for this is that transformationalists add significant qualifications and complexities to their outline of globalisation. This brings them on to greater shared ground with the sceptics than it appears at face value. In many areas both perspectives share key elements of outlook, as shown above. A second reason is that transformationalists, as we have seen above, do not always give an accurate picture of scepticism. Sometimes pictures of scepticism are given which make it possible to dismiss it. But when the sceptical view is looked at more carefully it is possible to see that on occasion scepticism does not quite say what it is said to and its perspective stands up to criticism.

Scholte – a qualified globalism

In some ways Jan Aart Scholte's (2005) attempt to modify globalisation theory yet hang on to its key claims leads to similar results as Held et al's analysis. Scholte does not explicitly specify first, second and third waves or perspectives in globalisation theory in the way that Hay and Marsh (2000) and Held et al (1999) do. But he does attempt to provide a more complex concept of globalisation with qualifications, one that goes beyond an extreme concept of globalisation but does not go as far as the sceptics. In doing so he hopes to defend an idea of globalisation as a reality rather than allow it to be debunked. In these ways he falls into the third wave post-sceptic camp.

Scholte argues that globalisation involves supraterritorial rather than transplanetary relations. The latter are more like the international links that sceptics say characterise world relations. Transplanetary connectivity, he says, involves relations between different parts of the world. These have become more dense, involve more people, more often, more extensively, more intensively and in greater

volume. However they have been around for many centuries and are essentially inter-national links between different parts of the world.

Supraterritoriality, however, he argues is relatively new and breaks with territorialist geography. This involves not just an intensification of transplanetary links but also different types of global connectivity which go above and beyond territorial units. They transcend territorial geography and are delinked from it. Examples may include transworld simultaneity (eg people across the world consuming the same make of coffee), or transworld instantaneity (eg international telephone calls). Other examples of supraterritorialism he gives include travel by jet plane, people movements, consumption, telecommunications, global media, finance, ecological problems, global organisations, global health problems, international law, and global consciousness (eg in global sports events and global consciousness of human rights).

Supraterritoriality involves more than the compression of time relative to space characteristic of intensified transplanetary connectivity. It involves social relations that also go beyond territorial space. The difference between the time-space compression of transplanetary links and supraterritoriality is of a qualitative kind. Territorial domains, for Scholte, remain important but do not define the whole macro spatial framework which now has supra-territorial dimensions.

Scholte makes some qualifications to this picture. In the second edition of his book on globalisation, which I am referring to here, he drops the word 'deterritorialisation' previously used to encapsulate global relations because it implies that territory does not matter any more and he suggests this may have been taking things too far. The emphasis is on the term 'supraterritoriality', which captures something that goes above and beyond territory, but in which it is implicit that territory is still present even if transcended. He argues that territorialism remains important – for instance in production, governance, ecology and identities and that globalism has not eliminated it. All of these examples have supra-territorial dimensions but also have territorially rooted aspects to them. The world, he says, is both territorial and global and there is no pure globality that exists independently of territorial spaces. The world is territorial and supraterritorial and both intersect. The global is not a domain unto itself separate from regional, national, provincial and local levels. There is an intersection of all these.

The problem here is that Scholte's discussion, which is intended to defend the concept and reality of globalisation by giving a more complex and nuanced account of it, introduces qualifications and reservations which effectively bring his analysis on to common ground with quite a bit of sceptical perspectives.

Many of the examples that Scholte gives, some mentioned above, originate from a time before the post-1960s period in which globalisation, he says, has taken off. Also many of them are of transplanetary connectivity rather than of the supraterritoriality which goes beyond territory. World sports events, for instance,

are composed of national teams competing with one another in which spectators often identify passionately with national identities. Movements of people involve patterns and experiences which are heavily affected by what the national origins and destinations of the migrants are. Climate change exhibits clear variations in the national origins of the problems, and national power differences and conflicts in the negotiation of solutions. These doubts over the supraterritorial character of his examples are reflected also in Scholte's qualification I have mentioned, which having posited supra-territorial relations then says that such relations are not beyond territory but are embedded in it.

In short, Scholte's outline shows a similar pattern to the arguments of Hay and Marsh (2000) and Held et al (1999). An argument is set out which it is said will defend globalisation. It will show how complex globalisation is. But the qualifications made to do this sometimes undermine the globalist conclusions that are reached. In general the way third wave transformationalists try to combine globalism with qualifications sometimes means they are less coherent than first wave globalists or sceptics and end up giving support to one or other of the other waves or, in differing ways, to both of the positions they are criticising at the same time. (Rosenberg's 2000 critique of Scholte comes to similar conclusions).

Conclusions

I have argued that the third wave tries to construct a more complex globalisation theory than that which came in the first wave. It is argued by third wavers that this more complex picture shows the reality of globalisation today, one which undermines sceptics' claims that we live at best in an era of internationalisation rather than of a new global plane above and beyond this.

But it is perhaps no coincidence that Hay and Marsh say that their theory aims to move towards a third wave but has not got there yet. This may well be because to do so would involve abandoning a second wave which their conclusions seem to consolidate rather than show to be in need of moving on from. Held et al argue for a globalist theory and globalist normative conclusions, but many of their substantive arguments seem to outline a picture of a world system which is sometimes quite like that suggested by the sceptics. A modified globalism is set out in a way which sometimes seems in detail as close to the sceptics as to globalisation theory. Scholte's outline follows this pattern too. This phenomenon in the three waves literature has gone unidentified as discussions have developed. The aim of this article has been to revisit this field to identify this problem in the literature and bring out its implications.

It is probably significant that an early contribution to the idea of waves in globalisation theory, that by Kofman and Youngs (1996), suggests only two waves, the second, which they argue for, seems to outline views which both sceptics and transformationalists have been putting forward.

Kofman and Youngs argue that globalisation theory has been too generalising and universalising and has not paid enough attention to the specificities of what globalisation involves in particular contexts. For them if globalisation is something new, it is also a reformulation of the old. Old relations are evident in new forms, which also involve inequality, politics and power. Power is very one way, from the West, but small states have been able to participate and shape debates through collaboration with each other.

Capital has flowed more freely but states have been stricter on controlling immigration, ie people movements. States are retaining sovereignty but this is being reshaped and shifting because of things like the rise of regional institutions. There are global flows of media, communications, technology and finance but rather than place being obliterated, such flows are articulated and concretised in specific ways in particular places and these places are the intersections of the local, regional, national and international.

This perspective does not distinguish between a sceptical and post-sceptical outlook or between scepticism and transformationalism. Just as Hay and Marsh (2000) have found it as yet not possible to move beyond the second wave to a desired third wave, Kofman and Youngs outline only a second wave. This outline is one that is consistent with both sceptical and transformationalist perspectives that have been discussed in this article. There are differences in the conclusions that sceptical and transformationalist perspectives come to, on definition, periodisation, and normative politics, for instance. But the areas of underlying substantive analysis, exemplified in Kofman and Young's second wave which can straddle both perspectives, suggest that differences on globalisation between sceptics and transformationalists can be exaggerated. Transformationalists share many of the doubts of the sceptics in practice, and express them in their own analyses, but move away from them when coming to more globalist conclusions.

Politically these conclusions are important. If transformationalists are basing normative globalist proposals on an analysis which shares with the sceptics a view of a world of unevenness of integration, stratification, reconstituted but active nation-states with different possible options, reterritorialisation and regional blocs then the politics of cosmopolitan global democracy that they come down on the side of seems unlikely. A politics of power, inequality and conflict, via nation-states, regional blocs and political alliances between actors with similar interests and ideologies, over resources and diverging economic and political interests, one that is identified by sceptics as the future, seems the more relevant one to be engaging with.

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