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Europe and Globalisation on the Threshold of the 21st Century
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A New Zealand Perspective

I. New Zealand and European Globalisation

Few notions have engendered more overblown prophesies or wide-eyed alarmism than the idea of globalisation. Its emergence as a commonplace in both popular and more exalted discourse at this particular time is, surely, not unrelated to the orgy of millennialism in which we are presently drowning. There is no rational reason why we should be any more preoccupied with the arrival of the year 2000 than any other. It is, after all, 5760 in the Jewish calendar and 1420 in the Hejira. The Julian calendar, which persisted in Russia until 1918, would have reached the third millennium 12 days later. But the preoccupation with a day 641 days hence, seems irresistible.

New Zealanders look at projects like the Greenwich Dome in London with something approaching incredulity: our own modest expenditure to mark the occasion would probably not even pay the power bills for a single year's operation of this behemoth. But we have our own form of millennial madness. The arbitrary choice of the Central Pacific as the loca-
tion of the dateline means that New Zealand is the first land mass of any size to see the sun's light on the 1st January 2000. As a result, all sorts of municipally-inspired search parties have been climbing mountain peaks along our East Coast trying to demonstrate that the combination of longitude and elevation gives them the right to claim "first light of the millennium" status.

The actual honours go to the residents of Pitt Island (population 51), a tiny sandstone, basalt and trachyte mound that straggles eastwards from the Chatham Islands, themselves a remote constellation in the Pacific 857 kilometres east of Christchurch and three-quarters of an hour ahead of New Zealand. There are few places in New Zealand more difficult to get to than Pitt Island. Indeed, such is its isolation that it wasn't formally claimed as British territory until 1842, two years after the Treaty of Waitangi, New Zealand's founding document of the 6th February 1840. Some 14 families live there, reached nowadays by a monthly boat (weather permitting). The school accommodates 15 children. There are no roads or services. Four-wheel drive vehicles negotiate bulldozer tracks. Nowhere could be further from the reaches of millennial theorists.

But therein lies the point. Globalisation intersects the lives of the Pitt Islanders whether they wish it or not. Their story has been told to countless readers globally in assorted travel and lifestyle magazines. The accident of their geographical position was determined by the International Meridian Conference in Washington in October 1884. The conference agreed that it was desirable to adopt a single world meridian with Greenwich at zero degrees longitude to replace the numerous ones already in existence. The settlement of the islands was a function of European expansion in the 18th and 19th century. The northern hemisphere, temperate grassland ecology that the first pastoralists on Pitt Island imposed on the remnants of an ancient, Gondwanan ecology, was a function of the biological imperialism that accompanied that migration. And if it was forecast that, in 25 years' time, a young Pitt Islander would end up as a Mandarin speaking derivatives trader in Shanghai or a lead vocalist in a Glasgow band, it
would not seem implausible. The forces that literally placed Pitt Island on a map at 176' 15" West, were part of a globalisation that has been in train for at least 500 years and in which European civilisation has played the defining role.

Unavoidably, any inquiry into the future fate of Europe in the world raises the question of whether, relative to its past engagement with the process of globalisation, Europe continues to be at the heart of things. This paper takes globalisation to be a frame of reference within which we seek to understand the increasing interconnectedness of social, economic and environmental issues on a planetary scale. It seeks to explore the cultural and political changes of the last half century that have transformed, irrevocably, the way in which we understand globalisation. Before I proceed to that task, however, I have to say something about who "we" are, for this paper does not pretend to present an analytical view from nowhere. It is, as its title declares, a culturally-located declaration about the state of globalisation. It is a European view from New Zealand, with all the cultural conflicts and dislocations that implies.

I am a product of the European Diaspora - an Anglo-Saxon, four to five generations removed from the large island that sits immediately to the north-west of the European continent. Like the overwhelming majority of that country's residents, I am a monolingual English speaker. Despite my deep regret that I cannot fluently traverse the linguistic universes of the German, French and Italian worlds, my regret is more one of cultural sentiment than the real practical frustration it must be for my tongue-tied British contemporaries: none of these languages would be much use in the Pacific hemisphere. The more urgent frustration I experience in not speaking New Zealand's indigenous Polynesian tongue - Maori - remains a matter of local cultural and political moment. The main Chinese and Malay dialects together with Japanese are the decisive tongues of the region. The happy accident (for me) of an earlier, Anglo-Saxon phase of globalisation means that despite the cultural dislocation my geographical
location implies, I have access to the nearest thing to a world language that exists.

At the time European settlement began in earnest in New Zealand (in the last four decades of the 19th century) the world - in the sense of human beings occupying a single planetary space - was being defined in European terms. The American experiment in constitutional and political arrangements and the technological and commercial innovations that were being unleashed in the opening up of the North American continent were already building the pillars of a trans-Atlantic hegemony. But its values were still recognisably rooted in common mercantile, religious and political traditions that had been spawned in Europe between the 13th and 18th centuries.

It was, in many ways, the apogee of European triumphalism. Settlers arriving in New Zealand identified climate, resources and landscapes that lent themselves to recreating the old world in the new. The Giessen-born geologist, Ernst Dieffenbach, writing about his explorations through New Zealand between 1839 and 1841, spoke of "a time pregnant with the universal desire to search for employment, and to open a new field for exertion". As a temperate and apparently fertile country, Europeans believed themselves to be in familiar, even congenial climes. Something of the exuberance and cultural confidence of the age (we might, with hindsight, say over-confidence) can be sensed in the expansive terms in which Dieffenbach couched his prognosis for European settlement in New Zealand:

"It is natural that in the selection of a new colony, in a distant region, a preference should be given to a country the climate and other circumstances of which are in some degree analogous to those of the native land of the colonists, in order that the physical and intellectual energies of their posterity may not retrograde, but be developed and matured in a congenial soil, and thus may conduce in the greatest degree to the general prosperity and happiness..."

1 E Dieffenbach, Travels in New Zealand, London, 1843, preface.
It is with man as with plants and animals; each kind has its natural
boundaries, within which it can live, and thrive, and attain its fullest vig-
our and beauty... Many colonies have, indeed, been founded in unfavour-
able positions for the purpose of obtaining the peculiar produce of the
country, as the sugar, coffee, cacao and indigo of the West Indies, the
gum of Senegal, the palm-oil of the Cape East ... in such colonies the
European population soon became decrepit, and degenerated from the
strength and vigour of the stock from which they descended.

How different from all this is the case of New Zealand, where the climate
is not only similar to England, but even milder than that of her most
southern counties, whilst at the same time it is healthy and invigorating!
The children of Europeans, born in this country, show no deterioration
from the beauty of the original stock, as they do in New South Wales and
Van Diemen's Land"².

And when it came to the indigenous inhabitants, some of the early Euro-
pean observers found much to admire. An English writer, Augustus
Earle, visiting New Zealand in the 1820s, enjoyed the raging contest that
was going on between tribes at the time. He visited the warrior chief
Hongi Hika and reflected, "It almost seemed to realise some of the pas-
sages of Homer, where he describes the wanderer Ulysses and his gallant
band of warriors"³. The implication was that this could be Europe just
two short millennia previously.

From the vantage point of 1998, we know that Dieffenbach and Earle
based their judgements on a hopelessly inadequate understanding of the
physical realm into which they were intruding. Antarctica excepted, New
Zealand's islands were the last big islands on the face of the planet to be
reached and settled by humans. Indeed, with the exception of two species

² Ibid., pp. 1-3.
³ A Earle, A Narrative of a Nine Month's Residence in New Zealand, London,
1832, p. 65.
of bats, humans were the first land mammals to reach the islands. This incredible situation is a result of New Zealand's ancient and early isolation from a disintegrating Gondwanan land mass, 70 million years ago. When Māori first arrived in significant numbers some 800 years ago, they stumbled upon a land simply teeming with birds. Ecological niches normally filled by mammals were filled, instead, by a bewildering array of birds, airborne and flightless. The ensuing round of extinctions was swift and devastating. The arrival of Europeans 600 years later unleashed a second wave which continues to the present day. (It is a dubious distinction that New Zealand should have some of the most ingenious and experienced experts in the management of threatened species in the world). As colonists set about imposing a northern hemisphere, temperate grassland ecology on a southern hemisphere, temperate rain forest ecology, the extinctions mounted. Visitors to New Zealand today, encounter a land that is clean, green and exhilarating - and in many places overwhelmingly North European in visual resonance. The native biota is frequently confined to the margins of the landscape - the bits that were too hard to burn, drain and plough. While 20 percent of New Zealand today remains clothed in its original forests⁴, introduced species such as the Australian possum or European deer wreak havoc on plant associations that have not co-evolved with herbivorous mammals.

If Europeans arrived with attitudes that had a dramatic effect on the landscape, they also, unwittingly, brought diseases which had a similarly profound effect on the indigenous humans. European globalisation meant the inexorable spread of European microbes to populations whose immunity was, at least to begin with, almost non-existent. Fortunately for Māori, the most virulent Euro-Asian diseases - malaria, bubonic plague, smallpox, yellow fever, typhus and cholera - did not find the country and its small population congenial, or simply did not arrive. So they were spared from horrors on the scale of those suffered by the Aztec, Maya and Inca

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peoples in the sixteenth century. Nevertheless, from the 1790s to the 1890s Maori endured a substantial disease-induced population decline, largely at the hands of viral dysentery, influenza, whooping cough, measles, typhoid, venereal diseases and the various forms of tuberculosis. Cautious estimates of the original population at Cook’s arrival in 1769 range from 175,000 to 86,000. In 1896 Maori reached their nadir of 42,000 before a dramatic improvement in the twentieth century. The most moderate figures suggest, then, that the indigenous population in New Zealand was at least halved over the first century of contact.

While European microbes played havoc with the physical health of Maori, missionaries focussed instead on their spiritual well-being. After 15 years of unsuccessful toil by Anglican missionaries from 1814, Christianity enjoyed a sudden and profound surge in popularity amongst Maori in the 1830s and 1840s. By then preachers had mastered the language and, most importantly, key biblical texts were translated, printed, and distributed in what had previously been a purely oral language. A fashion for literacy amongst Maori during the 1830s and 40s went hand in hand with enthusiasm for the Christian faith and its stories. Missionary success also coincided with the end of the intertribal wars that had raged throughout the 1810s and 1820s and with the disappearance of some customs associated with the fighting, most infamously, cannibalism and the local variety of slavery.

The successful introduction of the Bible and liturgical texts by Anglican, Wesleyan and later Catholic missionaries bred competition and complications. Maori prophets emerged with popular blends of Maori beliefs and Judaeo-Christian ideas, while the missionary tendency to link the high sickness and mortality rates with sin became problematic when converts continued to suffer. Missionary work also smoothed the path for subse-

quent European settlement. This ushered in even more fundamental economic and social changes but distracted converts from 'things above' to the pursuit of things of the world.

Maori systems of thought and belief proved resilient, but between 1820 and the 1840s most of the population had been exposed to and changed by a new and vast spiritual, mental and economic world.

And what of the standard bearers of European civilisation, the settlers themselves? The first settlers were undoubtedly a tough, pioneering breed. Some of my forebears landed in the Taranaki province in the 1840s in the shadow of a stunning dormant volcano. They were an ethnic minority who had to trade with the local Maori to survive. Captain Cook may have renamed the mountain after an eccentric politician and pamphleteer, the Second Earl of Egmont, but that was about the extent of European domination. As they trekked north along the wild West Coast beaches crossing innumerable rivers and some risky harbour openings, it must have seemed like the end of the earth. And it still does in many magical, forgotten reaches. But less than a century later, as New Zealand prepared to fight on the plains of Northern France, that distance - both physically and mentally - had shrunk. Most impressively, New Zealand was a contributing part of a metropolitan culture, headquartered in London, Paris and New York.

The new New Zealanders didn't regard themselves as an experimental colony on a different planet. They were part of the most powerful empire in the world, and their cultural fluency with the global currency of the age was seamless. On New Zealand farms there was a higher uptake of modern farm machinery - harvesters, milking machines and the like - than there was in the United States by 1916 (and both were streaks ahead of Europe). The country adopted freezing, rail, telegraph and telephone technologies with alacrity. How else do we account for the contribution that a second generation New Zealander, Ernest Rutherford, made to physics? Repeatedly, over the last century, Australians and New Zealanders have returned to Europe and contributed at the highest level. Dame
Nellie Melba, the great soprano who stopped audiences in their tracks in London, Berlin and Paris, came from Richmond, Melbourne. The renowned classical scholar Sir Ronald Syme, who did much to enhance Oxford University's historical reputation from the 1930s, was one of many New Zealand bred scholars to make a mark in British universities. In the 1950s 23 New Zealanders taught on the staff of Bristol University.

What I hope I have conveyed is a sense of the force and direction of globalisation in the 19th century - a view from the geographical periphery but one that is, nevertheless, completely fluent with the cultural centre. Ecologically, materially and culturally, globalisation through the 19th century involved the unselfconscious dissemination of a European world view that was confidently believed, by standard bearers, to contain the seeds of universal human progress and happiness. The values at stake were believed to be of universal application as were the material sources of human happiness. We know now, a century on, how narrowly conceived some of the more utopian branches of Enlightenment thinking were. But, reflective individuals like Thomas Mann aside, there is little evidence that the people who marched to war in 1914 and those who sent them, believed themselves to be anything other than the products of a civilising and progressive culture that would recreate the world in its own image.

A century on, the process of globalisation has continued inexorably. And in the sense that economic, social and environmental forces are increasingly understood, investigated and, to some extent managed at a global level, the world has become a very much smaller place. But the values that could comfortably be assumed to guide the forces of globalisation a century ago have changed profoundly. Let me take, again, the view from New Zealand. You will recall that I described New Zealand at the turn of the 20th century as geographically peripheral but culturally central. Today, in a world of electronic instantaneity there is no physical periphery: I read the Times of London Internet Edition each night before going to bed and before many British readers have retrieved it from their doorsteps. Increasingly, I buy my books through Amazon Books at
www.amazon.com. CNN gives me information on the Iraq weapons inspection crisis more swiftly than any government intelligence agency can write up its reports. These artefacts of interconnectedness have become commonplace.

But in a cultural and political sense, New Zealand has never been more peripheral. At first sight, that might seem to be an unsustainable proposition. After all, the industrial grade emulsion of saccharine humour and formula violence that vents from North American production studios is as unavoidable in New Zealand as it is ubiquitous. The same could be said for most aspects of our material culture: Japanese automobiles, Italian design and Thai cuisine. But scratch below the surface of global consumerism and the cultural affinities and polarities that are asserting themselves are very different from a century ago. For the first 140 years of its existence as a nation, New Zealand enjoyed a close intimacy with the world's two most influential capitals in turn: London, then Washington. In the emerging world order, the cordiality of our ties in both capitals is as warm as ever. But where we were previously a geographically misplaced member of the North Atlantic axis, we are today a small member of a polyglot Asia-Pacific region that enjoys no single thread of historical or cultural memory. Some very ancient cultures and peoples are engaged in creating a wholly new regional identity. The recent Asian economic virus, notwithstanding, the 21st century looks set to be the Asia-Pacific century. The challenges to a country like New Zealand are immense, but the stimulus it provides is galvanising.

I would contend that Asia's success has, subtly, done more to cause New Zealanders to look at themselves squarely in the mirror than many would care to admit. Being an outpost of metropolitan culture encouraged a particularly smug and self-satisfied view that distracted us from the reality of our position. While our productivity faltered, our growth stalled and debt and taxes started to creep upwards from the late 1960s onwards, others in Asia were determined to earn our living standards and better. Singapore,
one of the very poorest countries on earth at the close of the Second World War, was a case in point.

In my view, the example of Singapore did as much to shake New Zealand from its lethargy as British entry into the Common Market. New Zealand and Singapore have a close post-war history. Two generations of New Zealand soldiers passed through the Fernleaf barracks in Singapore as part of the Five Power Defence Arrangements, involving Malaysia, Singapore, Australia, United Kingdom and New Zealand. They witnessed Singapore’s revolution at first-hand. So did many New Zealand tourists who discovered a cornucopia of consumer goods denied them at home. Absurdly high industrial protection and foreign exchange controls meant that New Zealanders had to seek out cheap holiday destinations thousands of miles from home to acquire decent stereos, cameras and such like. It was probably protectionism's only positive legacy: a generation of increasingly dissatisfied New Zealanders were forced to compare the single-minded improvement of a tiny island nation (which can be fitted inside our largest lake), with the lethargy and complacency of their well-endowed but stagnating home; and then emboldened to demand a radical onslaught on the strictures that New Zealand had piled, layer after layer, onto its narrow branch-line economy. The determination to reverse that decline was, in no small part, born from a realisation that we were being swiftly overtaken.

I have never seen academic reference to this influence. New Zealand's economic crises of the 1970s and early 1980s are largely described in terms of declining terms of trade for agricultural commodities hastened on by the closure of the European markets. That was certainly important, but my vivid memory of ordinary New Zealanders talking of their admiration for Singapore leaves me in no doubt that a tilting of the global economic order in the direction of Asia had an early and more profound impact on New Zealand than is generally realised.

The ensuing gale of economic liberalisation in New Zealand is well known and doesn't bear repetition here. More interesting is what those
changes have done to our sense of identity. From being forced to open up to the world, New Zealanders have had to come face-to-face with the forces that drive globalisation in its late 20th century manifestation. And they are the same forces that confront Europe. Before I offer a New Zealand perspective on how Europe appears to be responding to these forces, I need also to say something about globalisation in its contemporary guise.
II. Globalisation in our time

If I am in right in characterising globalisation as a phenomenon to which European values and technologies made a seminal contribution, it would be surprising if that inheritance were not still identifiable today. And of course it is. But it is in a somewhat attenuated form. At the time New Zealand was colonised by mainly British settlers, European globalisation was characterised by commerce and technology, Christianity and competition between nation states which had amassed far flung empires. Two hundred years on the empires have vanished. Nation states have not, replicating and dividing to 193 at the most recent count. Christianity maintains a world-wide following, but it has long ceased to be a tool of national conquest and cultural imperialism. What remains is science, market economics and a rather watery menu of planetary good manners rooted in notions of democracy and human rights. Importantly, the most powerful drivers of contemporary globalisation - science and market exchange - are the most decentralised. Both occupy a fully global space. Both are in the hands of countless thousands of individuals and companies whose subject to political direction is minimal. Both exert huge pressure on established political and cultural institutions to modify themselves.

It is no surprise that these most successful exports of European intellectual and practical endeavour have crossed cultural barriers and put down roots even in the most remote corners of the world. The claims they make are, at least on the surface, a-cultural. Trade brings together parties whose linguistic, cultural and religious attachments may be radically different. Science (and scientific knowledge embodied in technology) purport to make objective claims about the visible properties of the material world without necessarily pressing religious or cultural claims. And where trade and scientific exchange is conducted between private entities, the intercourse can occur without political challenge. It is this aspect that poses profound questions for those who would speculate on the future course of globalisation for it calls in to question the ability of govern-
ments to exercise political control. I shall briefly discuss the impact of globalisation on political identity, cultural identity and regulatory security to provide a context within which to offer a New Zealand view of Europe's engagement with the forces of globalisation.

Without doubt, the re-emergence of neo-liberal economic orthodoxy has had a profound impact on the shape of globalisation. The breakdown in the Bretton Woods system of managed exchange rates and the control of international capital flows posed a radical challenge to the controlling authority of governments. It also provided the intellectual climate in which dynamic, market-led innovation could unleash Schumpeterian gales of creative destruction.

This brings me to the influence of the popular understanding of markets and their role. However disregarded such ideas may be in academic realms, their acceptance by businessmen and politicians cannot be underestimated. Frederick von Hayek described markets as organic social mechanisms for the discovery of new knowledge. Whatever one may think of the normative conclusions he drew in respect of the proper role of the state, his understanding of the societal role of markets was I believe a compelling one.

Communities that are determined to preserve specific forms of life and require allegiance to particular types of association and exchange will find it hard to interact with other, similarly inclined communities. Whereas open societies that make less demanding claims of allegiance and reduce the common denominator of exchange to a smaller sphere of mutuality - the subject matter of the bargain - can learn, grow and recreate themselves in different ways. Underlying this analysis is a model of human agency that supposes us to be problem solvers whose inadequate knowledge drives us to interact with one another in pursuit of (always provisional) solutions. Markets, Hayek would have us believe, are a spontaneously evolved social institution that enable us to maximise knowledge in the face of uncertainty and in a way that far surpasses attempts to replicate the same outcome through centrally determined planning.
The actual perverse consequences of government interventions over the course of this century - well intentioned and otherwise - would seem decisively to support this verdict. The corollary of this view is that we cannot say in advance what the preferred outcome of market transactions will be. While politicians and businessmen tend to endorse the value of markets in terms of improved welfare through more efficient resource allocation and greater economic output, the actual outcomes are in the hands of the market player. Not only is there no a priori reason why things should turn out for the best: we are unable to say what the best is. At the bottom of this view of market exchange is a profound value subjectivism. If people are construed as being autonomous, rational entities whose values are of their own choosing, then they have to be prepared to leave those values to one side in undertaking market transactions. Those transactions are uncoerced (in the sense that people are free to choose not to engage in them) but when they do occur, the "value" of the transaction is purely that which the parties assign to it. The role of Government ceases to be an allocator of scarce resources (including information) but rather a regulator of process.

This is a peculiarly Anglo-American account of market transactions, albeit one with Austrian roots. It has played a profoundly powerful role in the deregulation of economies like my own. Why this view should have taken root in places like Britain, the US and New Zealand, is as much a cultural matter as anything else. These societies have never had particularly strong central government. The definition of rights and liabilities has been, to a large extent, left to the pragmatic, evolutionary processes of judge-made laws. Whatever the depredations of bureaucracy and taxation (and they have been as ambitious in my country as the best Scandinavian exemplars), there has always been a popular idea of individual sovereignty and disrespect for overbearing central authorities. Idealists have never lasted long. Corporatism, codified law and directed change have been attempted with varying degrees of conviction, but respect for the bureaucracy needed to support them has never been strong.
The neo-liberal outlook I have described embodies a highly sceptical account of the role of government. As such, it accommodates a market-driven view of globalisation without much difficulty. After all, if governments have limited roles, forces that reduce their scope for dirigisme are to be welcomed. If you are sceptical about proclamations of national interest from the centre, you will be unconcerned if the ability of activist governments to wield power is severely curtailed (as it has been by financial and product market deregulation). The devolution of decision-making to the marketplace is in some respects deeply subversive of the nation state. This is most noticeably the case when it comes to levying taxes. Liberalisation of capital movements means that it is now easy for investors to flee those countries which seek to maintain high taxes. Electronic commerce extends that power of flight to consumers: if local taxes are too onerous, Internet shopping in lower tax jurisdictions may be the answer. Governments are finding that to maintain the integrity of their tax bases, they have to focus on less mobile targets. If electronic purchasing is going to undermine consumption taxes, only taxes on labour and property may be secure.

Even then, governments are having to face the fact that the most productive and valuable members of any workforce will tend to be the most mobile. Onerous personal income tax can be heavily counterproductive if it leads to a flight of skills. There is, increasingly, no way around the fact that sovereign governments cannot run taxing regimes and redistributive policies that are radically divergent from those applied by nations with whom they trade and exchange skills and capital.

Neo-liberalism may be even more deeply subversive to the extent that the implied value subjectivism I spoke of starts to extend beyond superficial economics and lifestyle choices and starts to invade the ethical value system on which the free exercise of choice relies. It is one thing to deny governments an allocative role. It is another to doubt their regulatory role in underpinning basic ethical standards. Tension over the compatibility of liberalism with a coherent and morally ordered community is one of the
social debates of globalisation now being played out at a global level and in markedly differing cultural contexts. The consequences for social cohesion are significant.

If the globalisation of economic activity has seriously limited the ability of governments to commandeer resources, what of its impact on cultural identity? Notwithstanding the efforts of institutions such as the Academie Francaise or Canadian Heritage, cultural identity is an organically evolved rather than centrally planned phenomenon. Nevertheless, it is often said that the globalisation of world markets is subversive of cultural particularity. One spontaneous form of interaction is destructive of another. Are we not all part of a MacDonaldisation of our consciousness through product standardisation and global marketing? The Economist magazine, a standard bearer for neo-liberal prescriptions, provides globalisation critics with the nearest thing to evidence they could wish for in nominating the price of a Big Mac hamburger as the measure of purchasing power parity. If the Big Mac is the universal unit of exchange, what hope do distinct manners, customs, languages and literatures have?

My answer to that question is, rather a lot. Cultural particularism may be challenged by globalisation. But cultures exert far more powerful allegiances than the product range of the global supermarket. To gain market access, even in a marketplace devoid of formal restrictive barriers, marketers have to get inside local minds. And that means colluding with and paying homage to local cultural icons.

On the other hand, the challenge of globalisation, at least in New Zealand, has been in part a spur for the cultural renaissance of an embattled and indigenous Maori culture. The majoritarian cultural superiority that was assumed by those who regarded New Zealand as an outpost of metropolitan world culture has evaporated leaving Maori able to assert their identity as the truly authentic, differentiating element in New Zealand’s cultural life. A large number of New Zealanders of European descent undoubtedly feel challenged and dislocated by the alienation of their own cultural roots, the resurgence of Polynesian cultural identity and the shift
in global economic power towards the Asia-Pacific region in which they happen to reside. To maintain an identity that differentiates them in an increasingly mobile and competitive world, there is no alternative but to embrace a new understanding of what it is to be part of the European Diaspora after the tide of Empire has receded. It's not a unique fate in history. Mongols in Afghanistan and the layers of peoples left behind by the serial incursions into the Indian Subcontinent are just a few of the peoples who have had to settle down and come to terms with their surroundings. But unlike previous colonists left behind by imperial retreat, they retain the physical and electronic means of access to their cultural roots on a day-to-day basis. I have just left behind, in Wellington, an International Festival of the Arts that featured the Royal Shakespeare Company performing Othello, the Lyon Ballet performing Cinderella, and a locally conceived production of Fidelio set in some sombre and anonymous totalitarian state in the middle years of this century. Meanwhile, at the last Edinburgh Fringe Festival a Maori drag queen and cabaret entertainer, Mika, was so popular he made the front page of the Scotsman, being referred to as the true kiwifruit. In short, cultural identity may be challenged by globalisation, but it is a world as pregnant with opportunities as it is threats.

Thirdly, there is the impact of globalisation on perceptions of risk. How are people to reach collective assessments of risk in the face of globalisation when those assessments are as much to do with cultural mores as they are quantitative and probabilistic analyses? It is here that the combined forces of the disaggregated decision-making inherent in markets and the exploding frontiers of scientific and technological understanding exert their most problematic influence. There is a burgeoning literature on the social and cultural determinants of risk. In crude terms, it could be described as a debate between techno-optimists and eco-pessimists. The optimists accept as inevitable, and desirable, the ongoing pursuit of material and social well-being - the advancement of humankind. The burgeoning claims on scarce resources that are implied by the desire for endlessly rising living standards are not believed to be problematic. Resource scar-
city is believed to be a function of limited knowledge and even if physical limits are pressed, there is no limit to human ingenuity. The lot of human kind is, almost without exception, materially better than it has ever been in human history and the species better placed to combat its most deadly foes - the viruses and microbes that occasionally lay waste to whole populations. The contingent nature of human survival in a hostile universe is more secure than it has ever been.

The pessimists, by contrast, draw almost diametrically opposite conclusions from the phenomenon of industrialisation, modernity and human advance. The huge explosion in knowledge and in our ability to manipulate the physical world is serving to magnify and concentrate risks in ways that are simply unforeseeable since we have no proper understanding of the biophysical limits that sustain our access to natural resources. The climate change debate is a case in point. We understand the potential warming effects of increasing greenhouse gas concentrations, but our knowledge of the planetary carbon cycle is so inadequate that we are unable to model with any accuracy the point at which non-linear change may cause an upheaval in the climatic parameters within which our social and economic institutions have been designed to operate.

How precautionary an approach we should take in the face of limited knowledge is a question to which there is no definitive answer. Any response will be a culturally located one and when the forces of globalisation are generating risks that cross boundaries and generations, serious moral issues are raised. The optimists consider that the experimentation and innovation of market economies will spread risks and widen the slate of possible solutions. The pessimists consider that the globalising of markets means a globalising and intensification of risks without the institutional or regulatory apparatus at a global level to manage those risks. To what extent should populations be exposed to risks generated in other jurisdictions continents apart?

The field abounds with paradoxes. Recent research into public attitudes here in Europe indicates that the countries in which biotechnology is best
established are among the least supportive of this emerging field whereas
support is highest in others where the science and related industries are
only at an embryonic stage\(^6\). It suggests that greater exposure to infor-
mation is not necessarily an antidote to public concern. This raises a
deeper paradox still: that the more discreetly held knowledge that market
innovation generates, the less any individual player is able to grasp. In
other words, we are more superficially informed about more things than
we have ever been. Computing power can of course analyse and synthe-
sise vast quantities of information that could never previously have been
stitched together. But whether, at the human level, we have the computa-
tional capability to stay abreast of the sheer volume of new knowledge
being generated and the moral dilemmas being raised by it, is highly
problematic. The more people become aware of, the more they gain an
appreciation of their ignorance. Reaching a consensus on appropriate ex-
posure to risk is difficult enough in small, reasonably homogenous com-
munities. Achieving one at a global level is an order of magnitude more
taxing.

To recap, I have tried to characterise globalisation in terms of market
processes and the spread of scientific and technical knowledge. I have
suggested that these processes are shorn of the cultural roots from which
they sprang and have now become subversive of political authority, chal-
lenging to cultural identity and added immeasurably to the difficulties of
identifying and managing risk. I have described, in passing, New Zea-
land’s progress from the economic periphery to the core, while at the
same time drifting from the cultural centre to the margins of a global
culture that is increasingly attenuated from the European roots that sus-
tained it between the 15th and 19th centuries. If I have seemed pre-
occupied with New Zealand that is not just because I know my own
country better than any other. It is because the view from New Zealand is
not without its own European resonance. In providing a New Zealand

perspective on where Europe stands on the threshold of the new millen- 
nium, I am speaking from a standpoint that is in some respects still a 
European one - yet one that is also detached from it. In common with the 
members of any Diaspora I stand within and without. My political culture 
and my views are inevitably imbued with an Anglo-American suspicion of 
theory, dogma and authority: but I share on the other hand a deep emo-
tional resonance with the spiritual and cultural well springs of a European 
identity that is as discernible here in Bonn as it is in Bologna.
III. Europe in an age of post-European globalisation: the view from New Zealand

Given this amalgam of beliefs and prejudices, and filtering them through the spatial and cultural dislocation of Asia-Pacific citizenry, how does this New Zealander view Europe at the threshold of the new millennium? I shall tackle the question by considering Europe under three headings: the cultural, the economic and the political. As a cultural entity, I regard Europe as immensely confident, creative and self-aware. I make this assessment not on the basis of the number of festivals, opera houses or museums that one can unearth (though these are innumerable and frequently lavish) but rather in terms of a broader commitment to maintaining the fabric of Europe's heritage and the continuing innovation in fields as diverse as ballet, urban design and painting. Europe has scarcely any landscape left unmodified by human habitation. To experience great isolation and solitude - to encounter raw nature - Europeans must travel to distant places. This is, no doubt, a source of the heightened ecological consciousness the outsider senses in European politics. On the other hand, the accretion of human history in the landscape is frequently preserved and interpreted with meticulous care. Given the astonishingly violent events of this century in continental Europe, it is truly remarkable how much effort has been devoted to the painstaking reconstruction of the physical cultural heritage. One thinks, for instance, of Catherine the Great's palace at Pavlovsk which has twice been completely recreated, once following fire and a second time following its almost complete destruction by the Wehrmacht during the siege of Leningrad in between 1941 and 1944. There is the city centre of Rotterdam, flattened in 1940, and painstakingly restored. Or the reconstruction of the Frauenkirche in Dresden. Indeed, Dresden stands as a symbol for this reconstructive spirit, a sign of Europe's dedication to mending the heritage almost at any cost. The restoration of the Frauenkirche alone is projected to cost DM 250 million. It is one intricate job among several in one town. The total German com-
mitment to reconstruction over the last four decades must have run to billions and billions of Deutschmark.

And it would be a mistake to see European culture as simply local or transient in its influence. Its ability to package tribal mythology as an art form for global consumption (the Niebelungenlied transmitted through Wagner for instance) or local folk history as cosmic tragedy (Shakespeare’s Lear or Hamlet) is undiminished. Despite earnest attempts to parochialise and deflate European culture in the name of decolonisation, the cross-cultural staying power of Europe’s most potent cultural statements continues unabated. A culture with this creative and recreative power must face globalisation from a very resilient position.

Europe, as an economic entity can make a New Zealander viewing it from afar feel rather more schizophrenic. On the one hand, its achievements demand admiration. The European Union was born at the end of a disastrous war of a great and liberal dream. The objective of Schuman, De Gasperi and Monnet was to so intertwine the economies of Europe that war between them would in the future be impossible.

In the half century since, Europe has converted itself from a group of war ravaged economies to a Union of 15 (soon to be 21) with a population of 370 million people responsible for about one third of the world’s GDP. Its economy is larger than the combined economies of the NAFTA and larger than the combined economies of the Asian Members of APEC.

The process of economic integration in Europe is, moreover, still continuing. The Single Market has already come into being, and soon there will be a single currency for the first time since the death of Romulus and the end of the western Roman Empire in 476 AD.

The European Union constitutes a pole of attraction for the rest of Europe and it is an economic power in the wider world. It supplies four members of the G7 and the majority of the members of the OECD. The Union itself, as a member of the so called Quad, is one of the four central players
in the World Trade Organisation without whose assent the multilateral trading system cannot easily function.

We admire Europe's role in pressing for a wider set of multilateral trade negotiations around the turn of the century. The Commissioner for External Relations, Sir Leon Britton, has showed himself a master of persistent and creative diplomacy at the service of an open trading system.

At the same time, however, as an observer from a small economy with global interests and, necessarily, a heavy dependence on trade, I cannot but be aware of the complexities of the European machine. We New Zealanders have worked with you long enough to understand the difficulty - the time and the effort required - even in a Union of 15, to achieve a bureaucratic consensus in Brussels on the way in which the Union's own markets should be regulated, or on its economic interactions with the outside world. To have that consensus reflected - or modified - in a consensus of the Member States is a further and no easier task. It is daunting for the outsider - especially an outsider without preponderant economic weight - to know how, once you have negotiated among yourselves, you can fruitfully be engaged in a further negotiating process. So to our admiration there is added an element of anxiety, and with the anxiety some perplexity.

Also - still looking from the outside - it can seem as though there are two different kinds of Europe. One is the competitive and open trader in goods, services and capital, confident of its influential role in the global economy. The other is more inward-looking, more concerned with the detailed adjudication between internal interest groups, and with correspondingly reduced energy to devote to engagements with its outside partners. Adjudication between interest groups is of course inescapable and the traditional stuff of politics. But it sits uneasily with the Anglo-American tradition of market liberalism of which I have spoken. To the extent, then, that Europe's regulatory systems proceed from the view that central authority is about delivering particular outcomes to particular sectional interests, Europe's bureaucracy is asked to judge the unjudgable
and bridge the unbridgeable. It is a sign of the difficulty of this task and perhaps of the less fruitful element of the European enterprise that the European Commission should produce a wad of regulations fifteen centimetres thick each day and take twenty-four years to decide on a definition of chocolate. (On the other hand, I should observe in passing that the extreme value subjectivism that has invaded political debate in the Anglo-American world may not be unrelated to the sense of unravelling social cohesion and grim criminal pathologies that seem to be particularly apparent in America: whatever the costs of Europe's corporatism in terms of economic efficiency and individual freedom, Europe seems to have sustained a more disciplined and cohesive citizenry. I suggest this more as a speculation on a possibly fruitful subject for serious inquiry than a solidly founded judgement).

The prism through which most New Zealanders tend to view the Union - that agglomeration of the culturally familiar and unfamiliar, the source of the language most New Zealanders speak and of its contributory Germanic and Romantic streams - is, in fact, an economic one: the common agricultural policy or CAP with which New Zealanders are on grimly familiar terms. The folly of the CAP is a subject in which we take a deep and enduring interest because for New Zealand agriculture is still a vital area of comparative advantage.

When we look towards Europe, we see an agricultural sector which, in spite of important reforms, (and reforms Commissioner Fischler is continuing to advance through Agenda 2000), is still protected, highly regulated, at the same time propped up through subsidies and tied down through quotas, area restrictions and headage limits. And it remains this way, even after the Uruguay Round where the world took its first vital steps towards agricultural reform, enormously costly. We calculated that by 1992 the total transfers to OECD Agriculture from consumers and tax payers amounted to US $354 billion - enough to pay each of the OECD's 41 million diary cows to fly first class around the world one and a half times. The results of the Round would neither have grounded these cows,
nor caused them to curtail their travel plans. They could probably have absorbed the disciplines on internal support by simply downgrading to business class.

I am fully aware of the range of considerations, historic, economic, political and even environmental which are evoked to explain and to justify the Common Agriculture Policy I don’t want to engage with these arguments here. What is clear however, is that the expansion of the Union has placed and will place agriculture policy under one kind of pressure. The increased tempo of technological and economic interaction between Europe and the rest of the world puts it under another. We are at a junction, approaching the millennium, where (I hope) you will ask yourselves, whether 50 yrs or so after the creation of Europe, the CAP in its present form is an essential element of Europe's vocation. Or is it one of those inflexibilities and false complexities which inhibit your interactions with your neighbours, encumber your diplomacy, and prevent the full development of your global role?

Finally, there is Europe as a political entity. For the first time since the 16th century, Europe starts a new century in a sustainable rather than an expansionary phase. Any continent would be subdued by the two unutterably brutal civil wars fought here this century in which over 50 million soldiers and civilians died (to which might be conservatively added another 30 million Russians outside of these engagements). Add to those stupendous convulsions the evaporation of her empires and it is no surprise that Europe is still finding her place in the world for the first time rather than creating the world in her own image.

The incredibly ambitious task of creating a political union inevitably makes for a more inward looking and preoccupied political culture. To the outsider, not immersed in the immediate emotion of the political debate, it seems a daring, if not downright risky enterprise. In the first place, it cuts directly across the grain of history. No current European state can demonstrate a continuous, separate sovereign existence that reaches back further than the 16th century (Andorra, Monaco and the
Swiss Federation excepted). A significant number of states are fewer than 10 years old. The instability of political units has been a feature of European life since time immemorial. If the record of the past is anything to go by, the future peaceable solidarity of European nations is not something that can be confidently predicted. The cathartic events of the first half of this century followed by the tragic division of the continent during the second half have given real impetus to the search for shared understandings and political compromise. But as some of the events on the periphery remind us - in Ireland and in Serbia most recently - the seeds of hate can continue to germinate centuries after they have been sown.

This, of course, is the foundation reason for closer integration and union. But it does not automatically follow that the fragmented and competitive nature of Europe's peoples and states has bequeathed a wholly negative legacy. It can equally be argued that it is the sheer heterogeneity and diversity, the crooked timbers of the Continent, that have been the making of European energy, dynamism and creativity. In two recent papers, Graham Lang has returned to the much-debated question of why Europe and China should have followed such divergent paths over the last half millennium given the enormous technological superiority enjoyed by China in the previous two millennia. His answer lies in the political fragmentation of Europe that allowed innovative practices checked in one principal- ity to spread to another. Tyrants and dullards alike were incapable of suffocating the entire continent from the centre. A unitary Chinese state, on the other hand, could sanction the widespread uptake of formidable technologies but its effective exercise of central power could, equally, freeze the frame by halting dissent and innovation. Disastrous decisions could quickly be transmitted to the periphery with devastating effect (as was the case, most recently, during the Cultural Revolution).

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Whether this is simply a matter of cultural diversity or whether it has even deeper roots in the fragmented physical geography of Europe is a matter for debate. But the reality is that Europe has never at any previous time in its history had the cultural homogeneity or the bureaucratic apparatus to impose authority from the centre. The most thorough-going recent attempt (by Napoleon less than 200 years ago) swiftly ran foul of the particularist allegiances of religiously, culturally and ethnically diverse people. The fact that political union is now being pursued by democratic means cannot sweep those differences aside any more easily. And if the price of union was the dead weight of central authority, there would be many who would question whether the price was worth paying.

Coming from the Anglo-American tradition of which I have spoken, I am predictably suspicious of relinquishing power and decision-making upwards. It may be a necessary consequence of dealing with issues that spill outside traditional boundaries (such as the multilateral agreements that have been forged to manage the sea and the atmosphere at a planetary level). But centralisation is not necessarily a good in itself if its effect is to limit competition, dissent and experimentation. As a shared political adventure, the European Union could be either liberating or suffocating. From New Zealand's point of view, we want the former. Europe's integration should be one that unleashes the creativity that diversity and cross-pollination of diverse traditions should be able to generate. It is sometimes assumed that diversity is a wonderful thing in creative and artistic domains but that when it comes to institutional arrangements, standardisation is the rational and efficient way to go. There is some truth in that, but only some. Competing systems of government and regulation do provide real counterfactuals against which citizens can assess their own leaders and institutions. Creating an administrative and regulatory blanc-mange makes it much harder to tackle poor performance and policy failure. The inertia becomes overwhelming and change is deferred until the contradictions are overwhelming and, potentially, explosive. Short to medium-term stability is bought at the price of long-term dislocation. If the regulatory arcana I have referred to in discussing economic Europe are
anything to go by, there is plenty of downside risk in getting the nature of
political union wrong. If globalisation requires light-handed and flexible
approaches to coping with the swiftly changing moods of investors and
consumers, an opaque, ponderous and rigid centre could be very costly.
If, on the other hand, institutions are designed to be open to change and
open to external influence, then Europe's effortless integration into the
global economy will be assured.

It may, of course, be argued that since globalisation is subversive of the
nation state (as I have indeed suggested), political union within Europe is
a logical response. The reality is that it is the corporate, interventionist
state that is at risk, and size is no defence. Investment flows can as easily
avoid a large, sprawling entity as they can a small island state like New
Zealand. Different conclusions apply, however, when inter-national ne-
gotiations are called for. Clearly the EU speaks with greater authority
than any of its member states could speak alone. This is a clear source of
negotiating advantage but, again, it can cut two ways. If it means the
swift development of negotiating positions that provide the rest of the
world with a coherent, outward looking position, then much will have
been gained. If, on the other hand, Europe's negotiating position repre-
sents not so much a coherent view on the world as a window into the con-
flicting domestic preoccupations of its members, then it will be a source
of frustration. Yugoslavia and the tragic events associated with its disinte-
gration demonstrate both the importance of a co-ordinated European role,
and the tantalising difficulty in achieving one.

The EU's current hybrid status, is bound to create representational diffi-
culties. If policy positions have passed to the centre, the logic of voting
power being retained at a national level will create ongoing friction.
Where the commission has competence - as in most trade areas - the un-
ion speaks and votes with a single voice. In other areas, each member
state speaks for itself. The climate change negotiations are a case in point.
EU members have chosen to meet their commitments collectively through
a 'bubble' arrangement that will allow for a sharing of burdens that is not
available to other signatories. EU members are, similarly, seeking to harmonise the policies and measures that are deployed to reduce greenhouse gas emissions. None of that is objectionable. But when the EU seeks to use its 15 votes to limit the usefulness of alternative arrangements such as emissions trading that could allow others to lower their adjustment costs, it runs the risk of being seen as a spoiler. The point has already been made that if Europe wants to operate as a single entity then it should take the same approach when seeking to influence the outcome of international negotiations. After all, if the 50 states of America and the 10 provinces of Canada live with the geopolitical reality that they have only one vote in negotiating conventions and treaties, why should Europe have 15.

The environment is not the only area of international endeavour where the formation of the European Union and the tension between it working as a unified body and the individual aspirations of its members cause difficulty for others. While the expectation might be that the development of a Common Foreign and Security Policy in the EU would reduce the numbers of EU states standing for election to international bodies, the continuing reality is that this is not the case. Representation on United Nations bodies illustrates this point graphically. This is perhaps particularly so in the present debate about enlargement of the Security Council, where a proposal for expansion on the permanent membership side would see three EU states with permanent rights. But more broadly in the United Nations General Assembly context, those who are the "others" of the Western European and Others electoral grouping have found the EU working as a bloc to the detriment of fair and equitable rotation. The expansion of the EU has exacerbated this problem. New Zealand experienced this directly when we stood for election to the United Nations Security Council. We were the endorsed candidate of the CANZ group of countries - Canada, Australia, New Zealand - and in accordance with established rotational arrangements, should have stood unopposed. However, we had to deal with competition from two EU members for the two
WEOG seats, forcing us to expend considerable resource on our lobbying campaign to ensure our eventual successful election to the Council.

In the final analysis, however, the durability of the European Union and the ability of Europeans to succeed in a global culture will depend not on any one of the myriad directives that emanate from Brussels however empowering or enshackling they may be. Europe's future will depend on the extent to which it can sustain the allegiance of 370 million people whose cultural diversity is their strength. It is that sense of settled allegiance that has eluded a succession of hegemonists over the centuries - Franconian, Burgundian, Ottoman, Hapsburg, Prussian, Napoleonic or Soviet. The only model we have - and it lies outside the mental space of the late 20th century - is Christendom as medieval Europeans between the 12th and 14th centuries would have understood that notion. Its boundaries were never fixed and the basis of its authority was ecclesiastical not temporal. But its resonance lives on, in the physical fabric of Christian Europe and in the denominational orientation of millions of people to this day.

The last authentic echoes of this mind-set may well have been the response encountered by a traveller in Galicia in 1916 in the last moments of the Hapsburg world. Despite repeated questioning, he could not extract from a group of peasants any sense on their part of identifying with any particular nationality. Their response, repeatedly, to the question of nationality was denominational: "we're Orthodox". Finally, in exasperation, they explained "we're local". Their response was a vivid testament to the continuity and stability of life at parish level that spanned the continent, 20 or more languages and innumerable dialects. As Norman Davies has commented: "above all, the parish is the cornerstone of the ordered life of Europe's countryside. The villagers' ceaseless toil against the seasons has survived serfdom, plagues, famines, wars, poverty and the CAP".

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It is that sort of rootedness with which the European Commission in Brussels must deal. If globalisation is subversive of the nation state, there is no law of necessity that dictates an upward escalation in effective authority. Europe's diverse and local roots are as relevant today as they were when Richard I, the Lion-heart, of England and Philip II Augustus of France left Europe on the Third Crusade. I would argue that the single most powerful common currency that Europe has given birth to since that time is music. Its roots, in monastic plainsong, date from the heart of the middle ages. Europe's musical heritage is absolutely distinctive yet internationally and interculturally accessible. And it transcends the nation state, even when its creators lived amidst fierce and often violent interstate conflicts. No one would describe Palestrina or Bach, Mozart or Mahler as expressing purely parochial sentiments. The St Matthew Passion and the Magic Flute speak a language that continues to be as accessible in Beijing as it is in Bonn. Preserving the cultural conditions that can nurture that sort of spiritual intensity is far more important than the precise definition of chocolate or any of the myriad other classifications and standardisations over which the European bureaucracy labours.

As a New Zealander, European by culture, a citizen of the Asia Pacific world and resident in Polynesia, I want to embrace Europeans who are culturally and historically recognisable. As the first rays of the new millennium strike Pitt Island, both Maori and European sensibilities will be attuned to the global significance of the event. The setting will be, physically, the spent detritus of Gondwanaland. The spiritual territory will be Polynesian. But the cadastral location and timing of the event will be the result of unprecedented currents in the history of our species that can be traced back 500 years or more to the European peninsula and its offshore islands. Washed up on one of history's high tide marks, my ancestors left me to greet the new millennium with European eyes in a Pacific setting. Let us hope that Europe's leaders will make their culture, their skills and their commerce as freely available as their colonising ancestors did in the name of human progress some 160 years ago.