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Pertti Alasuutari

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REVIEW ESSAY

Globalization and the Nation-State: An Appraisal of the Discussion

Pertti Alasuutari

Department of Sociology and Social Psychology, University of Tampere,
Finland

1. Old wine in a new bottle?

Following and coinciding with a series of other 'izations' such as rationalization, postmodernization, commoditization and mediatization, globalization is now a hot word in the social sciences. Theories of globalization are supposed to shed light on the rapid political, technological and economic changes that especially the population of 'states in advanced capitalist societies' (SIACS, see Held *et al.* 1999:30) have experienced during the most recent decades.

As a trigger of a scientific discussion, the concept has proven very useful and interesting. Because globalization has been used to refer to a number of developments, it has allowed discussants from exceptionally many disciplines to join in. Everyone from economics and political science to anthropology and cultural studies has something to say about globalization, and therefore the abundant literature on globalization serves as an update on what the social sciences as a whole thinks about the present state of affairs. The exchange of views across disciplines that normally stay at a distance from each other will probably cross-fertilize future research.

Instead of suggesting how we should conceive of globalization as a process, I will here approach it from a sociology-of-knowledge perspective. How does it as a concept construct a view of present trends in world societies, and what are its uses and consequences for the social sciences? Why is it that the social sciences and humanities need new catchwords such as globalization every now and then?

Although I approach the globalization discussion from a constructionist point of view, I take a 'moderate' view. I do not claim that the changes referred to in the discussion are pure fiction. There certainly are real global trends and developments, although it must be said that they do not form a single dynamics of global social change. In addition to analysing the discussion itself as a sociological phenomenon, I assess the usefulness of the ingredients of the globalization discussion for making current developments intelligible. As a result of this 'double strategy', I argue that the discussion would benefit from two things. Theoretically, more reflexivity is needed. Globalization researchers should be better aware of their participant role in a continuous public, political discourse on social change, and on the political uses of the terms they use as analytical concepts. Second, proper empirical research on the causes and consequences of global changes on a local level are needed. To better illustrate what observations and insights such research might have to offer, in the last sections I describe what we found in a recent study (Alasuutari & Ruuska 1999) of the cultural dimensions of globalization as they appear in a single nation-state.

2. Grand theory, current concerns

What is globalization? The current abundant literature on the concept typically conceives of it as a process whereby a global network of interconnections and interdependencies uniting different countries and regions is getting more

and more dense (Tomlinson 1999:2). In a related fashion, Held et al. (1999:16) define globalization as 'a process (or set of processes) which embodies a transformation in the special organization of social relations and transactions – assessed in terms of their extensity, intensity, velocity and impact – generating transcontinental or interregional flows and networks of activity, interaction, and the exercise of power'. By global flows they refer to the movements of physical artefacts, people, symbols, tokens and information across space and time, whereas networks refer to regularized or patterned interactions between independent agents, nodes of activity, or sites of power.

Since globalization is defined in such a manner, it is obvious that the term globalization cannot only and specifically refer to the present state of affairs on the globe. The same developments that globalization theorists talk about today were already taken up for instance by Marx and Engels in their *Manifesto of the Communist Party*, dating back to 1848:

The bourgeoisie has, through its exploitation of the world market, given a cosmopolitan character to production and consumption in every country. To the great chagrin of reactionaries, it has drawn from under the feet of industry the national ground on which it stood. All old-established national industries have been destroyed or are daily being destroyed. They are dislodged by new industries, whose introduction becomes a life and death question for all civilized nations, by industries that no longer work up indigenous raw material, but raw material drawn from the remotest zones; industries whose products are consumed, not only at home, but in every quarter of the globe. In place of the old wants, satisfied by the production of the country, we find new wants, requiring for their satisfaction the products of distant lands and climes. In place of the old local and national seclusion and self-sufficiency, we have intercourse in every direction, universal inter-dependence of nations. And as in material, so also in intellectual production. The intellectual creations of individual nations become common property. National one-sidedness and narrow-mindedness become more and more impossible, and from the numerous national and local literatures, there arises a world literature.

To acknowledge that globalization actually refers to a process that has been going on for a long time, theorists refer to several waves of globalization. For instance, Held et al. (1999) distinguish premodern, early modern (1500–1850), modern (1950–1945) and contemporary globalization. Such a long historical per-

spective is, however, in contradiction with the fact that globalization is also assumed to be a concept that catches something particularly characteristic of the world we live in today. It is typically argued that contemporary globalization is somehow qualitatively different from earlier waves of globalization. Thus, for instance Tomlinson (1999:114) argues that we are talking about a rapidly accelerating process, and especially so from the early 1980s to the late 1990s. In this instance he refers to Chernobyl, the fall of the Berlin wall and the collapse of the communist world, the movement towards closer European unity, the deregulation of global capitalist markets exemplified in the 'Big Bang' of the London stock exchange, and several recent wars. All of these events have had an impact on people's lives across the globe, and they are brought into their living rooms via television. Several researchers also refer to the internet as a prime factor in causing 'de-territorialization' or 'time-space compression' (Harvey 1989). Similarly, Held et al. (1999: 429–431) name a whole list of features in support of the argument that 'contemporary patterns of globalization constitute a distinctive historical form which is itself a product of a unique conjuncture of social, political, economic and technological forces.'

3. Is there a single dynamic?

So far so good: we can argue that globalization refers to a long historical process, whose contemporary stage represents a 'distinctive historical form' with a 'unique conjuncture of social, political, economic and technological forces'. But what should be counted as its symptoms? Browsing through the pages of books on globalization makes one wonder what developments are *not* associated with it.

Globalization theorists are certainly in many ways right to argue that recent changes in political and economic development have been profound, not only from the perspective of the most developed countries but also on a global scale. But are all the recent changes due to contemporary globalization, and what is its dynamics as a process?

Some theorists argue that the economy is in the driver's seat. For economists and economic sociologists globalization is more or less equated with an increase in foreign direct investments. However, political scientists in particular remind us that increased cross-

border capital flows are made possible by political agreements which have liberalized financial markets and lowered economic protectionism. It is also worth noting that the collapse of socialism was also due to a mass movement enhanced by a general ideological disillusionment, not directly because of an economic crisis.

The more we reflect on all the varied aspects of the recent changes which have taken place in the world during the 1980s and 1990s, the easier it is to agree with Held et al. that contemporary globalization must be seen as a 'unique conjuncture' of many different forces. But by arriving at such a very general formulation, globalization theorists necessarily face the problem that they are saying nothing much at all. To quote a line from Bob Dylan's *Ballad of a Thin Man*: 'You know something is happening but you don't know what it is, do you, Mister Jones.'

I do not want to argue that the globalization literature is worthless when one tries to understand how times are changing. On the contrary, under that label there is a lot of interesting discussion about the present state of affairs on the globe all the way from economics, politics and culture to global warming. Being such an all-compassing concept, researchers from many different disciplines have taken part in the discussion and given their own contribution to it. Consequently, globalization has become a label under which one can also recycle many older problems and themes. For instance, within it we can discuss theories of modernization and the postmodern, critique Americanization (or 'McDonaldization': see Ritzer 1993, 1998), and question whether world cultures are becoming homogenous. There is a continuous need for world citizens and social scientists to discuss the changing 'spirit of the time', and the globalization discussion has been perhaps an exceptionally broad forum for such an exchange of views across geographic and disciplinary boundaries.

Yet it must be said that 'globalization' does not explain that much. In a way the concept is both too broad and too narrow. It is too broad in that within that concept discussants have talked about a great variety of phenomena, which are hardly related to a single process in any other ways than that they are simultaneous. Moreover, when globalization is defined as an ever-hastening process of interdependences, it refers to a centuries-old development, not particularly to present times. On the other hand the concept

is too narrow in that all significant recent phenomena can hardly be seen as outcomes of the process of increasing interdependencies.

To sum up, globalization does not really provide an explanation for recent profound changes in world societies. It is often used simply as a catchword to refer to poorly understood developments. It is fair to say that globalization is really just a name that refers to a plethora of recent phenomena in the world. However, instead of showing that they actually relate to each other and by what dynamics, globalization theorists not infrequently consider those phenomena as *effects* of globalization. Like in mythical thinking, the name of an unknown phenomenon becomes an explanation for the events it refers to and lumps together.

I do not mean to imply that there is a better theory to grasp the essence of recent global developments, a theory that make us really know what is happening. Although there certainly are several general, even global trends in world history, developments during a particular period (and in a particular area we might add) must always be understood (to again quote Held et al.) as a 'unique conjunction' of different causes. There can never be found a single process that accounts for everything that is going on during a particular period. The implication is obvious: to better understand what is happening we need empirical analyses of the complex processes taking place.

4. What is the globalization concept needed for?

Attempts to explain world history by a single dynamics are of course not unfamiliar in social thought. Marx's historical materialism is a prime example of such 19th century philosophy of history. However, given that we are now at the turn of the third millennium, one might wonder why they are still alive and well.

We suggest that the main reason for the appearance of ever-new 'ization' concepts like globalization has to be sought from the demands of the social science publishing market. Although we would benefit much more from empirical analyses than from grand theorizing, universal theory sells better. As book market customers we easily discard monographs analysing developments in a particular region, and instead choose to buy a book that promises to explain recent developments across the globe. Consequently, concrete empiri-

cal research is neglected, and attempts at more general analyses of recent times in different regions of the world are based on scarce empirical evidence or merely anecdotal examples illustrating the authors' theories. Therefore, at any time a sizable portion of social science publications discuss a trendy grand theory, typically an 'ization' such as individualization, rationalization, commoditization, or postmodernization.

Another reason for the success of globalization as a concept is its usefulness in justifying or criticizing political decisions. If and when economic globalization is conceived as an irreversible, law-like global process, national (typically neo-liberal) decisions can be justified by arguing that there are no alternatives to adjusting to global market demands. Alternatively, a national or international duty and necessity to defend precious things (such as 'national cultural heritage') against the evils of globalization can justify many kinds of political demands.

5. The problem of scarce case-analyses

Partly because of the grand theoretical nature of the discussion, partly for reasons embedded in globalization theory itself, empirical analyses of the prerequisites and processes related to globalization within nation-states or regions are scarce. Started by researchers interested in economics and in macro-sociological processes, much of globalization research deals with indicators of cross-border flows. Similarly, political scientists have approached globalization from a perspective that overlooks local processes at the expense of concentrating on global governance.

One reason for scarce empirical case analyses of the dynamics of social change in the 1980s and 1990s is probably the claim made in the discussion that the nation-state is an outdated unit of analysis in the face of globalization (Carnoy 1993; Sassen 1996). It is argued that, for instance, current international trade statistics no more tell that much about reality, because an increasing portion of imports and exports are due to internal trade between branches of global enterprises operating in different countries (Robinson 1998). Consequently, much of the empirical evidence supporting analyses of the causes and consequences of globalization is based on

scrutinizing the flows of money, people and culture across borders.

Although it is repeatedly stressed in the globalization literature that the nation-states are losing power to multinational enterprises and to non-governmental organizations, there is very little research about the social and cultural processes that that trend creates within nation-states, or the national political processes that have made global governance possible in the first place. For instance, how was an increase in immigration or a liberalization of financial markets made politically possible. What particular effects did different kinds of changes have in a country or region? How were they framed, interpreted, justified or criticized, and how did that in turn affect the political scene and economy? Questions like that are left unanswered.

6. Cultural dimensions

One would expect that the cultural globalization discussion addresses the complex cultural, local and global processes that changes in the world economy have caused. However, that is not the case. The discussion is circled around feared or hoped-for homogenization of world cultures. That discourse is employed to address the worries and embedded political interest people have about global capitalism, such as a loss of 'national identity' in the face of increasing flows of capital, culture and people across borders. On the other hand, those who hope that cultural globalization leads into a 'global culture' believe that 'multiculturalism' erases prejudices and racism, which are associated with strong national(ist) cultures. Most importantly, the discussion is stuck in the same cross-border flow perspective as economic globalization literature.

One of the old debates that the discussion has rejuvenated is that about cultural imperialism and Americanization (Holton 1998:166–172). According to the arguments presented in that debate, American companies have a predominant role in the ownership of 'the cultural industry'. The USA also has been claimed to hold a role in constructing a regulatory framework within culture and information industries that favours the US's interests. Moreover, it is argued that there is a more deep-going diffusion of (American-originated) cultural practices and social institutions throughout the world, referred to as 'McDonaldization' by George

Ritzer (1993). All this is claimed to contribute to an ever-thorough homogenization of world cultures (e.g. Thussu 1998), with the USA as the model.

The homogenization thesis has also been criticized. For instance, it is argued that it is capitalism rather than Americanization that is becoming globalized. Although many aspects of capitalism, such as Taylorist scientific management may be seen as originating in the USA, not nearly all social innovations have an American origin. Besides, it is pointed out, the global field is multcentred rather than dominated by a single centre. This also goes for the cultural domain. As Appadurai (1990, 295) points out, 'it is worth noticing that for the people of Irian Jaya, Indonesianization may be more worrisome than Americanization, as Japanization may be for Koreans, Indianization for Sri Lankans, Vietnamization for the Cambodians, Russianization for the people of Soviet Armenia and the Baltic Republics'. Similarly, Ang and Stratton (1996) argue that Australia is Asianing.

It has also been noted that, instead of homogenization, the world is facing a process of polarization. For Barber (1995), one of the adherents of this theory, the polarization is between McWorld and Jihad, between global consumer capitalism and retribalization, often linked with religious fundamentalism. For Huntington (1996), the polarization is between civilizations, especially between the West and an emergent Islamic–Confucian axis.

The polarization theory brings to the homogenization discussion the point that there is no conformity in the face of homogenizing forces; rather, the perceived threats of 'cultural imperialism' give cause for resistance. However, although the polarization theory at first sight seems to be markedly different from the homogenization thesis, it nonetheless implies that there are only a few 'cultural camps' on the globe. Besides, the assumed clash of those camps suggests that they are discursively defined in relation to each other. For instance, as Giddens (1994:100) has pointed out, fundamentalism, as an 'assertion of formulaic truth', can be seen as a reaction to the difficulties of living in a world of radical doubt.

The most prevalent counter-argument levelled against the homogenization thesis is that the same (imported) cultural products or adopted practices are interpreted differently in different cultural contexts. This point, adopted from cultural media studies and reception research, has led to the theory of hybridization.

Unlike many other areas of the globalization discussion, there is ample empirical research on hybridization. Inspired by writers such as Bhabha (1994), Hannerz (1987, 1996) Young (1995) and Hall (1992), many researchers have analysed how, along with migration, different cultural influences intermingle with each other to create 'hybrid' cultural forms (e.g. Appadurai 1996:89–113; Dolby 1999; Qureshi & Moores 1999; Stoddard & Cornwell 1999).

By taking 'exotic' examples in which obviously 'western' cultural influences intermingle with more 'traditional' or 'local' traditions, these studies seem to celebrate hybridity. However, at a more theoretical level these studies show that 'hybridization' is and always has been 'the ongoing condition of all cultures' (Rosaldo 1995:xv, referenced in Tomlinson 1999:143).

By emphasizing that there is no purity in cultural forms, studies of hybridization enable anthropologists and cultural studies scholars to enter the discussion by bringing in their contribution. In other words, globalization is a Trojan horse by which cultural researchers bring their own bravura to the agenda. Once again an old theme recycled in a new context.

There is of course nothing wrong in bringing to the fore a point that is still largely and unduly neglected in the social sciences, especially in the structural and economic sociology circles where globalization theory originated. The critical question is, however: what new things have hybridization brought to the discussion? Unfortunately one has to say, not much. If all historical cultures have always been hybrid, what is new, one has to ask (Tomlinson 1999:144). There is also the problem that the concept of hybridization itself evokes the myth of pure indigenous cultural forms, which are then supposed to be 'hybridized' along with globalization (Tomlinson 1999:141–149). In that sense the concept of hybridization is not a very effective way of making the point it wants to make.

7. The problem of 'cultures'

The discussion of the cultural dimensions of globalization suffers from the same problem as the rest of globalization literature. In its various guises, the debate is recycling old themes. One effect of this cultural globalization discourse is that one talks about cultures in the plural, and looks at them from without. This invites a

particular, common way to conceive of culture. As Hannerz (1999:401–402) puts it:

We have an old habit of speaking about 'cultures', in the plural form, as if it were self-evident that such entities exist side by side as neat packages, each of us identified with only one of them – this is indeed a timeworn implication of at least one 'anthropological culture concept'. And the notion of 'cultural identity' often goes with it.

Although the proponents of hybridization theory criticize and dismiss such a notion of culture, they are still caught up in the same cultural globalization discourse. Although emphasizing that cultural influences intermingle with each other all the time, the hybridization theory still implies a former purity of separate cultures.

The problem is that the cultural globalization discourse deals with culture as a sphere that is separate from other spheres, such as economy and politics. For instance, Tomlinson (1999:18) defines the spheres this way:

Very broadly, if we are talking about the economic we are concerned with practices by which humans produce, exchange and consume material goods; if we are discussing the political we mean practices by which power is concentrated, distributed and deployed in societies; and if we are talking culture, we mean the ways in which people make their lives, individually and collectively, meaningful by communicating with each other.

Such a distinction of different spheres or realms is very useful. It allows globalization theorists to analyse and assess each aspect of globalization neatly in a separate book chapter. The underlying notion of economy, politics and culture is also in line with common-sense conceptions of those concepts. However, this theoretical framework is not very fruitful for empirical analyses of how different changes that have taken place during the past decades interact with each other in a given country or region. How has an increased number of immigrants affected local politics and people's notions about citizenship and nationality? How have increased capital flows or strengthening regional alliances such as the EU, or national governments' reactions to them, affected local living conditions and in that way people's everyday practices and opinions? Questions like these are rarely asked, let alone scrutinized, in the globalization literature. When local effects of global changes (or vice versa) are discussed, the spheres are kept quite separate.

The division into spheres is particularly

problematic when talking about the cultural dimensions, because the assessment of the effects of cultural globalization on a nation-state level presupposes a notion of national cultures. In this way, researchers get involved in the construction of nationhood, wherein notions of national culture are a central ingredient. No wonder that, for instance, Held et al (1999:369) are careful when discussing the issue:

What is Swedish or German culture, how can we chart its changes? (...) Can we meaningfully gauge how Swedish the Swedes feel or how French the French? Even if we were able to do any of these things, could we track changes in the intensity of identification and relate it to shifts in cultural enmeshment? All of this line of argument rests on the assumption that there is in any case a definable, lived national culture. Yet we know that such an idea is, at least in part, an active ideological creation that masks profound cultural divisions of gender, race, class and region within a nation-state.

The same goes for practically all public discourses on culture. Aside from other political uses of the notion of culture, such as the defence of different 'cultural policies', the construction of a culture in the anthropological sense is quite often utilized in a nationalist or separatist framework. As to already-existing nation-states, the talk on a national culture does not seem to be ideological because it is taken for granted, but precisely because of its self-evident nature the discourses on the nation and national culture are a cornerstone of 'banal', everyday nationalism (Billig 1995; Brubaker 1992, 1996). Because the recent global changes are supposed to change the position of the nation-states in the world system, the common way in the discussion to use culture as an analytic concept is not a very wise choice. Rather, the discussion would benefit from following Hannerz's (1999:396) advice, according to which there should be cultural research that 'involves scrutinizing the uses of 'culture' and related concepts, and the assumptions underlying these uses, in public life.'

8. Toward a discursive view

Even if we accept the conclusion that globalization is really just a label under which scholars from different disciplines have tried to make sense of recent global changes, that does not allow us to say that globalization is pure fiction.

After all, the globalization discussion is part of

current social reality. As a discourse, it has real uses and consequences. It is referred to in interpreting, criticizing and justifying various kinds of events and facts.

These were the starting points from which we approached changes in the 1980s and 1990s in one nation-state (see Alasuutari & Ruuska 1999). We analysed empirically what took place in Finland in the 1980s and 1990s, and used the term globalization as a name given to those changes. In analysing the developments we were informed by the observations and points made in the international globalization discussion, but did not limit ourselves to only analysing the changes to which the discussion has paid attention. On the other hand, the term globalization has been part of those changes in another way: the globalization discourse is a resource from which researchers, politicians and ordinary people acquire interpretive frameworks, thus directing the public gaze and affecting the agents' reactions. Such a 'feedback loop' is part of all social change: the discourses within which observations are assessed are part of social reality.

In traditional structural theories social changes are normally explained by causal chains, thought to be triggered by different factors. For instance, the 1980s and 1990s turn has been explained by a financial or legitimation crisis of the welfare state, or then it has been suggested more vaguely that it was caused by a turn from modernity to postmodernity. Many other factors, such as the ideological influence of Thatcherism and Reaganism, or the effect of the collapse of Eastern European socialism, have also been listed.

Theories studying the dynamics of social change often neglect the fact that in social reality event A never leads to a reaction B without an observation and interpretation of event A; an interpretation which makes the reaction B seem plausible and rational. Publicly available interpretations about what is happening and what this or that event 'means' or 'implies' have a decisive role in directing history.

The role of interpretations may seem to be big or small, depending on how self-evident reaction B appears to be. Yet, even the most apparent causal relation between A and B requires interpretation, and in that sense, in social reality the links are not truly causal 'mechanisms' in the sense of natural science. Thus, explaining and anticipating the 'dynamics' of social change actually always entails interpretation of meanings.

As an example, let us consider the way in which the so-called market forces affect stock exchange rates. When dealers and their clients continuously follow world news, they do it in order to anticipate how other actors in the market are going to interpret this or that event. It is in the interest of each 'player' to guess others' reactions a bit earlier or at least to react to them fast, when a slide in this or that direction begins. In any case, when several actors draw the same conclusions from one or several events, the interpretation on which the conclusion was based becomes a reality in its own right.

In contemporary society there are, in addition to the economy, many other spheres of life in which there are occupations comparable to dealers in the stock market. It is in their interest to guess and anticipate how the public and the players in a field are going to react to this or that event. Consequently, such other 'markets' behave a bit like the economic market: an interpretation about how people are going to react to an event (and interpretations about what events are relevant) gains popularity, causing players in the field to anticipate it, and it thus becomes part of social reality.

Politicians are of course one such occupation: it is in their interest to smell the changes in attitudes and act accordingly. State and local commune officials who plan and legitimate policies are another related occupation. Sociologists and other social scientists are also one such occupation: they could be characterized as analysts for the 'dealer' occupations. From this perspective it is of course interesting to analyse interpretations and their role in spreading frames and discourses within which changes in any sphere of social reality are anticipated and reacted to.

In the study referred to above, we came to the conclusion that it is useful to conceive of the recent social changes referred to by the concept of globalization in terms of a threefold model. On the one hand we can talk about economic globalization, within which 'globalization means the expansion and deepening of market relations within and especially between the dominant political units, usually states', as Väyrynen (1997:1) puts it. The second aspect of globalization is the adaptive and protective measures taken by the nation-state governments, alone or together with each other, in the face of expected future developments. As a consequence of those measures, a sheer logic of market economy never becomes reality,

rather the outcome of complex processes is always to some extent unexpected. In this context one also has to bear in mind that the state-level decision-makers have also been an actor that has forwarded and protected economic globalization (that is, marketization). The third aspect of globalization are the social and cultural processes that economic globalization, and the changed economic and political conditions caused by reactions to it, have put in motion. By that we mean that agents other than nation-state governments have reacted to economic globalization and to policy changes. Changes in living conditions especially affect in various ways people's attitudes, ways of thinking and public opinion, which in turn affects the 'political realities' that decision-makers have to take into account in their activity. On the other hand such social and cultural processes can be considered as a condition for the very changes that took place in the 1980s and 1990s: there was a favourable political climate for them.

9. Globalization from a nation-state perspective

So what has actually taken place in a nation-state belonging to 'states in advanced capitalist societies', as Held et al. (1999) would classify Finland? As to the processes belonging to the third aspect of globalization, the scope of our study, we distinguished three intertwined developments. They are a decay of cultural homogeneity, an emergence of new solidarities, and a re-negotiation of hierarchies.

Of these three processes, put in motion during the 1980s and 1990s, the first two have also been taken up in the discussion. By the decay of cultural homogeneity we refer to the changes caused for instance by a remade 'mediascape' (Appadurai 1996), and by a growing immigrant population. Increased media competition brought about by the deregulation of state-owned broadcasting has divided the 'mass audience' into smaller audience segments, which means that not all Finns share the same programme contents, and therefore topics in their daily life, to the extent that they once did. A growing immigrant population contributes to the same development: there is a feeling of increased diversity within the population, which in turn affects the ways in which one conceives of Finns and Finnishness. By the emergence of new solidari-

ties, or 'patrias', we refer to 'imagined communities' (Anderson 1991) other than the Finnish nation-state. For instance, the point of reference of the members of global movements such as environmental movements is the whole globe. There is also evidence of strengthening local and ethnic identity among minority populations, such as the Saami people and the Swedish-speaking Finns.

As small and insignificant as these developments are, they are predictable in light of globalization theories. However, the first process we mentioned, re-negotiation of hierarchies, is poorly discussed in the globalization literature. Let us therefore discuss it at more length.

A great deal of the 1980s and 1990s changes discussed under the label of (contemporary) globalization have to do with the decreasing central planning and state-centredness of most advanced nation-states in the world. Recent changes are part of an international trend, wherein, starting in the beginning of the 20th century and continuing strongly after World War II, the era of great systems came to an end. The past era was seen as the building of state socialism in Eastern Europe and some other countries, whereas in Western Europe it meant the building of welfare states. World War II and the massive reconstruction following it still contributed to state-centredness, until from the 1970s onwards the tide turned partly for economic, partly ideological, reasons toward privatization. Following suit with the international trend started by Thatcherism in Britain, the state withdrew from many sectors of society. Branches of state activity were transformed into business companies, whose shares were then gradually sold to investors. In Finland this turn from administrative to market guidance did not begin in many sectors until the latter part of the 1980s.

The era of great systems was also an era of protectionism, but with national interests as its aim, it was not restricted to economy. One can talk about simultaneous cultural protectionism, with the objective to keep unwanted foreign influences at bay (Alasuutari 1996). The cultural elite of the newly independent Finnish nation-state cherished the idea of raising the educational standard and civilizing folk habits, and because of that it was considered necessary that national borders and foreign influences were controlled. In that way favourable conditions for internal control and popular education measures were created. The international competition regulations and especially the deregulation

lation of electronic mass communication as well as technological development – VCRs, satellites and new commercial television channels – have considerably weakened cultural protectionism. The educational objectives of the state-owned broadcasting system are challenged by commercial broadcasting companies, whose programme policy is based on market demand (for a more detailed discussion, see Alasuutari 1999).

When the great systems of the 20th century seemed to fail in a scientific planning of society, expertise was questioned (see e.g. Beck et al. 1994; Giddens 1990). In many branches of state administration, power has been delegated to local levels or directly to customers and consumers.

The weakening of state-centredness, accompanied by weakened cultural protectionism and expertise, has changed prevailing notions of a Finnish mentality. In more state-centred Finland, the centralized administration needed as its legitimation the myth of an uncivilized folk with bad taste and driven by hedonism, whereas the strengthening market guidance needs a more or less opposite conception of the nation's population. In market guidance citizens are considered as customers, who according to a well-known saying are always right. When privatization started, the old conception of the people had no more use in this respect. Instead, or rather beside it, was needed a new conception of the population as critical consumers, who need to be treated with respect.

The emphasis on people and citizens as customers can also be seen in attitudes toward art and popular culture. A strong belief in a universal standard of 'cultural capital' and good taste in modern nation-states been propagated by state-led educational and art policy. Through that policy, a distinction between art and mass culture, or between 'high' and 'low' culture, is institutionalized. Cultural products and activities that are considered educational, activating or otherwise advantageous for the people receive state support, whereas useless or harmful supply is left for the market to take care of, or the availability is restricted by legislation. The difference between high and low has, however, become more difficult to define and justify by objective criteria, and the replacement of political and administrative guidance by market guidance has made it imperative to reconsider value assessments. After all, the market increases such supply that has plenty of demand.

All in all, a re-negotiation of hierarchies characteristic of the recent changes affects not only values and attitudes but also, and perhaps more importantly, social hierarchies and their legitimation. In more state-centred societies, the position of the national elite is legitimated by good taste and 'cultural capital', whereas increased market guidance strengthens the position of a business elite, whose legitimation is based on other criteria. The distribution of power to regional and trans-national power centres such as the European Union also contributes to a re-negotiation of social hierarchies within nation-states. Moreover, the withdrawal of the state and the accompanying political decision-making system from many sectors of society changes the position of the general public. On the one hand, as critical customers demanding good service, people are considered to be more powerful, but on the other hand, fewer questions are decided in political forums. All of these trends contribute to questioning old received truths about social order and hierarchy, and to rebuilding a new organization and its legitimation.

10. Discussion

In this paper I have suggested a moderate double strategy to the globalization discussion, and that goes for the role of social and cultural theory in understanding social change more generally. As researchers trying to make sense of current developments, we have a lot of insights to gain from theory-builders, but in actual research one should not replace empirical analysis by a ready-made diagnosis of present times, by a theory which hangs everything on a single concept such as globalization. When starting empirical research, a researcher should be as well as possible informed by theory, but instead of merely illustrating or even testing the current theories, one should enter the 'field' with an open, curious mind. One should be armed with a toolbox of different methodological concepts (such as discourse, narrative, rhetoric, etc.), rather than with concepts that name and organize the 'field', the empirical reality for us.

The interest of the globalization theory in cross-border flows between nation-states and regions, and the insistence that nation-states are becoming an outdated unit of analysis, makes one overlook local processes, which are much more complex than those taken up in the

discussion. How different changes that are partly due to internal, partly global, forces intersect, how they are defined and interpreted (for instance within the discussion) and then reacted to, thus changing practices, institutions and mentalities, is scarcely researched. To provide examples of local cultural processes overlooked in the discussion, in the last section of this article I pointed out some of the processes related to the 1980s and 1990s changes in Finland.

Since it is clear that social change can never be captured or explained by a single process or concept, should we forget about globalization? Or instead, should the existing globalization theory be supplemented by findings that can be made by studying its 'local effects', thus making it better equipped to explain everything?

There is certainly demand for case analyses of social changes in different countries and regions, for instance about the prerequisites and effects of increasing global flows of money, people, technology, and cultural products. However, such research hardly contributes to producing a better, more comprehensive theory of globalization for two reasons. For one thing, since there is no direction in history, we cannot find a single dynamics that explains social changes in different parts of the globe or aspects of world societies. Secondly, and in a more sarcastic tone, new innovative empirical research will probably provide theorists with plenty of food for thought to come up with new 'izations'.

Instead of writing a premature obituary to the globalization discussion, which is still going strong, let me repeat what I said at the beginning of this article. The discussion has been very useful and interesting, and precisely because of its inter-disciplinary nature it will probably cross-fertilize future research in many fields. Much of it may be old wine in a new bottle, but it could also be characterized as a nice, well-balanced blending of interesting single-malt whiskies. It has succeeded in renewing our interest in world systems theory, and reminded us that the nation-state is just a historical formation, which must not be equated with 'the society'. What now needs to be reminded is that nation-states are still powerful units, especially as regards people's changing mentalities and identity construction. Although we must beware of considering 'national cultures' as fixed entities, and keep in mind that such a notion is part of banal, everyday

nationalism, it is also true that even in the present conditions a nation-state is probably the most important cultural system that each of us belongs to.

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