An economic giant, political dwarf and military worm? Introducing the concept of ‘transnational power over’ in studies of (the EU’s) power in IR

Fabienne Bossuyt
Aston University
bossuyfj@aston.ac.uk

Draft paper prepared for the 4th ECPR General Conference
Pisa, Italy, 6-8 September 2007
Panel “EU foreign policy”, NPN06, section 42

- Abstract -

This paper challenges the common depiction of the European Union (EU) as an economic giant, political dwarf and military worm. It argues that this depiction fails to acknowledge the EU’s structural power and the more subtle ways in which the Union exerts power in the international realm.

Building on Susan Strange’s theory of the United States (U.S.) as a ‘transnational empire’ and Stephan Keukeleire’s concept of ‘structural foreign policy’, the paper seeks to demonstrate that EU is more powerful than is still commonly thought. To account for the more subtle and indirect manners in which the EU exerts power on the global stage, the paper presents a new conceptual understanding of power, adapted to the present-day realities of globalisation, interdependence and post-Cold War order, notably ‘transnational power over’ (TNPO). Combining insights from Steven Lukes’s work on power with reflections from Susan Strange and other scholars of international political economy (IPE), the concept of TNPO captures the degree to which international actors are institutionally, materially and/or ideationally subordinate to or dependent on a dominant actor, making it difficult for them to resist its initiatives or turn down its offers.

The paper concludes by presenting a conceptual framework based on the notion of TNPO. The framework demonstrates how a dominant actor such as the EU can rely on its TNPO to negotiate favourable agreements, which in turn strengthen its TNPO.
1. Introduction

Former Belgian foreign minister Mark Eyskens famously stated in 1991 that Europe’s response to the Gulf War showed that the European Union (EU) in the global system added up to little more than an ‘economic giant, political dwarf and military worm’\(^2\). In the midst of the Kosovo crisis in 1999 Eyskens reiterated this image when reviewing the persistent inability of the EU to deal with the ethnic conflicts in former Yugoslavia despite the formal establishment of the Common Foreign and Security Policy (CFSP)\(^3\). Nearly a decade later, this depiction is still commonly used, largely inspired by the observation that the EU is able to act with a single voice on some – usually economic - international issues, but not on others, in particular those issues typically considered ‘hard’ politics\(^4\). The EU’s internal disagreement over the 2003 Iraq war seemed to indicate that little had changed in the twelve years following the previous Gulf Crisis, prompting scholars to conclude that the EU still suffered from its notorious ‘capabilities-expectations gap’\(^5\), despite the introduction and subsequent enhancement of institutional frameworks, including the European Security and Defence Policy (ESDP) and Mr Pesc.

This in turn reinforced the idea, both within the EU and outside, that the EU’s significance in international affairs and its scope as a foreign policy actor remained rather limited, especially in comparison with the United States (U.S.). This paper challenges such a superficial representation of the EU’s scope as an international actor and argues that it tends to underestimate the EU’s power in the international realm by its reliance on traditional notions of power and foreign policy. As a result, this depiction fails to

---

1 The paper is based on ideas outlined in an earlier paper, which I presented to ‘The International Role of the EU - New Patterns of Global Governance?’ conference at Aston University in Birmingham on 16 June 2007. As my paper presents ongoing research and work in progress, I strongly welcome comments.


4 While this paper challenges the proposition that the EU is a weak international power, it cannot be denied that when it comes to dealing with ‘hard issues’, the EU’s record is still rather poor. It is generally argued that this is in large part due to internal institutional fragmentation and the fact that the member states have difficulties to take on a common stance. This would explain, for instance, why the EU rarely or only in extreme cases uses ‘negative conditionality’, i.e. the application of sanctions, such as the withdrawal of benefits or concessions, which Smith (2005) attributes to differences among the member states stemming from their relations with the third parties in question, as well as diverging views on the use of sanctions (Smith, 2005, as read in Young, 2007: 403).

5 In conceptualising the international role of the EU, former US ambassador to Macedonia and Poland Christopher Hill introduced this theoretical device in 1993 - at the midst of the Bosnian civil war - to point to the gap that existed between the expectations that both Europeans and others had of the EU’s ability to intervene outside its borders, and the Union’s capabilities to do so (Hill, 1993; see also 1998).
acknowledge the Union’s structural power and the more subtle ways in which the EU has come to exert power in the global system.

Before Eyskens had even coined the above depiction, Susan Strange had already informed us about the extent to which power in the international realm had changed in the face of globalisation and international interdependence (see e.g. 1987). Strange demonstrated that power, being increasingly diffuse and involving a whole new range of (non-state) actors, had become much more difficult to observe, stressing that its new dimensions were less visible than the traditional notions of power. This implied, amongst other things, that it had become analytically difficult to draw a distinction between political and economic power (1987, 1988). In her attempt to refute the neorealists’ claim that the U.S. had lost its hegemonic power, Strange developed the notion of ‘structural power’ within international political economy (IPE) to point to the Americans’ undiminished predominance in the global system (Strange, 1987). In doing so, she illustrated that the orthodox approaches to international relations (IR) unnecessarily limited our understanding of power and of how it is exercised in the international system by concentrating almost exclusively on direct, agent-focused forms of power and the ‘relational power’ of one state over another. Strange stated that, given the transformation of the world system and world society, ‘structural power’ had become more important to an understanding of the international system than relational power (1989: 164).

Similarly, in his conceptual study of the EU’s foreign policy Stephan Keukeleire (2002) points out that analyses based on traditional notions of foreign policy and/or mainstream IR approaches tend to neglect certain dimensions of the EU’s diplomacy and external policies, thus underestimating the true scope of its external actions. Hence, using a wider view on diplomacy and foreign policy and extending the analytical focus from the CFSP to the wider range of the EU’s external policies and strategies allow us to arrive at a different assessment of the EU as an international actor, in the sense that we suddenly

---

6 ‘Relational power’ is conventionally defined as the ability of A to have B do something he would otherwise not do (see e.g. Strange, 1988: 24). In Krasner’s regime-centred definition, ‘relational power’ concerns “the ability to change outcomes or affect the behaviour of others within a given regime” (Krasner, 1985, as quoted in Guzzini, 1993).

7 Within an IPE context, Strange defines ‘structural power’ as the ability to shape and determine the structures of the global political economy within which others, i.e. states as well as non-state actors, operate (see e.g. Strange, 1988: 24-25). Other conceptions and definitions of structural power will be considered below.
come face to face with an actor that is a lot more powerful, or at least more active, than the
one presented in evaluations based on traditional notions of foreign policy (Keukeleire, 2003: 45; see also Whitman, 2002). Adopting such concepts as soft power, structural power and normative power opens up the analysis to new dimensions of power, such as the attractiveness of a state’s ideology and ideas to other states (i.e. soft power), the capability to shape and determine the structures, rules and institutions within which other states operate (i.e. structural power), and the capability to influence other states to the extent that they internalise the norms and values of the EU (i.e. normative power) (Keukeleire, 2003: 46). While numerous scholars turned their attention to the CFSP in the years after the Treaty on European Union (TEU) came into force, thereby focusing on the second pillar of the EU as the pillar “where the new European foreign policy might or should be developed”, the member states and EU institutions in fact downplayed their initial intention to concretise the CFSP from late 1994 onwards and instead started to outline a whole series of strategies, partnerships and action plans towards other regions in the world, which were for the most part based on the first pillar (Keukeleire, 2003: 45-6). As Keukeleire reveals, these strategies and partnerships – at least on paper - are “aimed at promoting a more favourable international environment by pursuing and supporting long-term structural changes, both in the internal situation of the countries concerned and in the interstate relations and general situation of these regions” (Keukeleire, 2002 & 2003).

Keukeleire’s argument seems to fit in well with a new generation of scholarship that depicts the EU as a novel type of international actor (see e.g. Leonard, 2005; Manners, 2002; McCormick, 2006; Whitman, 1998). As Lucarelli points out, “since the end of the Cold War\textsuperscript{8}, and particularly since the agreement of the [TEU], discussions of the EU’s relations with the rest of the world have changed. An increasing emphasis is placed on understanding, conceptualising and thinking more broadly about the EU as a political entity, which participates in world politics, and is partially constituted by that participation” (2006: 1). The present paper aims to contribute to this growing literature by building on Keukeleire’s insights on the EU’s ‘structural foreign policy’ and highlighting the structural dimension underlying the EU’s global power. At the same time, the paper

\textsuperscript{8} In this respect, Lucarelli talks of “the liberating effects of the post-Cold War academic environment” (2006: 1).
tries to overcome the “n=1” problem in EU scholarship, i.e. the EU-centredness, or focusing too narrowly on the specific character of the EU (cf. EU-specific concepts such as ‘capabilities-expectations gap’, Hill, 1993 & 1998; ‘normative power Europe’, Manners, 2002; ‘actorness’ versus ‘presence’, Sjöstedt, 1977, Allen & Smith, 1990). As a result, it is often difficult to use these case-specific explanations outside of the EU literature or when studying subjects other than the EU. In trying to overcome this “n=1” problem, I seek to contribute - in addition to the IR branch of EU studies - to the wider IR and IPE literature. I will do so by introducing a conceptual device that allows us to consider the structural power of dominant states – and by extension, of state-like polities such as the EU. In particular, it enables us to analyse how these actors can rely on their structural power to obtain favourable outcomes in the international realm, which in turn enhance their structural power.

This novel conceptual tool, which I have termed ‘transnational power over’ (TNPO), might be of particular interest to those analysts seeking to understand how states (or state-like polities such as the EU) wield influence in the face of the present-day realities of globalisation, interdependence and post-Cold War world order. Combining insights from Steven Lukes’s (1974; 2005) work on power with reflections from Susan Strange (1987; 1988; 1989) and other IPE scholars on structural power in the global system, the concept of TNPO captures the degree to which international actors are

---

9 This does not imply that I reject the idea of the EU being a *sui generis*. Rather, my reservations are turned towards the common proposition that the EU cannot be perceived as a state. While entirely accepting that the EU is in many ways a unique entity, I do, however, assume that its institutional set-up bears several resemblances with that of a modern federal state, such as the U.S., Canada or Switzerland. On this ground, I believe that it is sufficiently justified to analyse the external policies and relations of EU as if they emanated from a state, despite the Union’s particular institutional set-up. In addition, I am convinced that, in studying the EU as an international actor, we can obtain all sorts of new insights that contribute to a better understanding not only of the global system itself but also of how dominant actors within the contemporary global system operate. See more on this below.

10 Some would consider this to be a ‘weakness’ or ‘shortcoming’ of the EU scholarship. See e.g. Amy Verdun (2003) for a detailed account of this state of affairs. Note that the question whether or not the EU should be treated as a unique case, i.e. one that does not or barely stand comparison, is part of a much bigger debate on research ontology and methodology.

11 The concept draws on two conceptions of power. The element of ‘power over’ derives from Lukes’s conceptual understanding of power, which is essentially agent-focused but accounts for indirect, latent forms of power. The aspect of ‘transnational’ in turn builds on Strange’s seminal work on structural power. See section 3 of the paper for a more detailed outline.

12 Following the TNPO terminology, they could also be labelled ‘transnational actors’. In either case, they are not limited to states, but also include non-state actors, such as political institutions, experts, bureaucrats, think tanks, media, NGOs, large-scale corporations or even networks that exist between these actors.
structurally subordinate to or dependent on a dominant actor, making it difficult for them to resist its initiatives or reject its offers, which in turn reflects the structural inequalities inherent in the international system. The extent to which a dominant actor wields TNPO can vary significantly and reflects an actor’s dominance in a constitutive mix of institutional, material and ideational fields, with TNPO being the strongest when the actor is dominant in each of the three constitutive elements. However, the concept of TNPO can only hold on the assumption that the nature of power, whether intentional or unintentional, active or passive, is transnational. It is equally important to stress that concepts usually do not have an objective meaning independent from the theoretical or conceptual frameworks within which they are used (see e.g. Gale, 1998). An abstract concept such as TNPO thus becomes much more meaningful when embedded in a theoretical framework. Hence, the paper will conclude by presenting a (very rudimentary) conceptual framework based on the notion of TNPO. The framework serves to demonstrate how dominant actors such as the EU can rely on their TNPO to negotiate favourable agreements, which, in turn, strengthen their TNPO.

Before moving to the next section of the paper, we need to mention one final point. In challenging one-dimensional depictions of the Union’s global power, which tend to underestimate the real scope of its global power, I believe that using an interdisciplinary approach is much more helpful than upholding the division between IR, its various subfields (especially IPE) and the related branches of social and political sciences (e.g. political theory and philosophy). This follows Keukeleire’s and Strange’s viewpoint that combining insights from various subfields and disciplines allows us to discover “hidden” or “neglected dimensions” of power and foreign policy and to highlight the diversity, complexity and multifaceted character of power and its exercise in the contemporary global system (Keukeleire, 2002; Strange, 1988).

2. The myth of a weak Europe

Depicting the EU as an economic giant, a political dwarf and a military worm suggests that the EU lacks the sort of global predominance that characterises the U.S. While fully acknowledging that the U.S. is in many respects the world’s most powerful actor, I argue that the above depiction, common not only in diplomatic circles but also amongst
academics, tends to underestimate the EU’s global power. This misjudgement can be attributed to two – related - factors.

2.1. The predominance of neo-realist and neo-liberal perspectives

The first problem is that such an assessment of the EU’s position in the world relies mainly on traditional notions of power, which limit an understanding of the exercise of power by focusing almost solely on agent-focused or direct forms of power and the relational power of one state over another. However, Strange (1987; 1988; 1989) aptly illustrated that, in the contemporary world system, structural power and other modes of indirect power have become at least as important to an understanding of power as relational power (1988: 32; 1989: 164). As Keukeleire points out in his conceptual analysis of the EU’s foreign policy, “a fundamental problem” in the social sciences is that scholars “want to study observable and measurable facts and avoid phenomena and developments that are more difficult to observe and measure. The problem with several of the neglected dimensions of foreign policy is indeed that they are difficult to observe and measure” (Keukeleire, 2002). Both Strange (1988) and Keukeleire (2002) attribute the common failure of academics to look beyond traditional forms of power and of foreign policy to the predominance of rationalist - particularly neorealist and neoliberal - perspectives in studies of IR and IPE as well as the persistent use of an idealised image of American foreign policy as standard for analysing and assessing foreign policy. In using these approaches, analysts most often take central notions, such as power and foreign policy, for granted without further questioning their meaning nor the criteria and standards that are used for analysing them, which in turn creates a state of inertia within the scholarship. According to Keukeleire (2002), this inertia is reinforced in studies of European foreign policy by the fact that they are too narrowly concerned with the ‘European’ dimension of EU foreign policy (see also Whitman, 2002).

In understanding this state of affairs, it is useful to refer to social constructivists who point to the ‘performative role’ of power in our discourse, and more particularly, our

---

13 Note that IPE scholars (see e.g. Gill & Law, 1989; Caporaso, 1978) have adopted the concept of structural power more widely than their IR counterparts.

14 Similarly, in contextualising Eyskens’s depiction of the EU, it is important to point to the dominance of neo-realism in political and diplomatic circles.
political discourse (Guzzini, 2005). As Guzzi (2005) puts it, “what [power] does when it is used can have significant consequences”; indeed, how we conceive of power makes a difference to how we think and act in general, and especially in political contexts (Guzzini, 2005). Moreover, defining and attributing power is itself an exercise of power, and hence part of the social construction of reality\(^\text{15}\) (Guzzini, 2005). This insight prompts Guzzi to dismiss (neo)realists’ inherent conservative bias as a disciplinary ritual and expose their lack of historicity, which legitimates the status quo power relations (Guzzini, 1993: 475). Pointing to the ‘detrimental effect’ on IR theorising of neorealism and other positivist-inspired approaches, Joseph emphasises that by focusing on law-like regularities and predictable outcomes, mainstream IR presents a reified view of the social world, which excludes underlying structures, causal mechanisms or constitutive processes, and thus hides the real nature of the international system (Joseph, 2007; also see Gruber, 2001). Similarly, rather than discarding mainstream IR approaches, Gruber calls for attempts to supplement the neorealist and neoliberal paradigms by “elaborating their rational choice logic\(^\text{16}\) in ways that can encompass the kinds of power dynamics that would appear to be at work in the real world and yet have, to this point, been largely absent from scholarly analysis and debate” (Gruber, 2001). In a similar vein, critical theorists such as Robert Cox reject the assumption that the world can be understood objectively, arguing that the analysts’ ideas and values are always embedded in their political and social observations (Cox, 1981 & 1989). In Cox’s words, critical theory\(^\text{17}\)

\(^{15}\) Similarly, Lukes argues that the unending disagreements about how to define and study power are in part moral and political, because how much power you see in the social world and where you locate it depends on how you conceive of it (Lukes, 2005b: 12).

\(^{16}\) Gruber points specifically to the influential work on international cooperation of Robert Keohane and his followers. Rational choice (also labelled neo-liberal) institutionalists, such as Keohane, assume that actors (including nonstate actors) seek to do what is in their best interest. Unlike overly atomistic conceptions of rational choice logic, rational choice institutionalists argue that actors’ choices are limited by a number of factors, such as partial information, bounded rationality, partial knowledge and institutional constraints (Shepsle 1989: 138-139). See e.g. John Odell (2003), who uses a rational choice institutionalist framework to explain the variance in outcomes between the WTO ministerial meetings held in Seattle in 1999 and Doha in 2001.

\(^{17}\) Note that critical theory within the discipline of IR covers a diverse range of theoretical models, including (neo-)Marxist, dependency, world systems, (neo-)Gramscian, feminist and postmodern approaches. While each of these theoretical frameworks shares the general purpose of critical theory and is preoccupied with relations of domination and social struggle, substantial differences exist among them over the progressive or regressive role of capitalism in development, the structure of the international system, the role of the state and the importance of international institutions (Gale, 1998; Eschle & Maiguashca, 2005).
stands apart from the prevailing order of the world and asks how that order came about. Critical theory, in contrast to problem-solving positivist theory, does not take institutions, social order and power relations for granted, but calls them into question. However, as Keukeleire points out, critical theory and other subfields of IR, such as IPE, remain for the most part “isolated academic ‘islands’, with their insights and perspectives influencing mainstream IR literature and foreign policy analysis only to a limited extent” (Keukeleire, 2002). Therefore, in order to expand the scholarly knowledge of both EU foreign policy and foreign policy in general, Keukeleire urges his colleagues to engage with such subfields, as they allow not only “to discover ‘hidden’ or neglected dimensions of foreign policy” but also “to highlight the diversity, complexity and multidimensional character of foreign policy – in opposition to the dominant one-dimensional vision of foreign policy” (Keukeleire, 2002).

2.2. Structural transformations of the global system

The second problem that contributes to misjudgements of the EU’s power is that, by relying on traditional notions of power, assessments of the Union’s influence on the world stage largely fail to take into account the extent to which the international system has changed in the past decades. Strange (e.g. 1987) was one of the first to point to the growing complexity and diversity of the international system in the face of globalisation and interdependence. Now that a whole range of new (in particular non-state) actors populate the world stage and states increasingly institutionalise cooperation with one another through international organisations and regimes, the nature and exercise of power in the global system have become ever more diffuse and ‘transnational’, as Strange (e.g. 1987) labelled it. The observation that states no longer have the monopoly over power prompted Strange to look for new ways of examining how power is exercised in the global system (Strange, 1988: 34). In doing so, she nevertheless predominantly looked at power from the viewpoint of states, arguing that as long as policy-making power rests with the state (and/or the supranational or intergovernmental level in the case of the EU), powerful transnational players, such as commercial banks and the oil business, will be subject to state authority (Strange, 1989: 168; see more below). In elaborating the proposition that structural change in the global system had severed the connection
between the power of the state and its control over territory, she analysed, amongst other things, how state authority in a ‘nonterritorial empire’ such as the U.S. had impact on ‘people’, (e.g. consumers), rather than on ‘land’ (Strange, 1989: 170). But while her work on the transnational power forces underlying the global system made a significant contribution to the development of IPE, Strange’s unorthodox realist approach inspired only some of her IR colleagues, most of whom simply maintained their concern with power exercised by and between states, to the exclusion of other actors, such as transnational companies (TNCs) and nongovernmental organisations (NGOs).

Equally salient for our paper is Strange’s observation that the structural change that interdependence and globalisation have provoked in the global system has made it hard to distinguish between economic and political power\(^\text{18}\), which further undermines the depiction of the Union as an economic giant and a political dwarf. As Guerrieri and Caratelli (2006) indicate, the globalisation process has had an impact on the world that goes far beyond the economic sphere, also encompassing the political order. Power relations between countries and regions are increasingly determined by their economic strength, as well as the penetration of markets (Guerrieri & Caratelli, 2006). This becomes particularly clear when considering how globalisation has emphasised the emergence of new world powers, most prominently China and India, who are posing huge socio-economic challenges on the ‘old’ global players, including the EU. In terms of wealth creation, the Union has until now benefited greatly from globalisation. This is partly thanks to the EU’s prominent position in the world economy, which to some extent allowed it to determine how globalisation is shaped, but also because it has adjusted so extensively to the new environment. Indeed, the implications of globalisation were one of the factors driving the drastic transformation that the EU underwent in the past twenty years, which saw it develop from a custom union to a single market into an economic union. Yet, with China and other new players putting European economic competitiveness under pressure and in maintaining its current level of economic wealth and social welfare, the EU has little choice but to continue to adjust to the changing environment. Young (2007) illustrates that one way of doing this is reflected in DG

\(^{18}\) Note that the dissatisfaction with the failure (or reluctance) of IR scholars to acknowledge this led to the development of IPE as a subdiscipline of IR.
Trade’s attempt to pioneer ways of ‘Harnessing Globalisation’\(^{19}\), as former trade commissioner Pascal Lamy coined the initiative. In pursuing this strategy at the World Trade Organisation (WTO), where the Union has advocated an ambitious agenda for the establishment of a rule-based system of trade governance, the EU emerged both as an important player in shaping global trade governance and as an example of how deeper trade integration might be achieved (Young, 2007: 387). Under Lamy’s successor, Peter Mandelson, this approach now seems to have been extended to the bilateral and regional level of trade negotiations, particularly in the face of the limited progress – or limited success - achieved in the Doha Development Agenda (DDA), i.e. the current round of WTO negotiations (see e.g. Woolcock, 2007).

Returning to Strange’s remark about the difficulty to distinguish between economic and political power, the EU’s involvement in the international trading system provides many more examples that indicate how the Union has come to use its trade power to serve political goals and how it seeks to reconcile political and economic interests (see e.g. Van den Hoven, 2006; Woolcock, 2005; Sapir, 1998 & 2000; Young, 2007; Meunier & Nicolaïdis, 2006; Szymanski & Smith, 2005; Guerrieri & Caratelli, 2006). Including clauses on the respect of human rights and democratic principles in recent comprehensive trade agreements concluded with Mexico\(^{20}\) and Chile, for instance, shows that commercial relations alone cannot explain the EU’s interest in negotiating these trade deals (Szymanski & Smith, 2005; Guerrieri & Caratelli, 2006). As Guerrieri and Caratelli (2006) demonstrate, the spectacular growth of bilateral and regional trade agreements over the past decade has been determined by a variety of causes and many of them are not strictly economic. This certainly has not been any different for the EU’s

---

\(^{19}\) In *harnessing* globalisation former EU trade commissioner Lamy sought to anticipate the harmful effects of globalisation, which, “if left to its own devices, [was] potentially damaging” (see speech Lamy, 2001). In advocating this approach at the WTO, which Lamy claimed would ensure that WTO member states could more equally benefit from the gains that globalisation had to offer, Lamy went ahead with the plan of his predecessor, Leon Brittan, to rally support for a comprehensive ‘Millennium Round’. Lamy announced that the anticipation of harmful effects was to be obtained by further regularising the international trade regime, thus reinforcing the gradual move in international trade politics from negative integration (i.e. removal of trade barriers such as tariffs and quota) to positive integration (i.e. harmonising trade rules) (see Van den Hoven, 2005; Meunier, 2007). In addition, since the EU has proved to be such an efficient and successful example of deep trade integration, the EU was to serve as a model, determining the lines along which the harmonisation of trade rules should take place.

\(^{20}\) The free trade agreement with Mexico even saw the establishment of a political dialogue between the Union and Mexico. Establishing a political dialogue is one of the instruments of what Keukeleire (2002&2003) terms the Union’s ‘structural foreign policy’. See more below.
ambitions in concluding trade deals; indeed, several scholars note that the EU has increasingly used its external trade policy as a sort of alternative foreign policy, demonstrating how strategic and security factors, amongst other more commercial factors, drove its decision to conclude trade agreements with Eastern European and Mediterranean countries, such as Bulgaria, Romania and Morocco (see e.g. Woolcock, 2007; Sapir, 1998 & 2000; Young, 2007). When assessing the EU as a global power, it thus seems essential to take these observations into account. Or to put it differently, ignoring them will lead to a misjudgement, and in particular, an underestimation of the true strength and designs of the EU as an international actor.

The end of the Cold War and the fall of communism at the start of the 1990s triggered another structural transformation affecting the nature and distribution of power at the global level and, as such, reinforced the extent to which power relations between states was changing. While power competition during the Cold War era was still predominantly centred on traditional military and defence issues, power relations in the post-Cold War order are increasingly determined by non-military factors, including economic strength (e.g. China and India) and strategic issues, such as oil and gas reserves (e.g. Venezuela and Russia). In Europe, the end of the Cold War revived the debate of a ‘civilian power’, i.e. an international power that favours an approach based on civilian rather than on military means both in dealing with conflicts and threats and in its external relations more broadly. In the words’ of Whitman (2002):

> In the twilight of the end of the Cold War and before the conflicts of former Yugoslavia were in their ascendancy, there was something of a renaissance of the concept of civilian power. Arguments were rehearsed about a change in the structure and substance of international relations that suggested a changing landscape in which civilian forms of power were more appropriate.21

Military capabilities may still be the ultimate reflection of a state’s power, which a government can resort to in times of ‘war’ and which it can use to coercively threaten ‘non-compliant’ states, their usefulness in dealing with security-related and other

---

21 The basis of the theoretical renaissance of Duchêne’s concept of civilian power lies with Maull and his in-depth study of Japan’s and Germany’s behaviour as foreign policy actors (Maull, 1990). For the application of the concept of civilian power to the EU, see e.g. Burckhardt (2006) and Orbie (2006).
challenges is far from absolute, as was made particularly clear by the Vietnam war in the sixties and seventies\(^{22}\). More recently, military superiority not only failed to lead Israel to victory over Hezbollah, it has also proved hugely insufficient in the U.S. attempt to put in place a new and stable regime in Iraq. Today, perhaps, more than ever, military means appear rather inadequate in facing global challenges such as climate change and Islamic fundamentalism. Depicting the EU as a military worm may well reflect the Union's persistent dependence on American leadership in dealing with military challenges (despite the Union’s efforts to overcome its institutional limits and tentatively develop a European defence identity, cf. the ESDP), it disguises the fact that over the last decade the EU has had a growing impact on its neighbourhood, and managed to stabilise the situation in South Eastern Europe in the wake of the NATO interventions in the 1990s (see e.g. Whitman, 2002).

However, in order to grasp this sort of indirect power, as is mentioned above, we need to move beyond traditional notions of power and expand the research focus from the CFSP to the broader range of the EU’s external relations. In doing so, Keukeleire (2002) and Telò (2001) use the concept of ‘structural foreign policy’ to capture how these EU policies, which are less visible than traditional diplomacy and ‘high politics’, often result in very successful outcomes. In addition, in conceptualising ‘structural power’, Strange noted that, both conceptually and in practice, power can also be defined in more gradual terms, in which power is to be interpreted more in terms of influence, which leaves some degree of freedom for the actors subject to it (Strange, 1988: 25-31). Building on this insight, Keukeleire defined structural foreign policy as a policy, which “aims at influencing in an enduring and sustainable way the relatively permanent frameworks within which states relate to each other, relate to people or relate to corporate enterprises or other actors, through the influence of the choice of the game as well as the rules of the game” (Keukeleire, 2002; emphasis added). That such power or influence is indeed less ‘visible’ was aptly described by Strange, who remarked that “the range of options open to the others will be extended by giving them opportunities they would not otherwise have had. And it may be restricted by imposing costs or risks upon them larger than they

\(^{22}\) As Lukes remarks, having the means of power, such as a great army, is not the same as being powerful. He emphasises that “power is capacity, and not the exercise or the vehicle of that capacity” (Lukes, 2005b: 70). See section 3 for a more detailed account.
would otherwise have faced, thus making it less easy to make some choices while making it more easy to make others” (1988: 31). This interpretation of power comes very close to Lukes’s understanding of latent power [This will be discussed at length in section 3]. Telò in turn defined the EU’s structural foreign policy as a policy that affects “particularly the economic and social structures of partners (states, regions, economic actors, international organisations, etc.) [and] is implemented through pacific and original means (diplomatic relations, agreements, sanctions and so on), [of which the] scope is not conjunctural but rather in the middle or long range” (Telò, 2001: 26).

A growing body of literature on the EU’s external relations demonstrates these subtle yet extensive ways in which the EU intervenes on the global stage and points to its growing impact in the international realm despite its limited military capability. Many of these studies focus on the EU’s pursuit of bilateral, regional and multilateral trade agreement as a way to gain more influence (see e.g. Van den Hoven, 2006; Woolcock, 2005; Sapir, 1998 & 2000; Young, 2007; Meunier & Nicolaïdis, 2006; Szymanski & Smith, 2005; Guerrieri & Caratelli, 2006). Others analyse the EU’s policies towards specific countries or regions. In the past few years, particular attention has been paid to the countries in the EU’s Eastern ‘neighbourhood’, generally perceived as the area where the EU wields most influence (see e.g. Delcour, 2007; Haukkala, 2006; O’Brennan, 2007). Still others look at the Union’s relations with and strategy towards other regional groupings and associations, and investigate the EU’s ‘interregional’ approach, which, as Hettne & Söderbaum (2005) point out, has become an important component of EU foreign policy and external relations (see also Aggarwal & Fogarty, 2004). Most recent amongst these interregional initiatives is the EU’s attempt to conclude a comprehensive free trade agreement (FTA) with the Association of Southeast Asian Nations (Asean). Prior to the actual negotiations of the FTA, which are scheduled to start early next year, the EU is currently negotiating partnership and cooperation agreements (PCAs) with individual Asean member states as a requisite of its negotiation for a comprehensive FTA with the regional bloc. The fact that these PCAs cover a range of non-economic areas, including migration, human rights, development assistance, cooperation on the

---

23 Asean groups Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.
fight against terrorism and good governance, demonstrates that commercial interests alone cannot explain the EU’s preoccupation with this region and reinforces the assumption of the Union being a ‘value-driven foreign policy actor’ (see e.g. Lucarelli & Manners, 2005).

2.3. The EU - a transnational empire?

The observation that the EU seeks to project its values and norms, whether globally (e.g. within the framework of the WTO), regionally (e.g. Asean), or bilaterally (e.g. EU membership candidates such as Croatia or Turkey) has raised some scepticism amongst observers, who point to the potential (albeit possibly benign) imperial or neo-colonial implications attached to the Union’s attempt to export its model to other parts of the world and ‘advise’ these ‘partners’ what political, economic and social institutions they should have (see e.g. Nicolaïdis and Howse, 2002; Diez, 2005; Hettne & Söderbaum, 2005). Manners’s claim that the EU’s particular normative difference pre-disposes the Union to act in a normative way can thus be critically interpreted. This goes to show, among other things, that we need to consider the concept of Normative Power Europe (NPE) – plus that of Civilian Power Europe – as ‘complementary’ to other ideal types or explanations of the EU’s international role, as Manners (2002) in fact emphasises himself. The concept of NPE, for instance, cannot explain why the Union thwarts its own rhetoric and is sometimes found to ‘impose’ its norms or values on others through negotiations that are held in an asymmetric way rather than in a genuinely dialogical manner (see e.g. Hettne & Söderbaum, 2005). This demonstrates that the EU, like

---

24 Manners highlights that the EU’s normative difference comes from its historical context, hybrid polity and political-legal constitution (Manners, 2002). In explaining what this difference constitutes, he states that the EU is normatively different to other political actors not only because the norms that inform the EU’s foreign and development policies hold a commitment to individual rights and principles that are in accordance with the universal declaration of human rights (UDHR) and the European convention on human rights and fundamental freedoms (ECHR), but also, and even more so, because the Union is reluctant to use of force as an instrument to advocate these norms (Manners, 2002).

25 This is even more so since new global players such as China and India do not accept the EU’s claim that it is well-placed to lead by example. China, for instance, does not appreciate the EU’s attempt to tell Beijing how it should act, as the Union tends to do in the fight against climate change. Similarly, India does not like to be told by the Union to respect human rights and is now trying to convince the EU to exclude the human rights clause from the free trade agreement that the Union is currently negotiating with New Delhi. Moreover, when asked why they are increasingly trading with China, African countries do not hesitate to point out how much they enjoy the feeling of ‘being treated like equals’, as opposed to their conditioned agreements and relations with the EU (see e.g. Wissenbach, 2007).
previous or other ‘empires’ may use its power both constructively, i.e. to the benefit of others, and destructively, i.e. adversely affecting others. It is not because the EU tends to rely on non-coercive and peaceful means that the impact of its power cannot be damaging to others. This also holds for the impact of the Union’s structural power: in determining the structures within which others relate to one another, or in setting the framework within which others operate, the EU influences the range of options available to these other actors. And in doing so, the EU can limit others’ choices (negative effect), but it can also increase and even create opportunities that the other actors would otherwise not have had (positive effect). However, since this type of power is more indirect and thus less visible, it is difficult to assess the process as well as the outcomes of it. We will come back to this in the next section when we discuss the multidimensionality of power and when introducing the notion of TNPO. Nonetheless, in moving to Strange’s theory of ‘transnational empire’, we can conclude that it is necessary to consider the structural power of such an influential international actor as the EU, not least because it remains all too often overlooked in scholarly assessments of the Union.

When scholars point to the imperial tendencies of the EU, the recourse to the metaphor of ‘empire’ most often holds a reference to empires of the past, usually the Roman empire or the British empire of the 19th century. Much less reference is made to the postmodern notion of the ‘deterritorialised empire’, a metaphor that is more commonly applied in the context of the U.S.26. One such application comes from Strange, who developed a theory of ‘transnational empire’ in the late 1980s to demonstrate that the U.S. power was not in decline, contrary to what many of her colleagues27 claimed (Strange, 1989). I argue that we can use some elements of her theory to demonstrate that

26 Note that studies, which use the metaphor of ‘empire are not always clear about what empire they exactly have in mind. The confusion becomes even greater as scholars find it hard to agree on the precise meaning of the term ‘empire’. In her theory of ‘transnational empire’, Strange avoids this semantic problem by inviting the reader to use the label he thinks is best suited for what she understands under ‘empire’ (1989: 172).

With respect to studies of U.S. power, Telò (2006) argues against using the term ‘empire’ as a metaphor. Drawing comparisions with the empires of the past, he claims, is “dated and caricatured” because, whether used to demonise or in apologia, “such accounts ignore the various signs of internal fragility and political contradictions that are growing with unprecedented clarity” (Telò, 2006: 16). With respect to the expression of ‘deterritorialised empire’, he argues that it “remains so obsolete and imprecise a term that it does not stand up to empirical or theoretical scrutiny, or else merely refers us back to more pertinent concepts of hegemony and the hegemonic state” (Telò, 2006: 18).

27 In particular, Strange refuted neorealist claims based on hegemonic stability theory.
the EU is more powerful than is still commonly thought. To show that American power was still undiminished, Strange started her argument by pointing out that the U.S. was dominant in each of the four basic structures\textsuperscript{28} of the global political economy (GPE), i.e. production, security, finance and knowledge, which she identified as the four societal needs in the contemporary world economy. Following Strange’s proposition that each of the structures is interrelated with the other three, power in one will tend to reinforce the other three (Strange, 1989: 165). As Strange elaborates, “who or what provides for these needs in the world society enjoys structural power through the capacity to determine the terms on which those needs are satisfied and to whom they are made available” (Strange, 1989: 165-6). However, to understand that the U.S. indeed provides for these four basic needs and is hence still the supreme world power, Strange asserts that we need to take into account that structural change has severed the connection between the power of the state and its control over territority. Therefore, Strange considers the U.S. in terms of a ‘transnational’ or ‘nonterritorial empire’\textsuperscript{29}, with its imperial capital in Washington, D.C.

As Strange puts it:

While imperial capitals once used to draw courtiers from outlying provinces, Washington draws lobbyists from outlying enterprises, outlying minorities, and globally organised pressure groups. Authority in this nonterritorial empire is exercised directly on people – not on land. It is exercised on bankers and corporate executives, on savers and investors, on journalists and teachers (Strange, 1989: 170).

In outlining American hegemonic power Strange distinguishes between U.S. influence over its neighbouring states, and the U.S. influence that reaches beyond its backyard, where the American empire, in Strange’s formulation “is really nonterritorial” (Strange, 1989: 170). In the former case, U.S. structural power is the strongest. In comparing the U.S. transnational empire to the very traditional former Soviet empire, Strange stresses that those “American client states” in North and Central America and the Pacific and

\textsuperscript{28} Strange had already identified these four structures in her earlier work on structural power. See e.g. Strange, 1987 & 1988 for more details.

\textsuperscript{29} Note that Strange’s concept of empire is more ‘territorialised’ than other postmodern interpretations of the concept, which grant a more central role to transnational companies, transnational elites and/or (neo)liberal ideology in shaping and determining the empire and assume the empire to be ‘global’ rather than ‘American’. See e.g. Hardt & Negri (2001).
Caribbean islands\textsuperscript{30} have a degree of freedom to choose, which is substantially greater than that of the former Soviet client states of Eastern Europe, such as Poland and Hungary. The latter case essentially consists of influence that affects ‘people’ from across the globe. They include consumers of American or Americanised products, employees of large transnational corporations, academics and scientists “who look to U.S. professional associations and universities as the peer group in whose eyes they wish to shine and excel” and people employed in the media “for whom U.S. examples have the way” (Strange, 1989: 171). The U.S. draws this influence from its predominance in the four structures of the GPE, a predominance that stems for a large part from the dominant position of American-owned transnational companies (TNCs) within the world markets and industries (e.g. the dominance of US corporations in news and entertainment and in the IT sector). However, as Strange stresses, the empire might well be transnational in nature and scope, its power base remains central, i.e. in Washington D.C., not because the city hosts the headquarters of those corporations, but rather because it is where American policy-making takes place. Indeed, as Strange clarifies, as long as policy-making power rests with the U.S. and laws can be changed, these companies are subject to state authority (1989: 168). Because structural power is situated at the systemic level, it is important to highlight that structural power can have unintended effects on a third party, which occur because of a dominant actor’s dominance within the system.

Clearly, more than fifteen years after Strange presented her theory of a transnational empire, U.S. structural power in the GPE is still preponderant. However, in the mean time, not only has the global system undergone a major transformation following the end of the Cold War, but also the EU has changed significantly, to the point that it now groups several of the former Soviet states, counting a total of 27 member states, and constitutes no less than an economic and monetary union (EMU)\textsuperscript{31}. While in the 1980s there was widespread concern within Europe about its failure to meet the economic challenges posed by the U.S. and Japan, a concern that led to much talk of Eurosclerosis, the changes since then have created a different set of circumstances, which

\textsuperscript{30} For a detailed account of the U.S. structural power over the Caribbean, see Payne, 2000.
\textsuperscript{31} Note that not all member states participate in the EMU. Whereas the United Kingdom, Denmark and Sweden have opted out of the EMU, others are still in the process of trying to meet the criteria necessary to join the EMU.
allows the Union to have its own share of structural power in the GPE. In all but one of
the four GPE structures - as defined by Strange - the EU has become a very significant
power. Indeed, only in the field of security, the EU still comes nowhere near the
leadership position of the U.S., although, as already mentioned, this should not
automatically be considered as a sign of weakness. McCormick, in assessing the Union’s
economic strength, gives one of many apt illustrations of the powerful position of the EU
in the production structure:

European multinational corporations have become increasingly aggressive in pursuing
targets outside the EU. The EU is the source of two-thirds of all foreign direct investment
flowing into the United States, with millions of American jobs now reliant on European
investment. The 1998 merger between Chrysler and Germany’s Daimler was symbolic of
the inroads being made into the U.S. market by European corporations. […] The strength
and the possibilities of the European market are reflected in the unprecedented surge of
corporate takeovers and mergers that has occurred in the EU since the mid-1980s, notably
in the chemicals, pharmaceuticals, and electronics industries. These have made the EU
the biggest mergers and acquisitions market in the world (McCormick, 2005).

The EU’s growing structural power in the financial structure is highlighted in another
quote from McCormick:

The conversion to the euro by 12 of the 25 member states (which among them account
for 74 per cent of the GDP and 67 per cent of the population of the EU) has underpinned
the economic weight of Europe by giving it a currency that stands alongside the U.S.
dollar and the Japanese yen in terms of credibility and influence. […] The U.S. dollar is
used by 285 million Americans, while the euro is used by 304 million Europeans, with
the promise of more to come. Governments and corporations are increasingly borrowing
in euros, nearly 40 per cent of foreign exchange transactions are now carried out in euros,
central banks are holding more of their reserves in euros, and euros are increasingly used
by consumers outside the euro zone, notably in Eastern Europe (McCormick, 2005).

As you can see, the data in these illustrations are no longer up to date. Allow me to note
that a more accurate and extensive illustration of the Union’s structural power within the
GPE will be included in a following version of the paper. There I will elaborate, amongst
many other things, on the EU’s prominent position within the ‘secondary power
structures’ (cf. Strange, 1988), such as energy, welfare (including development aid) and trade. Moreover, in using the metaphor of a ‘nonterritorial empire’, I will bring in an aspect, which Strange only superficially touches upon and which is ‘hopelessly unscientific’\(^{32}\), i.e. the power of ideas and ideology, but which I believe should not be left out of analyses of global power. I will elaborate this point in the next part of the paper, but let us, at this stage, consider for instance how Reaganism in the U.S. and Thatcherism in Britain paved the way, after the fall of communism, for a remarkable diffusion across the globe of neo-liberal (in the economic sense of the term) ideas and assumptions\(^{33}\). As Lukes points out, “if this constitutes a mega-instance of ‘hegemony’\(^{34}\), an adequate understanding of its impact would seem to require an appropriate way of thinking about power” (Lukes, 2005b: 10). The proposition that neo-liberalism is the predominant ideology in the contemporary GPE has led some scholars, in a neo-Marxist or neo-Gramscian approach, to conceptualise the ‘deterritorialised global empire’, based on a global capital order (see e.g. Hardt & Negri, 2001). Adopting roughly similar approaches, some assume the existence of a ‘European order’ or *Pax Bruxellana*\(^{35}\). Van Apeldoorn, for instance, who takes “the European integration process to be specific and in some respects an amplified manifestation of that global transnationalisation process” argues that “the Maastricht [treaty] reflected the gradual emergence of what can be identified as ‘embedded neoliberalism’” (Van Apeldoorn, 2006: 306-9; 311-312). Today, as Van Apeldoorn points out, “[t]he concept of competitiveness is being mobilised to promote a neo-liberal restructuring of the European political economy” (2006: 311-312). He adds, in a typical neo-Gramscian explanatory style, that the interests of other groups have also been taken into account: “It is through the competitiveness discourse that formerly contending social forces have been incorporated in a hegemonic project” (Van

\(^{32}\) Here I borrow Lukes’s formulation (Lukes, 2005b: 8).

\(^{33}\) For a detailed account of this, see Peck and Tickell, 2002. Also see Harvey (2005), who demonstrates how neo-liberalism, understood as a contemporary globalised variant of the “self regulating market” of the 19th century, has gained near universal hegemony.

\(^{34}\) This is hegemony as understood by Gramsci, i.e. domination based not only on coercion but in large part on securing the consent (or willing compliance) of the subordinated (Gramsci, 1971). In defining hegemony in this way, Gramsci sought to address the question of how consent to capitalism is secured under contemporary conditions, in particular democratic ones (Lukes, 2005b). See more in section 3.

\(^{35}\) Johan Galtung conceptualised the idea of a *Pax Bruxellana* in the 1970s, arguing that the EU was growing very powerful on the global stage and that the Union’s external relations reflected ambitious imperial aspirations (Galtung, 1973).
Apeldoorn, 2006: 311-312). He goes on that the rise to hegemony of this ideological project within European governance can be most clearly read in the Lisbon Agenda, the socio-economic agenda that the EU adopted at the Lisbon summit of March 2000 and which “implies a new social policy agenda that moves away from the old idea of supranational market-correcting regulation (as advanced by the Delorist social democratic project) and towards a more market enabling strategy” (Van Apeldoorn, 2006: 312). Returning to Strange’s theory of a transnational hegemony, it could be argued that the dominant position of the EU in diffusing and sustaining neoliberal thought across the world reinforces the Union’s structural power within the GPE.

Despite my rather limited attempt to apply Strange’s theoretical model to the EU, it is clear that her theory of transnational empire is helpful to demonstrate that the Union is more powerful than is still commonly thought. The theoretical distinction between ‘backyard’ or ‘neighbourhood’, and the rest of the world, for instance, is very useful, not least because the EU has a fully-fledged ‘neighbourhood policy’, which institutionalises the structural power that the Union exerts over its neighbouring countries. In addition, in keeping with the metaphor of ‘transnational empire’, we can consider Brussels to be the imperial capital of the European transnational empire. We can easily apply this in the above-mentioned quote by Strange (1989: 170), simply by replacing Washington D.C. by Brussels:

While imperial capitals once used to draw courtiers from outlying provinces, Brussels draws lobbyists from outlying enterprises, outlying minorities, and globally organised pressure groups.

[To be further explained and developed in a following version of the paper]

36 See Whitman (2002) for another interesting conceptualisation of the EU’s exercise of structural power in its near neighbourhood and beyond.
3. Introducing ‘transnational power over’

In the foregoing discussion I have challenged the depiction of the EU as an economic giant, political dwarf and military worm, arguing that such a one-dimensional representation tends to underestimate the real scope of the Union’s global power. In particular, by relying on traditional notions of power, it tends to overlook the EU’s structural power and the more indirect ways in which the Union influences outcomes in the international realm. To account for these more subtle forms of power, I will now introduce a new conceptual understanding of power, which I have termed ‘transnational power over’. This section will start by looking at the notion of power, thereby highlighting its multi-dimensional character.

3.1. Power

As pointed out above, given the predominance of neorealist and neoliberal approaches in IR scholarship, many academic analysts tend to take the concept of power for granted and seem reluctant, or simply fail, to take into account the more ‘hidden’ and indirect dimensions of power, often undetectable by their methods of inquiry. In this respect, Keukeleire notes that when the term ‘power’ is used in IR studies (without the qualification ‘structural’ or ‘relational’), this nearly always implicitly refers to direct or ‘relational’ power, usually understood as “the power of A to get B to do something they would not otherwise do” (Keukeleire, 2002). As Lukes explains, in assuming power to be relational and asymmetrical, social scientists often reduce power to its ‘exercise’ and/or ‘vehicle’ (Lukes, 2005b: 70 & 73). Lukes (2005b: 70) clarifies that for many scholars “power can only mean the causing of an observable sequence of events” (cf. the exercise fallacy), or “whatever goes into operation when power is activated” (cf. the vehicle fallacy). Reducing power to its ‘vehicle’ has led academics to equate power with power resources, such as wealth and status, or military forces and weapons. However, as the examples of the U.S. in Vietnam and postwar Iraq aptly illustrate, having the means of power, e.g. military superiority, is not the same as being powerful (Ibid). Reducing power to its ‘exercise’ in turn has led behavioural political scientists, such as Dahl (1957), to equate power with success in decision-making. This understanding of power, identified as the first dimension or ‘face’ of power (see e.g. Lukes, 1974) and still predominant within IR scholarship, assumes that being powerful is to win, or “to prevail over others in conflict situations”
(Lukes, 2005b: 70; see also Keukeleire, 2002). This ‘first face’ of power was overturned by Bachrach and Baratz (1962), who argued that power is not necessarily ‘overt’. They indicated that power can also occur outside of the decision-making process, e.g. during the agenda-setting phase, where potentially sensitive issues might be excluded from the agenda. The ‘second face of power’ thus identifies the powerful as those who get to decide which issues become subject to (formal) deliberation and which do not (Hay, 2002: 174).

Both approaches to power were in turn criticised by Lukes, among others, for limiting the analysis of power to what is ‘actual’ and ‘observable’, as well as for assuming that agents can always identify and articulate their own interests, thus ignoring the social arrangements and structural inequalities that shape and underlie agents’ preferences (Lukes, 1974). In his seminal work, entitled ‘Power: A Radical View’ (PRV) and originally published in 1974, Lukes claimed that power had a third dimension, arguing that, beyond the decision- and non-decision-making processes, power may also stem from the actions or inactions implicated in the shaping and manipulating of other actors’ preferences (Lukes, 1974). In a recent revision of his seminal work, Lukes added that power is not necessarily “intentional” or “active”; the exercise or manifestation of unintended or inactive power is possible because it is linked to the social structures that govern relationships, such as social status (Lukes, 2005b). In the 1970s, Steven Lukes was joined by Anthony Giddens and Stewart Clegg in overturning the predominant elitist and pluralist approaches to analysing power, arguing that power should be seen as an essentially contested and unempirical phenomenon (see e.g. Clegg, 1989; Giddens, 1979; Lukes, 1974). They moved the debate away from agency notions, which identified power with mechanical causation, toward strategic notions that centered on capacity and preferences (Dowding, 1996: 6).

Note that it was not until the recent revision of his PRV that Lukes elaborated the idea that social life involves an interplay between agent power and structure (Lukes, 2005b). In further developing this assumption, he sought to respond to Stewart Clegg’s criticism that Lukes’s radical view of power was essentially agent-focused and lacked a conception of power as a structural property despite his criticism of the pluralist and elitist approaches (Clegg, 1989: 51). In the 2005 revised edition of his seminal work, Lukes also responded to another prominent critic of his, notably Colin Hay, who dismissed the normative component included in Lukes’s conception of power and claimed that Lukes conflated normative issues with empirical analysis (Hay, 2002). For a detailed account of this discussion, see Heyward, 2007.

This insight relates to a specific conception of structural power, which focuses on the “impersonal bias” of power relations in the international system systematically favouring certain actors over others due to the specific positions or roles that they hold in the international system (Guzzini, 1993; Caporaso, 1978). This idea is also present in Gill and Law’s critical approach to IPE. While harking back to Lukes’s three-dimensional approach to power, Gill and Law distinguish between overt, covert and structural power, the latter referring to “both material and normative aspects, such that patterns of incentives and constraints are systematically created” (Gill and Law, 1988: 97). In their view, the exercise of structural power in the international system is thus twofold. The material aspect of structural power, i.e. capital, is exercised through markets (Gill and Law, 1989: 480-1). The normative aspect of structural power, on the other hand, is embedded in the transnational historical bloc of power.
2005b: 77-78; Heyward, 2007: 51). Assuming that agents’ preferences may not be the same as their real interests, the third face of power identifies the powerful as those that can control the weak by causing them to misperceive their real interests (Heyward, 2007). As Heyward (2007) puts it, “if the third dimension of power was successfully exercised, even a slave might be content with his exploitation”. In Lukes’s view, power exercised in this way, which he terms ‘domination’, is essentially abusive, in contrast to what he labels ‘power over’, which can be exercised in a neutral or benign manner, even though it might constrain others’ choices or limit the actions that they perform (Lukes, 2005b).

3.2. ‘Power over’: relational approach

The major asset of Lukes’s three-dimensional power model for our attempt to analyse the EU’s global power is that it allows us to go beyond what is observable, envisaging indirect, latent forms of power, at work for instance when there is no observable conflict of interests between the dominant actor and the others. However, while considering that social life involves an interplay between agent power and structure, Lukes’s revised framework remains principally agent-focused. Hence, we will need to draw on specific structural models if we want to account for the ways in which a dominant actor like the EU can wield power by shaping and determining structures within which other actors operate, which is itself an indirect form of power. Before we consider structural approaches, we first need to further clarify how we will build on Lukes’s understanding of power for our analysis of the EU’s global power. In developing the third face of power, Lukes sought to answer the question how the powerful secure the compliance of those they dominate, and in particular how they secure their willing compliance (Lukes, 2005b: 12). In answering that question Lukes initially equated power with domination, claiming that the powerful dominate the weak by causing them to misperceive their real interests. However, in his revised edition of PRV, he alters this view and argues that “domination is only one species of power”; indeed, as Lukes clarifies, in exercising power one can also satisfy or advance others’ interests (Lukes, 2005b: 12). Or as he puts it, “the use of power can

---

40 Lukes distinguishes between ‘perceived’ interests, i.e. perceptions of one’s interests, and ‘real’ interests, which he describes in terms of an agent’s ability to live life according to “how his nature and judgements dictate” (Lukes, 2005b: 123).
benefit all, albeit usually unequally” (Lukes, 2005b: 83). In Lukes’s updated model the latter use of power falls under the term ‘power over’. Lukes now defines domination as the ability to constrain the choices of others, coercing\textsuperscript{41} them or securing their compliance, by impeding them from living as their own nature and judgement dictate (i.e. harming their real interests) (Lukes, 2005b: 85).

While I find this conceptual distinction between ‘domination’ and ‘power over’ very interesting, I will not include it in my conceptual approach of TNPO, simply not to overload the concept\textsuperscript{42}. Instead, I will use the term ‘power over’ to capture an actor’s ability to determine the choices of others, either restrictively (i.e. limiting their options), neutrally, or beneficently (i.e. advancing their options)\textsuperscript{43}. If I do use the term ‘domination’ or related words, such as ‘dominance’ or ‘dominant’, then that will be in the more general sense of the word, reflecting the meaning of ‘being more powerful’ (= to dominate) or ‘being subject to power’ (= being dominated), rather than in Lukes’s more restrictive meaning of the term, i.e. ‘adversely affecting others’ interests’. Returning to Lukes’s understanding and conception of latent power, it is important to note its proximity with the (neo-)Gramscian notion of ‘consensual power’, which is a form of non-coercive power. In his ‘Prison Notebooks’ Gramsci elaborated the Marxist concept of ideology and asserted that in the contemporary social formations of the West it was ‘culture’ or ‘ideology’ that constituted the mode of class rule, secured by consent by means of the bourgeoisie’s monopoly over the ideological apparatuses (Gramsci, 1971; as interpreted in Lukes, 2005b). He demonstrated how the ruling class dominated the working class by imposing their world-view on them through the exploitation of religion, education, popular national culture and – in the case of industrialised economies - capitalism, and have it accepted as ‘natural’ or ‘common sense’. Since the early 1980s neo-Gramscians have argued that the most effective means of domination is based on consent gained through the creation of common sense (in contrast to the inefficient means of domination based on coercive power)(see e.g.

\textsuperscript{41} Lukes defines ‘coercion’ as the ability of actor A to secure “B’s compliance by the threat of deprivation where there is a conflict over values or course of action between A & B” (2005b: 21).
\textsuperscript{42} As such, I seek to avoid the normative judgement that needs to be made when drawing this distinction.
\textsuperscript{43} Cf. Snidal (1985) who makes the useful distinction between hegemony that is beneficent (i.e. exercised by example and persuasion), hegemony that is beneficent but exercised by coercion, and hegemony that is coercive and exploitative. Russett (1985), for instance, argues that the U.S. at its hegemonic peak did use coercive power to exploit the system, but also beneficently paid some of the costs to bring about post-war economic prosperity.

ECPR conference paper presented by Fabienne Bossuyt, Pisa, 6-8 Sept. 07 25
Cox, 1981 & 1987; Gill and Law, 1989). Cox, for instance, defined hegemony as “dominance of a particular kind where the dominant state creates an order based ideologically on a broad measure of consent, functioning according to general principles that in fact ensure the continuing supremacy of the leading state or states and leading social classes but at the same time offer some measure or prospect of satisfaction to the less powerful” (Cox, 1987). But he added that “there can be dominance without hegemony; hegemony is only one possible form dominance may take” (Cox, 1981). Drawing on this insight, Payne (2000) concludes that we now live in a non-hegemonic world order, in which the power of the U.S. is still preponderant but no longer sufficient to shape on its own the rules of a ‘consensual hegemonic world order’ as it did in the decades following the Second World War. As Payne formulates it, while still being the leading actor in many world affairs, “the U.S. no longer possesses the self-reinforcing and largely unchallenged primacy across all the necessary constituent elements of hegemonic power.” Fully acknowledging the end of its global hegemony, the U.S. responded to this state of affairs by turning towards regionalism and re-engaging with Latin America and the Caribbean since the end of the 1980s onwards (Payne, 2000). Through a mixture of coercive and consensual forms of control over the latter region, Payne concludes that the U.S. now constitutes a regional hegemon. However, as Payne emphasises, this can only be understood by approaching the U.S.–Caribbean relationship from a structural standpoint:

Viewed from the other end of the relationship, the Caribbean has become so entangled within common patterns of trade, financial flows, migration and narcotics movements that one can genuinely talk of the emergence of a new structural context linking the political economies of the Caribbean and the U.S., albeit in profoundly asymmetrical fashion. At any rate, the point is that U.S.–Caribbean relations take place within a particular structural setting, which has to be understood as framing all subsequent analysis.

[...] However, the sheer complexity, the diffusion and the relative openness of the U.S. policy apparatus mean that the manner of U.S. hegemonic control is not imperial in the traditional sense. The argument here derives from comparative public policy

---

44 See also Keukeleire (2002), Strange (1988) and Harvey (2005) for slightly different perceptions of this phenomenon.

45 Note that there is some confusion in the literature as a result of the different meanings of the term ‘hegemony’. See e.g. Telò (2006), who notes that the Hegelian–Gramscian historical–dialectic conception of hegemony does not correspond to the theory of hegemonic cycles as developed by contemporary IPE scholars like Robert Gilpin.
analysis and demonstrates that, for all of its impact, U.S. power in the Caribbean is not exercised in a style that can accurately be called authoritarian, in large part because US policies are openly debated in different policy communities and can be influenced from inside and outside (Payne, 2000).

The foregoing insights are extremely helpful in our attempt to construct a conceptual tool that enables us grasp the subtle ways in which the EU currently wields power. Above all, they allows us to differentiate between the influence that the Union wields in its neighbourhood, where the Union could be regarded as a regional hegemon, and its approach towards other parts of the world. When relying on the above discussions, in particular the notion of consensual power, it would be almost unforgivable not to mention its similarity with Manners’s concept of normative (or ideational) power, which he defines as the ability to shape conceptions of ‘normal’ (Manners, 2002). In other words, in Manners’s conception, the EU has the power to set the parameters of normality and has (some) means of projecting its vision internationally. As Sbragia argues in her study of the EU’s relations with Latin America, the Union’s active pursuit of regionalism through bilateral agreements further reinforces the EU’s global power, including its normative power: in Latin America, the EU has acted as a ‘globaliser’, successfully exporting its cultural and political dimensions along with its economic agreements (Sbragia, 2004). But the EU’s normative power, in the sense of the capability to influence other states to the extent that they willingly internalise EU norms and values, is much stronger in its immediate neighbourhood, in large part because of the very effective tool of enlargement, in which case some scholars resort to the imperial analogy (see e.g.

46 Note that this is more likely the case in some areas of its neighbourhood than in others, and reflects a specific gradation. See more below.

47 To fully account for the concept we would need a more in-depth discussion, but given the length constraint of the paper I refer to Manners’s influential article (Manners, 2002).

48 Cf. Hay’s definition of power as the “ability of actors to have an effect upon the context, which defines the range of possibilities of others” (Hay, 2002: 185). As Hay demonstrates, “to define power as context-shaping is to emphasise power relations in which structures, institutions and organisations are shaped by human action in such a way as to alter the parameters of subsequent action” (Ibid.).

49 Sbragia (2004) claims that this was in part a response to the U.S. move towards regionalism in the 1990s.

50 In this respect, Haukkala remarks that in Europe the EU nevertheless has a structural constraint compared to, for example, the U.S. in its northern and southern backyard: “the Union is not a state actor that can apply its ‘soft power’ at will, but it is a regional integration process to which the ‘objects’ of that power can, and often do, aspire to join before accepting its norms and values as entirely legitimate” (Haukkala, 2005).
Haughton, 2007; Krok-Paszkowska & Zielonka, 2007: 374). As Haukkala (2005) puts it, “the EU enlargement is not only about drawing geographical boundaries, [i]t is also about establishing, or imposing, an EU order, especially to the neighbouring areas in the East, through the transference and diffusion of EU norms, values, rules, and regulations. […]. He adds that the Union can be seen as a “hegemon, as it seeks and seems to enjoy a monopoly on defining what those norms are and entail and thus create the boundaries of normality and Europeanness” (Haukkala, 2005).

3.3. Structural approach

As was made clear for instance in Payne’s account of the U.S. power over its Caribbean backyard, to understand the real scope of the influence of dominant actors in the contemporary world system, we need to assess power through a structural lens. That said, we can easily approach part of the above discussion in more structural terms. Haukkala’s view on the EU’s regional power in its neighbourhood comes very close to what Keukeleire understands under ‘structural foreign policy’ (as opposed to ‘traditional foreign policy’. Structural foreign policy, in Keukeleire’s words, “aims at the transferral - in varying degrees - of various ideological and governing principles that characterise the political, societal, economic and interstate system of the EU: democracy and good government, human rights, the various OSCE principles (such as the peaceful solution of conflicts), regional political and economic co-operation and integration, the free market principles, and so on” (2003: 47). By highlighting that the intensity of the EU’s structural foreign policy varies considerably from region to region, Keukeleire (2003: 47) explains that it is no coincidence that this policy is most elaborated in the Union’s relationships with its Eastern neighbourhood. He adds that in implementing a structural foreign policy, which is developed on the basis of the various strategies and partnerships, the Union relies on ‘structural diplomacy’. As Keukeleire clarifies:

Typical of the EU’s structural foreign policy is its heavy dependence on the economic and financial instruments of the first pillar. These EC instruments are incorporated in the various EC support programmes and funds, and in the various kinds of association agreements and trade and cooperation agreements the EC has concluded with third countries and other regions. Apart from the usual components of trade policy, those agreements also contain support and cooperation programmes (and thus also the
potential of sanctions and of the suspension of that support and those programmes) in various sectors such as energy, transportation, environment, regional development, education, health care, and so (Keukeleire, 2003: 49).

As mentioned above, in developing the notion of structural foreign policy, Keukeleire draws extensively on Strange’s work on ‘structural power’, which she defined as “the power to shape and determine the structures of the global political economy within which other states, their political institutions, their economic enterprises and (not least) their scientists and professional people have to operate” (1988: 25). In introducing the concept of structural power, Strange further developed Krasner’s notion of ‘metapower’, which refers to states’ indirect institutional power (Krasner, 1982&1985). Strange asserted that structural power meant rather more than the power to design the international regimes of rules and customs that are supposed to govern international economic relations, arguing that such institutional power is one aspect of, but not all of it (1988: 25). Instead, structural power “confers the power to decide how things shall be done, the power to shape frameworks within which states relate to each other, relate to people or relate to corporate enterprises. The relative power of each party in a relationship is more, or less, if one party is also determining the surrounding structure of the relationship” (Ibid.). As demonstrated above, this seems a much more useful distinction for the understanding and analysis of power in today’s globalised and interdependent world than the distinction between economic and political power.

As Keukeleire (2002) points out, structural power can thus change the ‘context’ for other actors in a fundamental manner, thus allowing for changes in the actions, behaviour as well as identity of these other actors that would otherwise not be possible (cf. Hay’s definition of power as context-shaping, see Hay, 2002: 185). This interpretation allows him to define the concept of structural foreign policy as “the policy that aims at influencing in an enduring and sustainable way the relatively permanent frameworks within which states relate to each other, relate to people, or relate to corporate enterprises or other actors, through the influence of the choice of the game as well as the rules of the game” (Keukeleire, 2002). What is particular useful in this concept for our conceptual tool of TNPO is that it focuses on the various interrelated material structures (political-societal, social-economic, security) as well as on the normative or ideational structure or framework, which is necessary for the
interiorisation of the ‘game’ and ‘rules of the game’. In addition, the notion concerns
and identifies various interrelated levels: state-level, individual or societal level,
 interstate, interregional and global level (See Keukeleire, 2002). Finally, as already
mentioned, building on Strange’s notion of structural power, this approach suggests
that it is not a matter of possessing or not possessing structural power, but rather that
it has to be seen as a continuum with several gradations of structural foreign policy.
As Keukeleire (2002) puts it:

At one side of the continuum, an actor can possess structural power in the sense that
this actor can indeed decide what the rules of the game are (with the other actor
having only one option to choose). At the other side of the continuum an actor can
possess only limited structural power in the sense that this actor can only influence to
a limited extent the rules of the game that will be used by other actors.

Keukeleire’s conceptual continuum that ranges from a “high degree of structural
foreign policy” to “absence of a structural foreign policy”. He introduced this
gradation after investigating the various external strategies, partnerships and action
plans that the EU has developed and implemented since the second half of the 1990s,
where he observed that the intensity of the EU structural foreign policy varied
considerably from region to region, and that in some cases the extent of structural
foreign policy towards these regions is rather limited or even completely absent. On
one end of the continuum Keukeleire (2002) placed the EU’s relationship with the
Central and Eastern European countries until their accession (“high degree of
structural foreign policy”), while on the other end of the continuum he situated, for
instance, the Caucasus (“absence of structural foreign policy”), but this dramatically
changed in 2004, when the South Caucasus was included in the Union’s
neighbourhood policy. This goes to show that the continuum changes over time, in
function of the developments in EU policy, the treaty relations with other regions and
changes in the regions concerned (Keukeleire, 2002).

3.4. ‘Transnational power over’

Building on the insights gained above, let us now introduce a new conceptual
understanding of power, notably ‘transnational power over’ (TNPO). Above all, the
notion of TNPO captures the degree to which actors\textsuperscript{51} in the international realm are structurally, i.e. materially, institutionally \textit{and/or} ideationally, subordinate to or dependent on a dominant power, making it difficult for these actors to resist initiatives or reject offers proposed by the dominant actor. The degree of TNPO that a dominant actor wields in the international realm varies significantly and reflects the actor’s dominance in a constitutive mix of institutional, material and ideational fields. It follows that the actor’s TNPO is the strongest when he is dominant in each of the three constitutive elements, which each have a reinforcing effect on the other two elements.

However, the concept of TNPO can only hold on the assumption that the nature of power, whether intentional or unintentional, active or passive, is \textit{transnational}. This allows us to consider the observation that globalisation and interdependence have significantly blurred the divide between private and public, as well as between the distinct levels of governance (local, regional, national, supranational, interregional, international). However, in assuming power to be transnational, I do not intend to suggest that the state system is no longer prevalent or that it will cease to exist, nor that governments have lost nearly all their power to a new transnational capitalist elite (i.e. the new ‘global ruling class’)\textsuperscript{52}. Rather, this assumption is helpful in that it allows us to consider, for instance, the new social power relations and the extent to which new actors, such as TNCs or NGOs, are able to influence the course of events in international affairs, either directly (e.g. by pressuring government bodies) or indirectly (e.g. by spreading or reinforcing certain ideas and beliefs).

[The concept will be further explained and developed in a following version of the paper.]

\textsuperscript{51}As already noted in the introduction, these are not only limited to states, but also include non-state actors, such as TNCs, political institutions, experts, bureaucrats, think tanks, media, NGOs, and networks that exist between these actors.

\textsuperscript{52}cf. Robinson’s conception of a ‘new capitalist class’, which - from a typical neo-Marxist point of view - consists of individuals who, regardless of their nationality, tend to share similar lifestyles and interact through expanding networks of the ‘transnational state’. This new form of state does not have a centralised form as historically developed in modern nations do, but exists in both transnational institutions (e.g. IMF and Worldbank) and the transformation of current nation states. This leads Robinson to conclude that hegemony will increasingly be exercised not by a particular nation state but by the new global ruling class (Robinson, 2004).
4. TNPO framework

Concepts usually do not have an objective meaning independent from the theoretical or conceptual frameworks within which they are used (see e.g. Gale, 1998). Indeed, an abstract concept such as TNPO becomes more meaningful when embedded in a theoretical framework. Hence, the paper will conclude by presenting a (very rudimentary) conceptual framework based on the notion of TNPO. Above all, the framework serves to demonstrate how dominant actors such as the EU can rely on their TNPO to negotiate favourable agreements, which, in turn, strengthen their TNPO. Hence, the framework shows that, in wielding power in the international realm, relational and structural power are complementary, or even mutually dependent.

![Figure 1: Conceptual framework](image_url)

As depicted in the diagram (figure 1), the framework identifies two sources of influence, which results in the production of a mutually enhancing effect. To understand this, it is important to distinguish between TNPO in relational and in systemic (or structural) terms. In the phenomenon depicted by the upper arrow, TNPO is understood in terms of *relational* power. Here the EU relies on its TNPO as a resource in order to affect an outcome. The Union’s TNPO over a particular country (or region) can for instance facilitate its ability to negotiate and conclude a favourable agreement with the country in question. In the relation depicted by the lower arrow, the agreement concluded then enhances the EU’s TNPO, which should now be approached in terms of *systemic* power, since the agreement determines the context within which the country operates and alters the parameters of its subsequent actions.
within this context. To give an example, the framework could be used to examine to what extent the EU ‘exports’ its internal model of market integration through international trade agreements (=relational power), thereby ‘shaping’ the way within which its trading partners trade with the EU as well as with others (=systemic power).

In another case, the model could be used to examine the EU’s attempt to establish a partnership with the five Central Asian states (=relational power), thus determining the terms of the Union’s cooperation with these states in various fields such as economics, transport, energy, the environment and education, as well as creating a broader foundation of ‘shared values’ based, among other things, on the rule of law and human rights (=systemic power).

[The above framework will be further developed in a following version of the paper.]

5. References


