The Discourse of the Global Economy and the Construction of Legitimacy - A Discourse Analysis of Different Welfare Regimes Represented by Britain, Germany and Finland

The aim of this thesis is to scrutinize the political discourses of the global economy and how different policies are legitimised by the discourse of the global economy. The thesis ponders whether different welfare state models and different perceptions of globalization influence the discursive constructions of legitimacy. Discourse analysis constitutes the methodological framework of the thesis. I propose a model distinguishing between different ways of constructing legitimacy. Based on this model, I isolate the legitimising discourses of the global economy in relation to other possible ways of constructing legitimacy of economic policies. This model and the general 'discursive' tools of Ernesto Laclau and Chantal Mouffe are applied to analyse the discourses of the global economy in Britain, Germany and Finland.

Based on recent theories on the relationship between globalization and the welfare state, I confront two conflicting approaches, the hyperglobalization approach and the contingent globalization approach, from which antagonistic hypotheses are deduced. The hyperglobalization approach (of which Kenichi Ohmae is the most important theorist) foresees that neo-liberal reform discourses - calling for reforms due to the global economy - should be more radical and salient in 'expensive' (by means of high levels of taxation, a large public sector and a generous welfare state) welfare regimes such as the Social Democratic (represented by Finland) welfare state and the Corporatist welfare state (represented by Germany) than in the Liberal welfare state (represented by Britain), which, in the optic of the hyperglobalization approach, is more ready and fit for the global economy. By contrast, the contingent globalization approach (of which Colin Hay, Ben Rosamond, Vivian Schmidt, Ronen Palan and Angus Cameron are the most important theorists) would expect that discourses concerning the effects of the global economy reflect context-dependent factors, actors’ perception of the nature of globalization, ideological orientation and cognitive filters.

The analysis, using different sources including speeches in Parliament, party manifestos and key reports on globalization, finds that different discursive constructions of the global economy stress and focus on different factors (or moments as discourse analysis has it), but all actors seem to agree on the fact that a transformation of the global economy has taken place. Different external and internal policies are legitimised with reference to the global economy, but it is worth stressing that neo-liberal discourses are dominant. Most actors, however, also call for some sort of steering of globalization.

In conclusion, I reject the hypotheses of the hyperglobalization approach, in that neo-liberal discourses referring to the global economy in fact are more radical and salient in Britain than in Finland – entirely contrary to the predictions of the hyperglobalization approach. The results are in general in conformity with the contingent globalization approach. Cognitive filters and ideology appear to be the most powerful determinants of how discourses of the global economy are constructed, by whom they are (most often) articulated and how they are used to justify certain policies.

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