

**Globalization 4.0, Changing World Order and the Future of
Global Economic Governance
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Measuring the Imbalance between Globally Integrating Markets and still Fragmented Policy
Making

Francesco Papadia and Leonardo Cadamuro

**Kindleberger, Rodrik
Saccomanni on
undeveloped global
governance**

There is obviously an element of truth

But we don't have a perfect private globalization or a perfectly fragmented policy making

We need an empirical measurement to answer whether

Private globalization has outpaced policy globalization

Measuring private and policy globalization

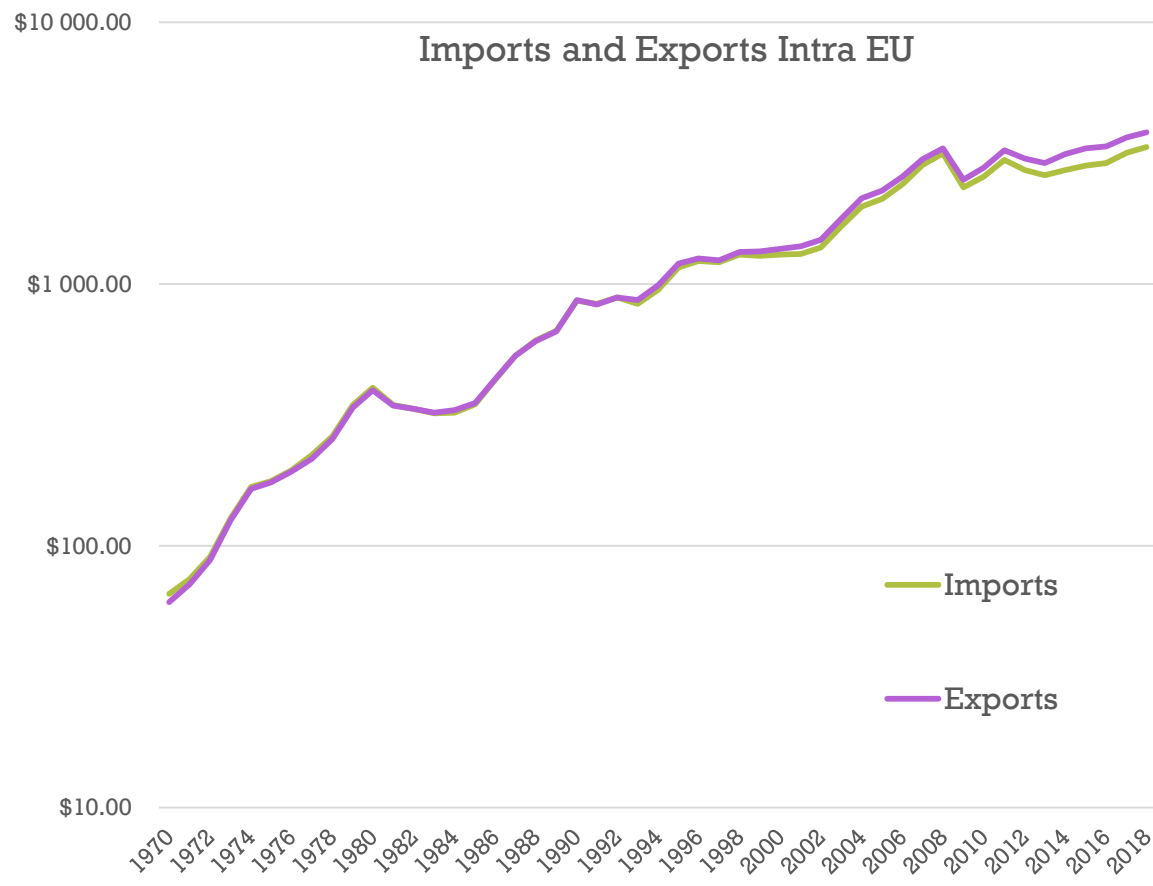
- Estimate:
 - An index of private market integration (private globalization)
 - An index of policy making integration (policy globalization)
- Compare the developments between the two indices to start giving an answer to the following questions:
 - Has globalization in the private market really gone further than globalization in policymaking?
 - And, if so, by how much?
 - And how has the relationship between the two developed over time?
 - Is the experience in the European Union different from that at global level?

Pilot research on Europe

- Parallel to the Bruegel research on a fledgling European public opinion
- One attempts at measuring the public opinion foundations of a European Community (A European demos)
- The other aims at measuring the top layer of policy making in Europe

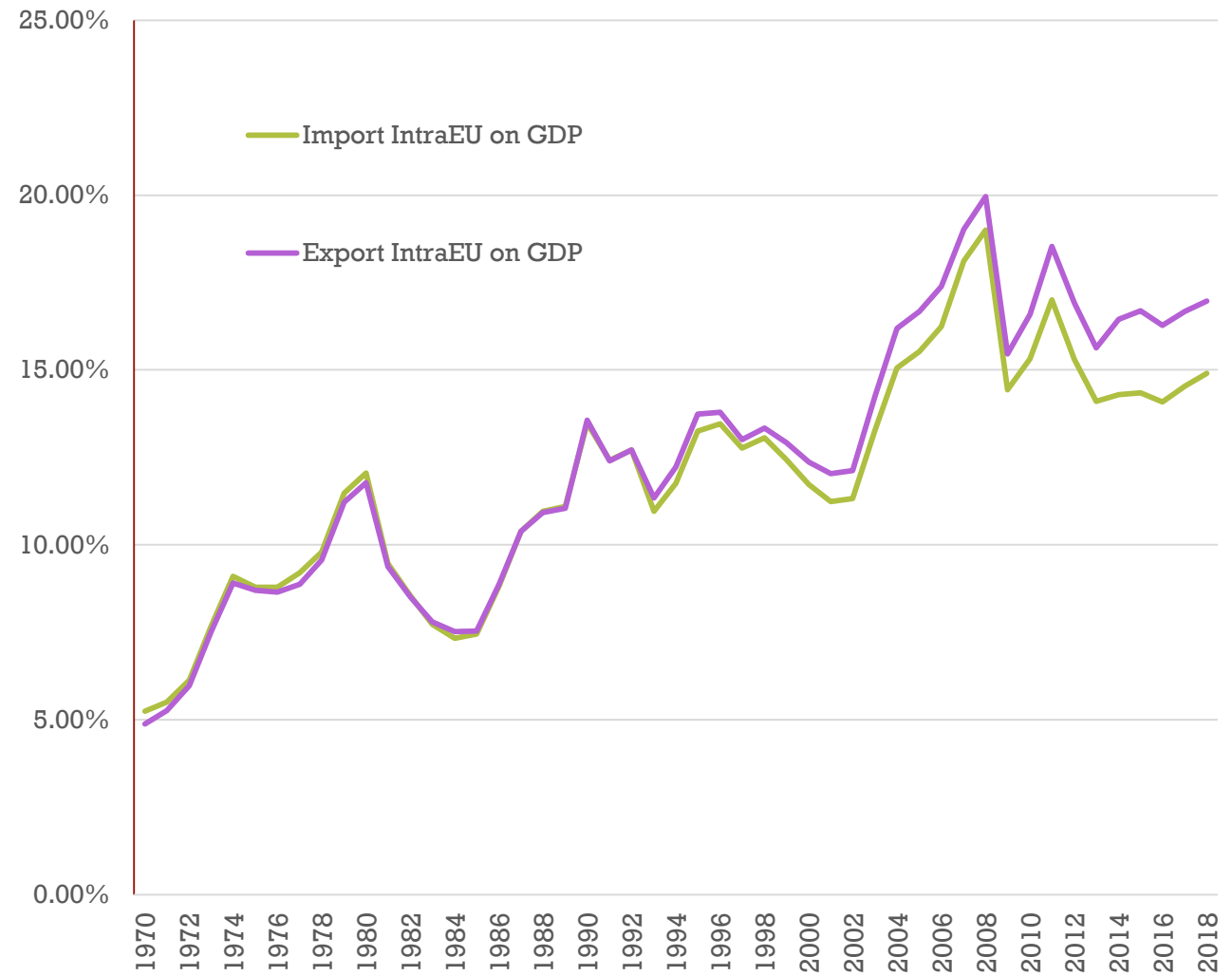
Figure 2. Intra-EU trade – Real Imports and Exports (1970-2018). Billions of constant euro. Log scale.

**Private (Trade)
Europeanisation
II**



Trade Europeanisation Index

Figure 3. Intra-European trade as a ratio of EU GDP. ⁷



Policy Europeanisation I

Figure 4. Number of European public administrations (1948-2019).⁸

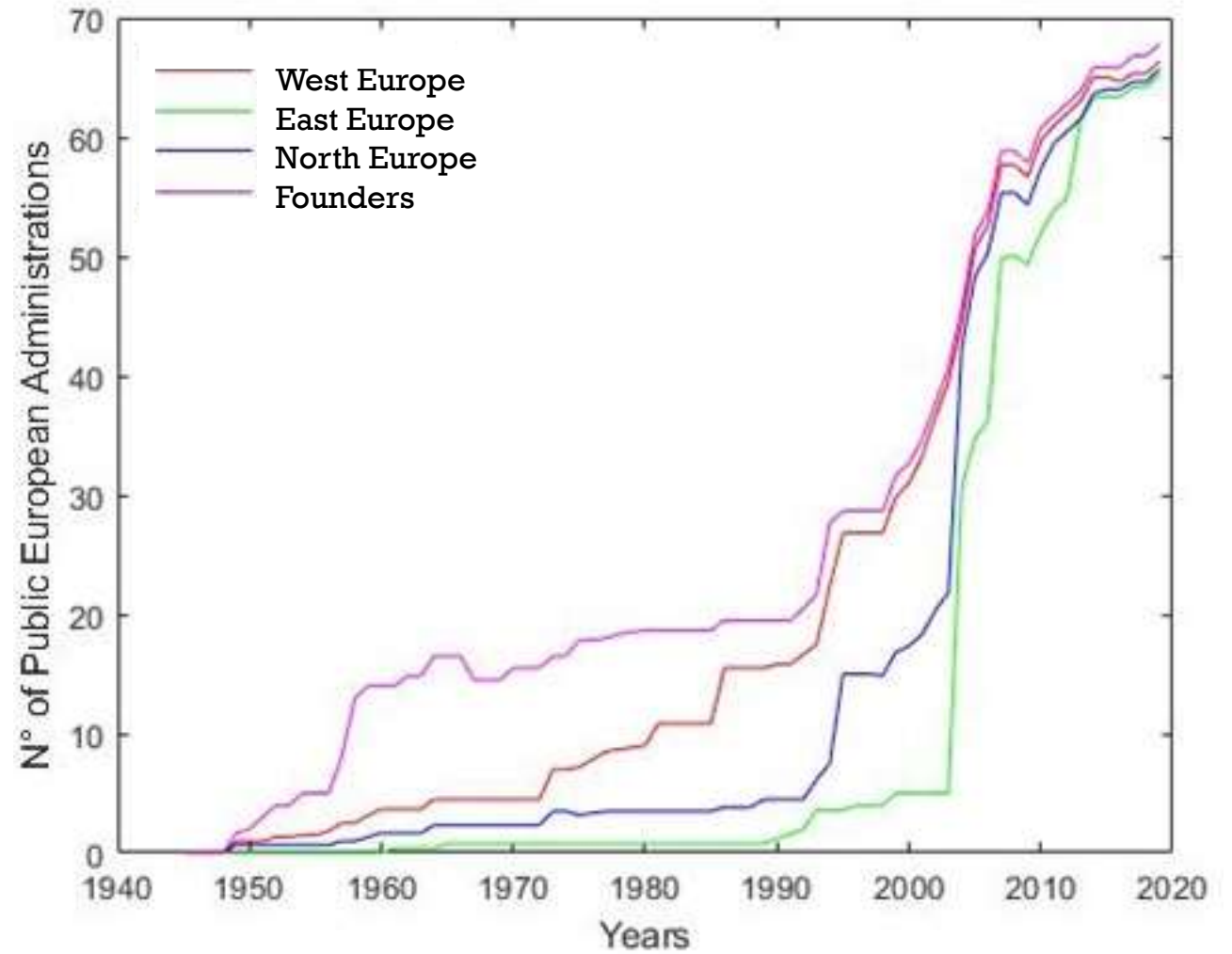


Figure 5. Number of employees in European public administrations (1970-2018).

**Policy
Europeanisation
II**

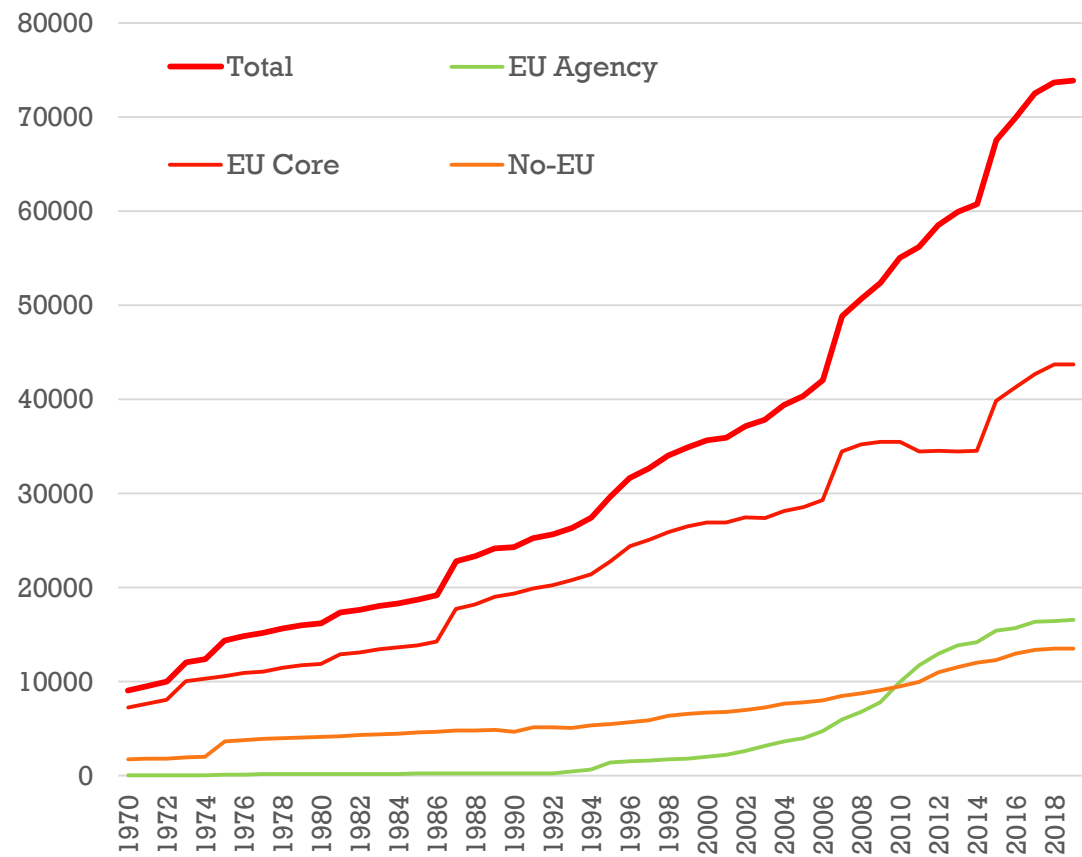


Figure 6. Number of employees in European public organizations as a ratio of total employees in national public administrations. (1970-2018).

**Policy
Europeanization
Index**

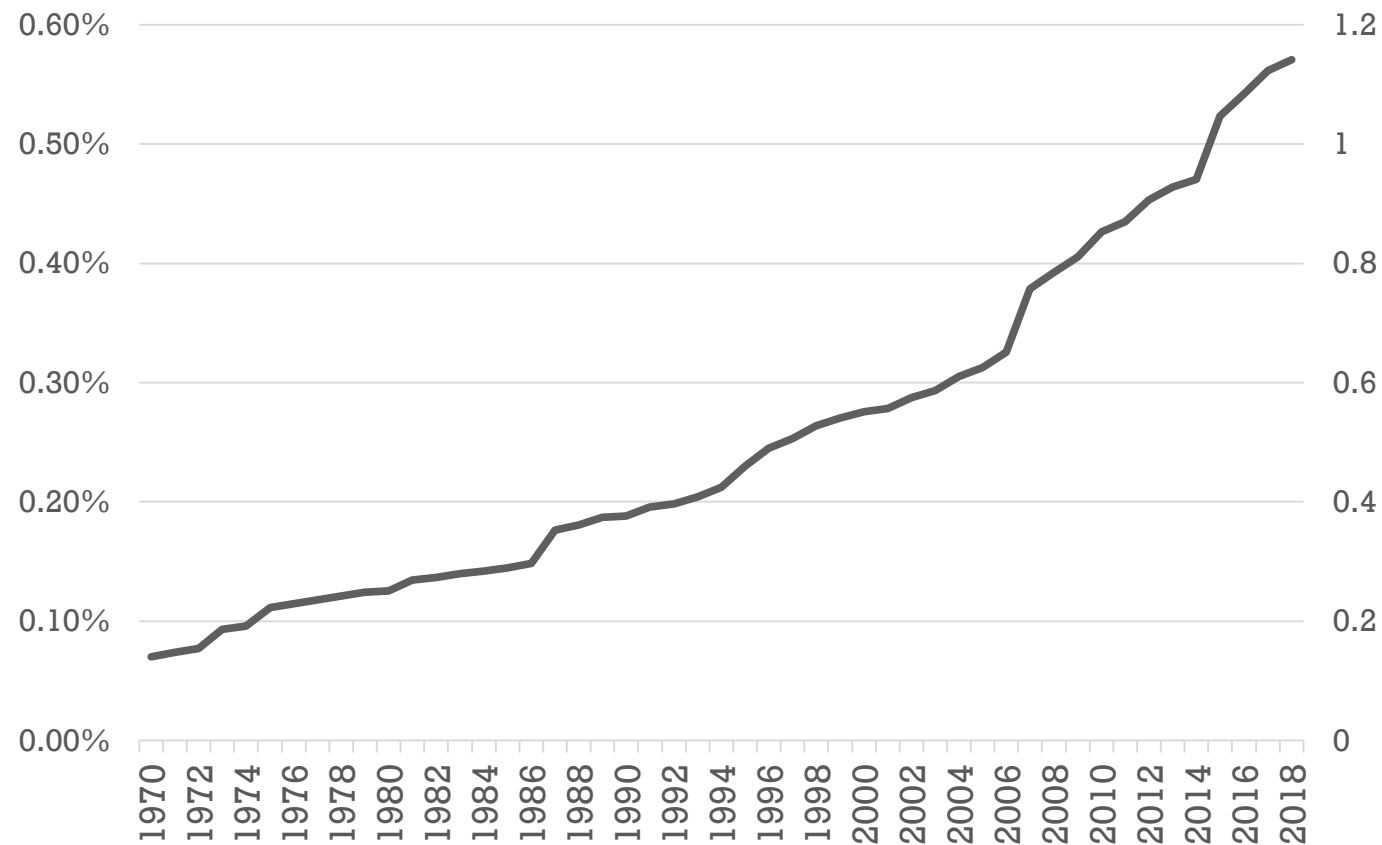


Figure 7. Number of employees in European public administrations relative to intra-European trade. Log scale. 1970=100 (1970-2018).

Comparing Private and Policy Europeanisation I

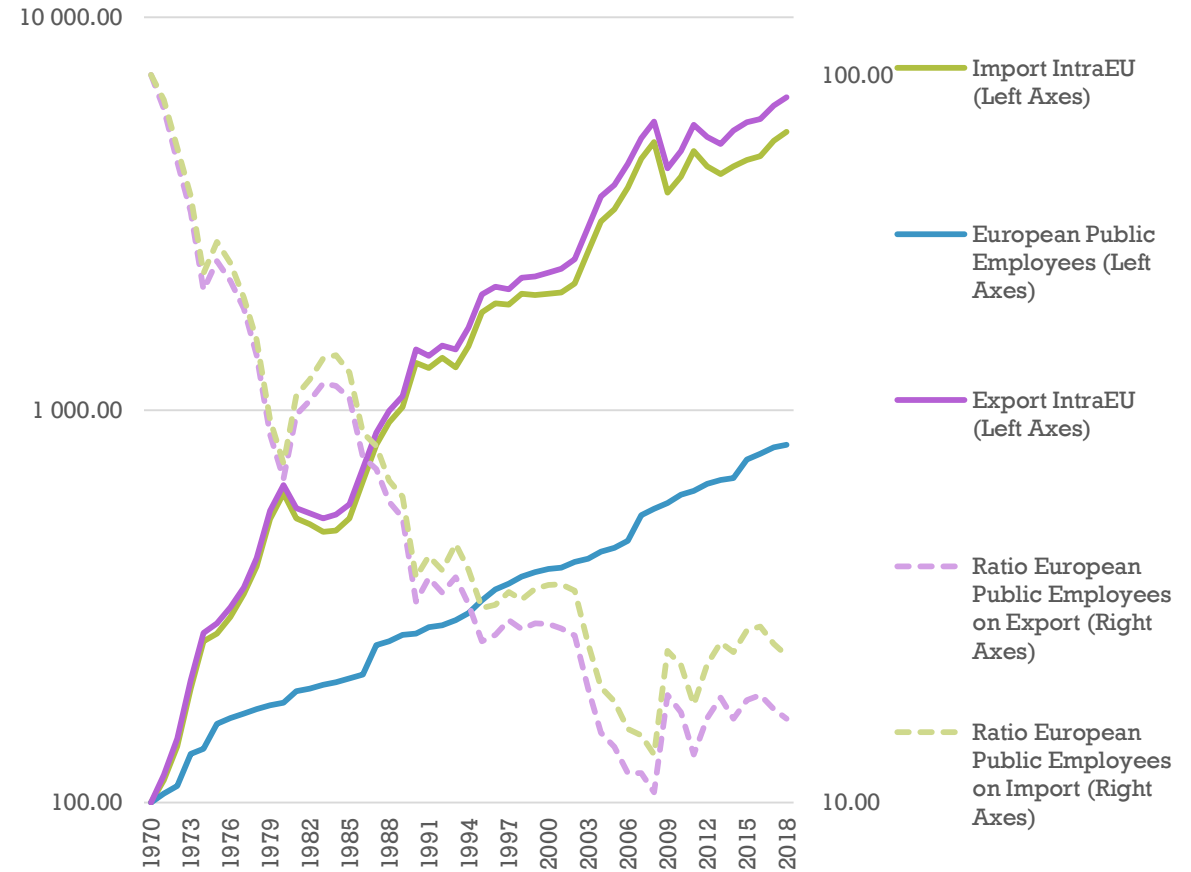
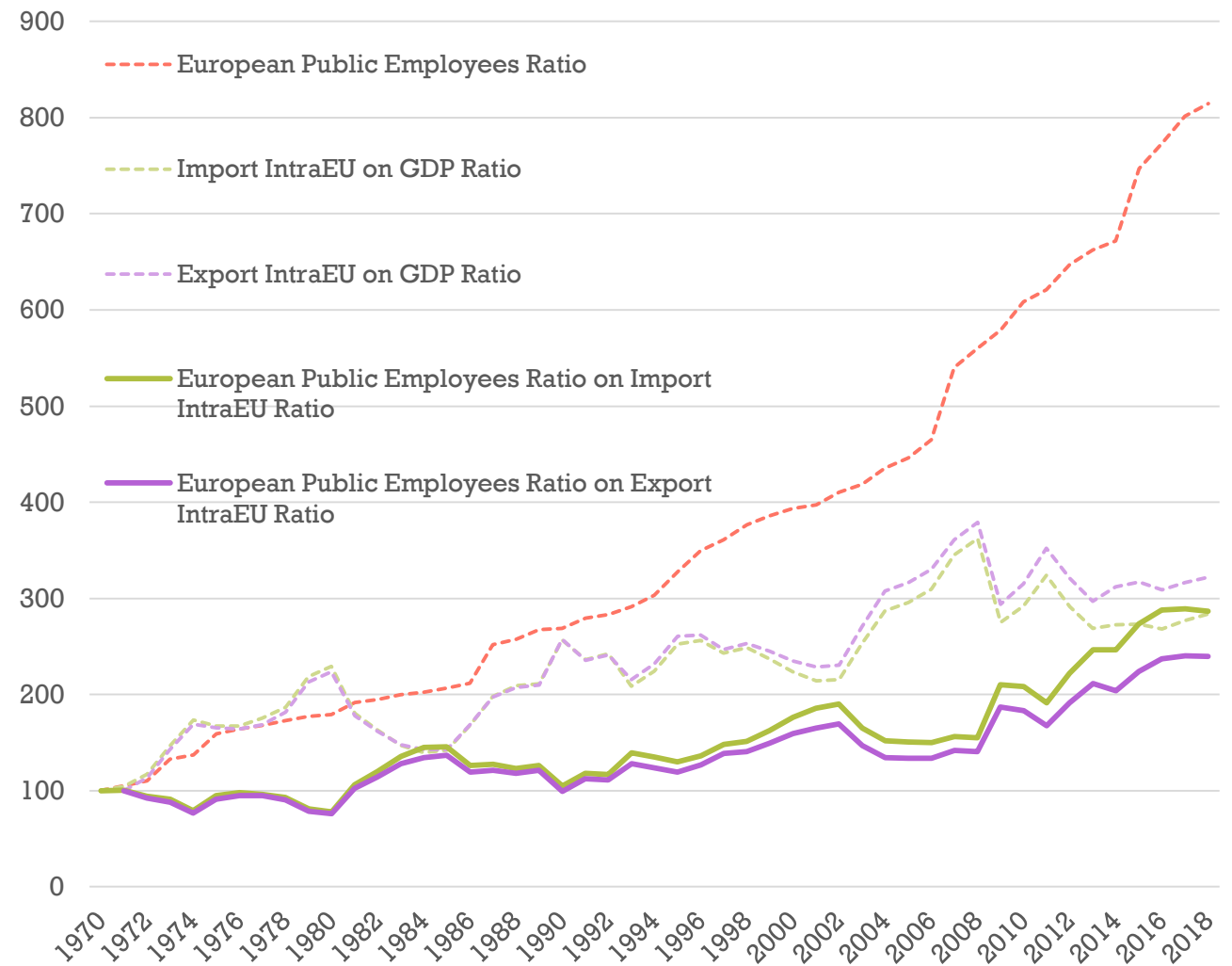


Figure 8. Ratio between the index of the share of employees in European public organizations to total employees in national public administrations divided by the ratio between intra-European trade and EU GDP. 1970=100. (1970-2018).

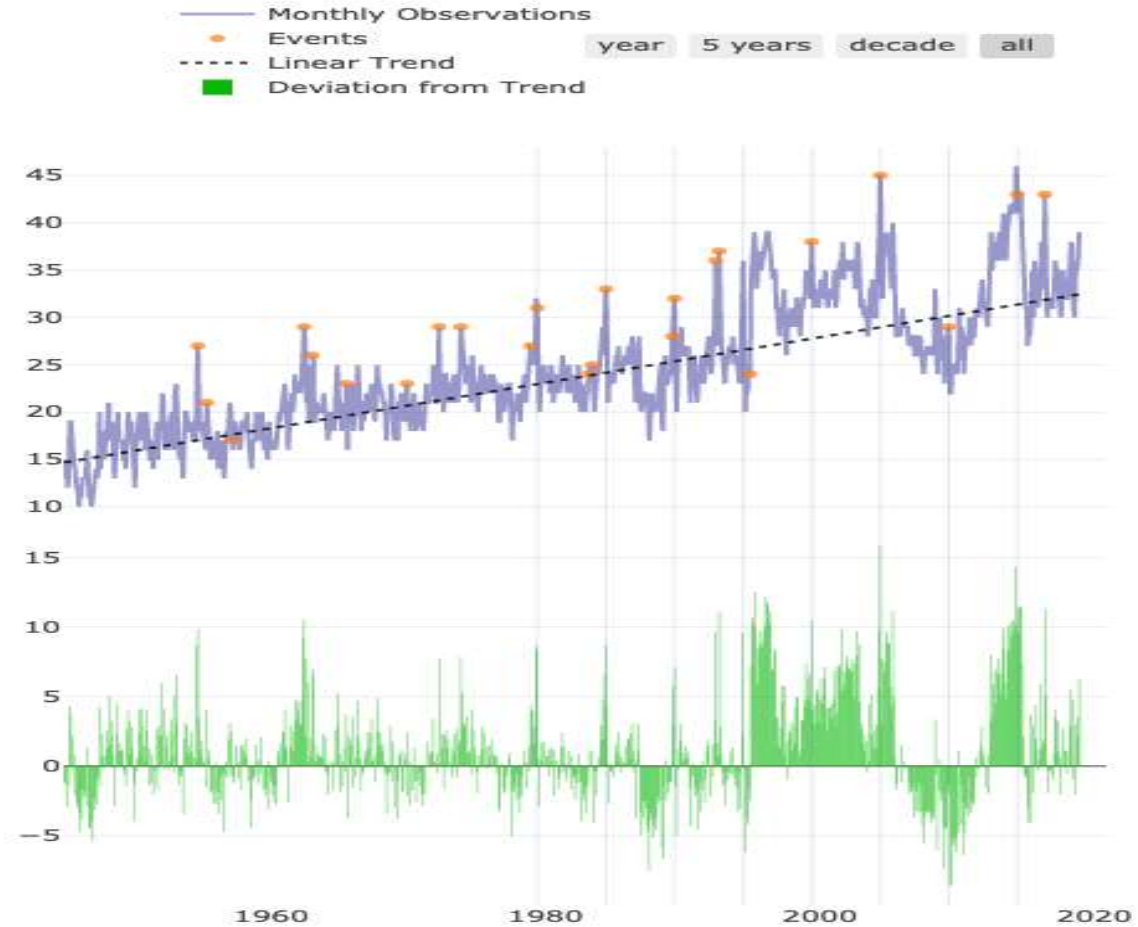
**Comparing Private
and Policy
Europeanisation
II**



Conclusions

- **Based on the measures presented in this paper, one would have to conclude that there has been no growing imbalance in the last half century between private integration in the EU and policy integration. Indeed, if anything, the imbalance, if it existed in 1970, has substantially come down.**

Ratio of European news to total news in Le Monde archive (1944-2018)

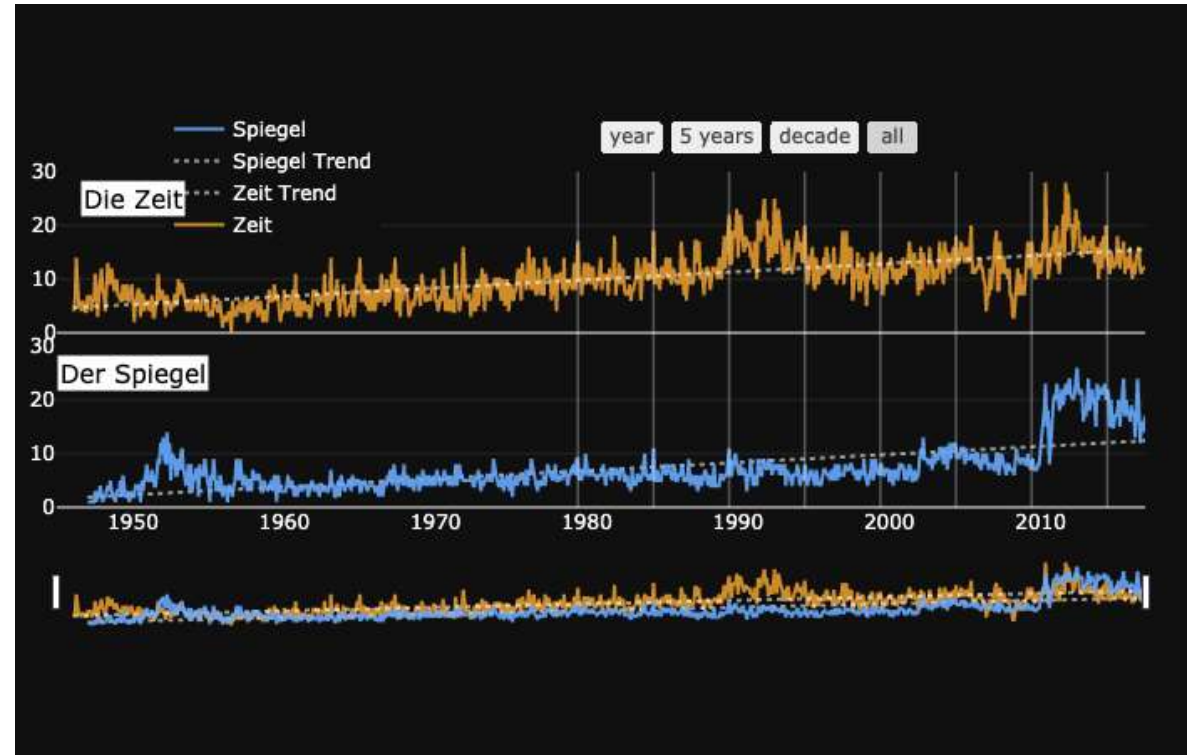


Appendix Figure 1

<https://bruegel.org/2019/03/talking-about-europe-le-monde-1944-2018/>

Ratio of European news to total news (E/T) in Der Spiegel archive (1947-2016) and in Die Zeit archive (1946-2016)

Appendix Figure 2



<https://bruegel.org/2019/07/talking-about-europe-die-zeit-and-der-spiegel-1940s-2010s/>