

European Integration in Context: Lessons in Political Organization?

By Malcolm MacLaren

Suggested Citation: Malcolm MacLaren, *European Integration in Context: Lessons in Political Organization?*, 2 German Law Journal (2001), available at <http://www.germanlawjournal.com/index.php?pageID=11&artID=90>

I. Introduction

[1] The French are rightly proud of having spawned the Enlightenment. Their philosophers made a profound contribution to modern theories of government, which heavily influenced, *inter alia*, the Founding Fathers in the drafting of the American Constitution. (Montesquieu's arguments for a separation of powers, for example, are clearly reflected in the design of the executive, legislative and judicial branches of the US government.) The French political class have also largely determined the nature of post-war European integration. The edifice in Brussels reflects above all their habits, interests and vision of Europe. (For example, the European Union is run by a bureaucratic elite like France itself.) This latter conception of government is, however, unlikely to prove to be as successful over the long term as the former. Indeed, the way in which European integration has so far proceeded raises serious questions about both its sustainability and its transferability.

[2] Recent developments such as the push for African unity on the European model, the debate over the EU's eastern enlargement, and the result of the Irish referendum on the Nice Treaty have brought into sharp relief fundamental issues of political organization. The integration of different communities, especially as realized in a constitution, has been once more demonstrated to be an extraordinary process requiring a dominating political will and exceptional social and economic circumstances. As discussions over the next round of EU reforms proceed, integrationists would do well to keep this home-truth in mind. For it is by no means clear that the requisite will or circumstances currently exist in the relevant communities. Several significant potential or real impediments stand in the way of deeper integration. Accordingly, the aim of "ever-closer union" in the EU's constitutive treaty may prove to be unfeasible inside of or outside of the existing member states.

II. A Background Theory of Integration

[3] In making policy beyond their borders, political communities operate essentially from conceptions of self-interest and prevailing conviction. The international regimes that they negotiate are determined by such conceptions, modified to an extent where agreement requires compromise. Specifically, their stance toward new "supra-community" initiatives will be influenced by judgments about whether those initiatives are likely to further or undermine the existing value systems and institutions of their community. (1) Communities can be expected to commit to take other communities' and global interests or convictions into consideration in their policymaking only when their own under a proposed regime are satisfied. Exactly what measure of cultural specificity justifies a community's singular behaviour and the obstruction of universal applicability is for each to determine in negotiation over a given international regime.

[4] In the commercial context, communities will likely compromise to reach agreement when the proposed regime serves as a device for coordination, securing advantages for its signatories that are more important to them than anything that they could secure by departing from the coordinating arrangement. (2) The likelihood for compromise is greatest when the absence of any regime would be the worst possible outcome for all participants. If coordination may benefit some participants and not other participants, then reaching agreement depends on the collective ability of the beneficiaries to bribe, browbeat, coerce or marginalize the others. (3) Once agreement is reached, the regime is more likely to work, and more likely to endure, if the gains to each participant from coordination are not only greater, but very great indeed, compared to their most favoured non-coordinative outcome. (4)

[5] Where convictions as opposed to self-interest are involved in negotiation - i.e. where moral coordination is required -, game theory's analysis of the array of preferences and the structure of rational choice does not seem as relevant. The dynamic in this latter context seems more complicated and agreement among communities holding different convictions likely more difficult to reach. This latter dynamic seems applicable to, for example, negotiations concerning human rights. Human rights issues directly implicate fundamental beliefs and core values, which are of great sensitivity and can be the subject of considerable disagreement within as well between political communities. There is a prior normative debate about what convictions one should 'bring to the table' that may scuttle negotiations before they get underway. Moreover, participants will naturally connect the basis of their own positions and the basis on which they propose to legitimize the regime to their members and to those not yet part of it. (5) Lastly, to the extent that value systems transcending cultural borders can be expected to receive voluntary recognition, they must be so formulated that they do not arouse suspicion of cultural imperialism. (6) For these reasons, where agreement is in fact reached among such communities, the resultant value systems tend to limit themselves generally to defining a "civilized minimum" or "a thin universalism." (7)

[6] Related to - and potentially complicating - the issue of divergent value systems and institutions as a determinant of

the success or failure of negotiations is the number and character of the political communities participating. Normative and cultural identification tends to be strong where the participants are small in number and homogeneous in character. As the number grows and the character becomes more heterogeneous, reaching agreement becomes proportionately more difficult. In the contemporary world of differently developed and oriented communities reconciling these divergent value systems and institutions presents a great challenge. Constitutionalization may, as suggested by some theorists, be the best way of securing adherence to an international regime in the face of such divergence.⁽⁸⁾ However, any such attempt runs up against a Catch-22: the very lack of consensus that is giving rise to the disagreements among communities about the regime may obstruct any larger effort to constitutionalize the regime itself.

[7] In sum, though its pace can be hard to predict as regards given problems, voluntary co-ordination among political communities tends to develop slowly as such coordination must acknowledge existing value systems and institutions.⁽⁹⁾ (Put otherwise, a "naked" fashioning of compromise through power politics would not suffice for the achievement of deeper integration.) Moreover, the pace of coordination is likely to lag in realms where communities' convictions as opposed to self-interest are implicated. Above all, it should be kept in mind that the internationalization of domestic policymaking can never be taken for granted.

III. One Understanding of the European experience to date

[8] The integration of Europe is oft cited as an example of how "supranationalization" can succeed in the face of widely different national traditions and preferences. It is true that in an internationally unprecedented range of fields the EU has assumed authority for domestic policymaking, to the extent that European decisions touch now on almost every sphere of public life. Integration has done much to spur regional prosperity and peace. The process by which this has come about has, however, been slower and more painful than often recognized. (During the long years characterized by "Eurosclerosis," for example, the process tended almost backwards.) This fact is particularly noteworthy given the propitiously small number and homogeneous character of the states so far participating. Lastly, it must be recognized that special circumstances initially propelled integration on the continent. The degree to which similar circumstances exist in other contexts will determine the appropriateness of analogizing from the EU's success to elsewhere.

[9] Efforts to use peaceful means to build genuine integration in Europe prior to the creation of the European Coal and Steel Community, the EU's forerunner, were far from unknown. Indeed, intellectuals have since the Enlightenment argued for the logic of a united Europe. Attempts at cooperation, dialogue and consensus repeatedly foundered in the face of competition and pursuit of narrow interests by states. The experience of the First World War gave some impetus to renewed efforts, but the experience was not enough to avoid the Second. Nationalism was so discredited by the horrors of 1939-45 that these ongoing efforts finally met with real success.

[10] The exact degree of success that the EU has since experienced in efforts at integration should not be exaggerated. A few examples may be cited. In attempting to achieve the internal market through the approximation of laws in the 1970s and early 80s, lengthy bargaining produced excessively detailed EC rules. Rather than secure total regulatory harmonization, the Commission has had to resort to mutual recognition of national regulations and a limited number of essential safety and technical requirements. Similarly, where the EU has attempted to broaden European policymaking to include a social dimension, it has signally failed, having met with considerable disagreement about and staunch resistance to coordination from member states. (Specifically, the recent project to construct a so-called social Europe, in which the protection of employees' rights and extensive welfare systems would be prioritized in economic strategy, has laid bare a deep difference of opinion between the relatively free-market member states, notably Britain and Spain, and the more interventionist, e.g. France and Belgium.) Perhaps, as two political economists have observed, these divergences should come as no surprise given the "the profound institutional differences among the political economies of Europe."⁽¹⁰⁾ As long as states' stance toward new regulatory initiatives is influenced by judgments about whether those initiatives are likely to sustain or undermine their comparative institutional advantages, interstate disputes over the development of the EU and its institutions may be expected to arise.

[11] The failure to reach consensus on such matters has come even though member states have at times a real interest in cooperation. By involvement at supranational level "countries, or rather their governments, could compensate for the declining importance of the Nation state decisionmaking level" or more, could enhance their prospects of successfully implementing a desired domestic programme.⁽¹¹⁾ Moreover, by the selective 'opening' and 'closing' of their borders, EU governments could legitimize an unpopular policy or avoid blame for a negative development with voters.⁽¹²⁾ Governments may also adopt binding European agreements and procedures as an effective means of "locking in" decisions, which otherwise might be subject to cheating later.⁽¹³⁾ Lastly, closer economic integration could provide member states with comparably great independence from global competition.⁽¹⁴⁾ In view of such possibilities, some experts have even gone so far as to describe integration as saving and not

undermining the European nation state.(15)

[12] The experience of European integration to date is also instructive from the perspective of the number and character of EU member states. The EU is currently composed of a small, relatively stable group of rich west European states with a core identity, coherence, and common concern. The fact that Europe's history has been characterized by division, difference, and tension, sometimes erupting in bloody conflict, should constitute a push to future cooperation.(16) Nevertheless, the project of creating a sense of being "European" among its citizens has enjoyed little success.(17) Even the small member states, which have generally been the keenest about integration, do not think of themselves as regions of Europe but as distinct entities. (18) The result has been a pace of integration slower and more painful than sought by its supporters and the substitution of the original "harmonization-teleology" with the pursuit of cooperation according to a principle of national subsidiarity.(19) (A larger number and greater heterogeneity of member states can only be expected to make progress based on unanimity and consensus harder to achieve. European leaders attempted last fall in Nice to reform the Union's decision-making process to enhance its capacity to act effectively. Some observers have alternatively proposed strengthening the subsidiarity principle so as to defuse arguments over relevant decision-making rules.(20))

[13] Lastly, the EU's experience to date suggests that the integration of different communities requires a dominating political will and exceptional social and economic circumstances. This historical lesson raises the question of the appropriateness of analogizing from the EU's success to other contexts. The combination of the devastation of the Second World War, the threat of the Soviet Union and the will of the United States to rebuild Europe created a strong external pressure to unite. The response of the large European states in turn determined the progress. Germany felt the need to reintegrate itself into the European and global system, to purge itself of its Nazi past, and to secure needed markets for its industry. "As a result, Germany was a prime mover in the integrative process".(21) For its part, France had key interests in avoiding yet another war with its neighbour, in modernising its economy, and in preserving its position internationally. Europe was "seen as a means to amplify French interests".(22) Lastly, the United Kingdom was (and still is) torn between different roles, that of leader of the Commonwealth, special friend of the US, and European power. By its vacillation the UK allowed itself to be substantially marginalized in the integration process. In short, the process of European integration in the post-war years was based on a felicitous combination of factors: common, overarching conditions and objectives, the existence of a power with the ability to impress itself on other states, and the willingness among states to give up substantial aspects of their domestic political sovereignty to supranational bodies.

IV. The Possibility of Exporting the EU's Success

[14] The central question in other contexts, be they regional or multilateral, is whether such circumstances are likely to apply in the foreseeable future. They certainly have not so far: "in the twentieth century, no other region of the world achieved a level of integration between previously sovereign states that compares even remotely with that of Europe."(23) A few instances may be usefully cited.

[15] In the context of NAFTA, it is noteworthy that efforts at regional harmonization of national regulations have thus far enjoyed little success, despite the cross-border friction that they occasion (e.g. as regards US trucking regulations for Mexican drivers). Canada and Mexico have shown themselves unwilling to cede a hegemonic role to the US and to acquiesce in the imposition of its domestic macro- and micro-economic policies on themselves. Likewise, it is clear that the US will not accept the creation of supranational bodies with substantive legislative authority over its (and the others') domestic policies, on the basis of a relatively egalitarian sharing of political influence in these bodies. A reversal of these national attitudes, which serve as impediments to deep economic integration, seems "inconceivable" in the foreseeable future.(24)

[16] In Africa, there has been considerable discussion of late about the unification of the continent.(25) Muammar Qaddafi has in particular been active in promoting a grand scheme of African unity. His efforts have met with some resonance: the Organization of African Unity was several weeks ago reborn as the African Union in keeping with the general ambition to follow the EU's example. Plans are underway to provide the union with institutions such as a court of justice, parliament, and central bank to manage its currency. Although the scheme has an enthusiastic leader, who will spend generously to buy fellow leaders' support, and although Africans share common, pressing interests (above all in alleviating poverty), it is likely that this most recent attempt at regional political organization is fated to fail just like its predecessors. Deep economic integration in this context faces several serious impediments. First, "unlike Europe when the EU was founded, much of Africa is still at war".(26) A borderless Africa would logically result from a peaceful Africa and not vice versa. Second, "the money to make it come true [is] not there".(27) No offer of reconstruction aid on the scale of the Marshall Plan is imminent to spur regional cooperation.(28) Finally, the negative forces of nationalism still dominate African politics, as manifested variously in the widespread prevalence of "state-building" policies such as import substitution. The positive "climate of trust" across Europe that developed through the Second World War and bound a relatively coherent and powerful group of intellectuals and politicians in the postwar

period (29) is lacking. In short, African conflicts do not, pace Qaddafi, "philosophically and historically expose the unity of Africa" rather the opposite.(30)

[17] The prospects for deep economic integration in Central and Eastern Europe are more hopeful but are still complicated in important respects. The EU does look set to enlarge itself, even if the exact time frame and the identity of the new member states remain unclear. Among the elites in the applicant states enlargement is seen as a historic opportunity, a matter of "how" and "when" rather than "if." The leaders of Poland, the Czech Republic, and Hungary etc. believe that joining the EU will reunite them with western civilization; spur greater economic growth; confer an extra level of security; check the power of larger European neighbours; and encourage open government and a competitive business environment.(31) Above all, they hope thereby to develop into "normal countries."(32)

[18] The various strategic arguments in favour of accession have not, however, prevented a significant risk of rejection in the applicant states from developing.(33) The initial enthusiasm of many voters there has begun to fade as they grow aware of the "practical obstacles to getting in and the difficulty of playing by the rules once inside."(34) Being a member state is not a panacea for all national ills; being a member in fact presents its own difficulties. (A few examples may illustrate this reality. The economic reforms necessary to bring national policies into conformity with the EU will be wrenching (e.g. EU disapproval of state aid to industry will up the pressure to close uncompetitive state enterprises, throwing many out of work); fulfilling the obligations of EU membership will be very expensive (e.g. full implementation of EU environmental law); the application of internal market principles will touch on emotive national issues (e.g. free movement of capital and land sales to foreigners); and the consequences of seemingly trivial European policies present potential for alienation (e.g. the application of standard EU duties on cigarettes would multiply the price of a packet in applicant states many times over).) From this perspective, it should come as no surprise that support for EU membership is greatest in those states that are furthest away from accession.(35) Any of these difficulties could plausibly trigger a popular backlash, especially in states that have only recently reacquired their long-sought national sovereignty.(36) As the legislatures of all applicant states and the electorates of many must accept any eventual offer of EU membership (by ratification and referenda respectively), this threat of a backlash is a serious matter: it has the potential to impede enlargement. "The chances are still that these countries will say yes to the EU. But if they felt that they had been given a bad deal in the negotiations, they might conceivably end up saying no."(37)

[19] Opposition to enlargement may also arise in existing member states. As the Iron Curtain fell, the EU pledged to admit the states of Central and Eastern Europe expeditiously. It has become increasingly apparent that the pledge was effectively given before any rigorous analysis of the implications of enlargement was made.(38) Not only were negotiations inopportunistically scheduled to take place simultaneously with the launch of the single currency, but also reform of the EU decision-making process, the Common Agricultural Policy, and the structural and cohesion funds had yet to be agreed. A decade on, these reforms, necessary given the new institutional and financial perspectives, have still to be completed. The devil may prove here to be truly in the details: existing member states may still balk at the price of the preparatory reforms.

[20] There are plenty of good strategic reasons for enlargement from the perspective of existing member states as from that of applicant states. The rationale of enlargement has thus far been based on security considerations (i.e. projecting peace to the EU's near abroad) and economic considerations (i.e. increasing economic opportunities regionally and economic weight internationally). Spreading peace and prosperity constitute powerful impulses,(39) a sense of moral obligation to help the victims of fascism and communism aside. To proceed, however, enlargement requires sacrifices from existing member states, sacrifices that it is not yet clear that they are willing to make. Several complications that go to the "very heart of the Union"(40) loom large. First, a larger number and diversity of member states (up to 27) will, as noted, make progress based on unanimity and consensus harder to achieve. A common understanding exists that the decision-making process must be reformed, but exactly how has been hotly contested.(41) Second, provision must be made for new members in the agricultural and regional aid budgets by increasing the pie and/or reducing the size of the slices. Either way a measure of financial sacrifice from existing member states is required. Lastly and perhaps most controversially, immigration represents a very sensitive issue in existing member states. In particular, there is widespread fear in Germany and Austria of a flood of cheap labour from the east upon the introduction of complete freedom of movement. Such fears have the potential to galvanize public opinion into political action. Most dramatically and decisively, they may find expression in referenda on enlargement in existing member states.

V. The Sustainability of the EU's Aim of an "ever-closer Union"

[21] Viewed from a broader, more theoretical perspective, the key question now in the continental context is whether commitment to the European project still exists to a degree necessary for its furtherance. Integration has advanced so far that "it now tests the limits of states pooling their sovereignty while protecting overriding national interests."(42) Popular and political commitment to further integration may be wanting according to individual state's conceptions of

their essential nature and destiny.

[22] Popularly, the discussion of late about the EU's future has been characterized above all by indifference. Despite the importance of the next stage of reforms for their own destiny, debate among the peoples of Europe has been markedly limited in range and depth, falling far short of that which raged, for example, around the drafting of the US federal constitution.(43) Inasmuch as the issue has attracted their attention, the response has been largely negative, as seen in the rejection of the Nice Treaty in the Irish referendum.(44) This phenomenon is in turn far from new. The EU has had problems with its popular perception since at least the late 1970s, problems that the implementation of the 1992 Single Market programme only exacerbated.(45) The popular concern, which has developed even in traditionally more positive member states such as France and Germany, has stubbornly resisted integrationists' repeated attempts to dispel it.(46) If anything, unity among the peoples of Europe is being found in distrust in the EU.(47) Large numbers view the EU system as undemocratic and bureaucratic and its institutions, in view of recurring scandals, as incompetent and dishonest.(48)

[23] A lack of popular commitment to the European project might not be so problematic if it were compensated for by a strong political commitment. (Indeed, the great European experiment has progressed thus far, according to a recent analysis, only because the political establishment in Germany and France concealed the realities from the voters.(49)) It has become all too apparent, however, that European leaders lack a common understanding of the European project, how and when it is to be accomplished, and even agreed terms for describing what they are discussing. (For example, the term "federalism" evokes different models of government in the large states. Roughly speaking, to the Germans it describes a division of powers; to the French an association of nation states; to the British a super-state.(50)) The "thread" that used to tie the EU together has, in the European Commission President's opinion, been lost at some point.(51) With it has gone a certain degree of the traditional "*esprit communautaire*," *i.e.* the willingness of states to meet and negotiate as equals and their faith in the ability of the EU itself to reconcile their differences and act in the common good.(52) Instead, recent discussions among leaders about the EU's future have tended to revolve around narrow, short-term national interests and have been settled by Foreign Ministries, not EU institutions, largely according to states' size and wealth.(53) This reality was perhaps most dramatically evidenced during the long, hotly contested negotiations in Nice over decision-making arrangements. The leaders' approach to continental concerns encourages a vicious circle, by further lessening the supranational spirit among national electorates.

[24] It would be easy to criticize the leaders for a failure of vision and to attribute it to their own personal shortcomings - *e.g.* opportunistic, bereft of leadership -, a temptation that many observers have found too hard to resist. Before doing so, the alternative (continuing undemocratic policymaking?) and the prevailing circumstances (the public's own lack of enthusiasm for further integration) should be carefully considered.(54) Put concretely, reweighting and the majority principle are understandably sensitive issues to member states, as they concern the possibility of states being outvoted on issues about which they feel passionately. "To commit the Union to never-ending political integration for its own sake, regardless of citizens' preferences, is indefensible."(55) Lacking a clear popular mandate, European leaders may be reasonably expected to negotiate on familiar terms.

[25] Ultimately, the cause for the prevailing lack of popular and political commitment may derive from the reality that European integration has been largely driven by "economism," the language of economics and utilitarian philosophy.(56) It is true that in the immediate post-war years, idealism about constructing a new Europe, or rather realism about avoiding another continental conflagration, dominated thinking about integration. This concern served to bridge the pluralism among member states that has been "the defining characteristic of European civilization."(57) With the passage of generations since the Second World War, it faded; with the fall of the Iron Curtain, it disappeared. What was formerly the means has become the end: the EU's overriding concern has become economic growth in and of itself. Europeans have thus come to be treated primarily as consumers in the process of integration.

[26] It should hardly surprise then that commitment to the European project is flagging. The emphasis on economism has depleted political life in the EU.(58) Specifically, politics has lost its traditional meaning and has been reduced a technical question, best delegated to bureaucrats. Political activity has assumed a cynical character, a zero-sum game of rent-seeking in Brussels. Politicians appear at best to be busybodies, at worst megalomaniacs. Would-be political participants, citizens, are left to pursue their own interests to their private gratification and grief. (59) Initiatives are judged according to their economic advantages and disadvantages - in absolute terms and relative to those experienced in other member states. "Voters tend to take the non-monetary benefits for granted and complain about the costs."(60)

[27] To be a viable political community, Europeans - its politicians or peoples - must possess a sense of something other than the national and/or individual interest in reaping the greatest benefits possible from the marketplace. An overriding concern with economic growth cannot bridge Europe's abiding pluralism. Political union has been put forward by many as the *raison d'être* of further integration. Extant proposals for a European federation have,

however, not provided the sense of a larger purpose for which all citizens will work and sacrifice together. Further European unification continues to be primarily rationalized in public circles as necessary to sustain the Common Market and the Euro or to enable Europe to compete with other regional power blocs.(61) Operating under a range of different policies is viewed as inefficient in the context of deep economic integration and allegedly calls for greater uniformity, coherence, and coordination.(62) Supporters of deep political integration fail to see such a step as a means, for example, of promoting individual liberty or social justice. Without a convincing common vision, attempts at political union are unlikely to succeed and may if forced on an unwilling public even backfire.

[28] Among integrationists it is taken as an article of faith that full-blooded federation in Europe is the right goal. Given the change in concerns motivating the project, however, it seems fair to ask, whether European integration should in fact proceed further. Closer cooperation may have been appropriate in the aftermath of the Second World War, but is it in present circumstances? Two considerations seem particularly relevant. First, it must be kept in mind that there is no historical inevitability binding participants. It is true that the EU has weathered many crises in past, its supporters having successfully maintained the momentum for ever-closer union against seemingly bad odds.(63) This does not mean, however, that power in Europe must necessarily be centralized supranationally. Integration is a work in progress, contingent on the will of Europe's governments and peoples to "advance the cause of unity in ways that [are] specific at each juncture and to adapt the institutions accordingly."(64) Second, it must be kept in mind that a Europe that remains unfederated, maintaining its current diversity of value systems and institutions, would be justifiable on democratic principles. As argued above, states are entitled to determine in negotiation over a given international regime the measure of cultural specificity justifying singular behaviour and the obstruction of universal applicability. If their citizens have different preferences regarding, for example, their employee rights and welfare systems, they are surely entitled to them with all their consequences,(65) even if they include economically sub-optimal outcomes.(66) The EU's work is reaching into ever more sensitive areas of national economic and foreign policy. It is not a priori unreasonable for states to wish to maintain - or even reclaim - their sovereignty by preferring intergovernmentalism to political union at the supranational level, whatever the inherent virtues of federalism.

[29] Europeans should engage themselves in a vigorous, thoroughgoing, wide debate about the sense and purpose of unity, so as to determine whether the "end of [their] dreams" should be "political unity with aspirations to the status of a great power" or "a deluxe free-trade zone."(67) This debate should be based on questions of "identity and first principles," on "values and orientation."(68) European leaders can facilitate this process by presenting their electorates with different possible arrangements for supranational decision-making and democratic accountability. According to one analysis, it is possible that the "right" kind of federalism, *i.e.* a federalism that emphasizes citizenship, might enable Europe's different political cultures to survive, but the consensus on which it would have to be grounded will take decades, if not generations, to emerge.(69)

[30] If so, in the interim, efforts on the supranational level may be more effectively targetted at consolidating the past success of integration rather than engaging in "a version of Trotsky's doctrine of permanent revolution".(70) Specifically, even efforts at modernizing the European social model, engaging as they do fundamentally different national preferences, should be subordinated to further efforts at dismantling the all-too-many barriers to competition remaining in the common market (*e.g.* in the energy sector, financial services, and postal services).(71) In parallel, before attempting a reform of the supranational government, its current division of responsibilities and powers and its manner of operation should be better explained. Efforts to make the EU's operations more comprehensible and open to 'ordinary' Europeans may serve to enhance appreciation for the EU in existing member states.

VI. Conclusion

[31] As demanded of them by their citizenry, states negotiate with one another on the basis of conceptions of self-interest and prevailing conviction. They judge initiatives to closer international cooperation according to whether the initiatives will further or undermine the existing value systems and institutions of their community. Given a divergence of value systems and institutions, the integration of political communities, especially as realized in a constitution, is an extraordinary process requiring a dominating political will and exceptional social and economic circumstances. As demonstrated by the EU's extensive experience in interstate negotiations, "in the economic sphere at least, international regimes may be less likely to [be] capable of effecting cross-national institutional convergence than many suppose".(72)

[32] Hopes for deeper integration in other contexts, such as NAFTA, Africa, and eastern enlargement should be tempered by this demonstrated political dynamic. Within the EU, it should give pause to supporters of federalism. EU member states are approaching "the limits of intergovernmental cooperation compatible with being sovereign nation-states".(73) It is by no means clear, however, where decision-making authority over many fields of policymaking should reside. Put bluntly, the question is now "how much more political integration can the EU's citizens swallow?"(74) Further integration is contingent on popular and political commitment. Attempting to proceed faster than participants desire risks not merely failure but provoking a backlash. Maximizing economic growth, the EU's

preeminent concern, remains like other utilitarian ideas subject to certain possible overrides in the negotiation of coordinating arrangements.

- (1) See, generally, Peter A. Hall and David Soskice, Introduction in , Peter A. Hall and David Soskice, *Varieties of Capitalism*, forthcoming. It is true that the way in which the domestic consultative process is structured may be seriously flawed. Public choice theory suggests that negotiating positions may be the result of the unequal ability of rent-seeking interest groups to organize and influence the political process. (Peter Behrens, *Weltwirtschaftsverfassung*, in: *Jahrbuch fuer Neue Politische Oekonomie*, Band 19, p. 12-3.) Positions may not therefore reflect conceptions of self-interest and prevailing conviction in a given community but may represent the expression of political decisionmaking. This phenomenon is likely to make international consensus more difficult to reach during negotiations in which there should otherwise be no significant differences in conceptions of self-interest and prevailing conviction. What is important for our purposes here, however, is that a position is taken and put forward in negotiation and not its development.
- (2) See, generally, Russell Hardin, *Liberalism, Constitutionalism, and Democracy*, Oxford: Oxford University Press, 2000.
- (3) Jeremy Waldron, "Co-ordination is not enough", *TIMES LITERARY SUPPLEMENT*, 22 September 2000, p. 12.
- (4) *Ibid.*
- (5) *Ibid.*
- (6) Wolfgang Streeck, *Einleitung: Internationale Wirtschaft, nationale Demokratie?* in Wolfgang Streeck (Hrsg.), *Internationale Wirtschaft, nationale Demokratie. Herausforderungen fuer die Demokratietheorie*, Campus: Frankfurt/New York, 1998, p. 25.
- (7) *Ibid.*, p. 25-6.
- (8) See, for example, Martin Nettesheim, *Von der Verhandlungsdemokratie zur internationalen Wirtschaftsordnung: Zur Entwicklung des internationalen Wirtschaftsrechts*, in: *Jahrbuch fuer Neue Politische Oekonomie*, Band 19, p. 18-9.
- (9) Streeck, p. 23.
- (10) Hall, p. 21.
- (11) Karl-Heinz Ladeur, *Globalization and the Conversion of Democracy to Polycentric Networks - Can Democracy Survive the End of the Nation States?*, Paper presented in Florence at Workshop on Globalization and Public Governance, April 2000, forthcoming, p. 3. Recognition of the latter ability was, for example, behind Thatcher's interest in creating a true single market within the EEC as part of the privatization and deregulation of the British economy.
- (12) Streeck, p. 38. As Otto von Bismarck put it, "I have always found people demanding in the name of Europe that which they dare not ask for themselves." As quoted in *ECONOMIST*, 2 June 2001, p. 16.
- (13) Adam Roberts, "Creating something unique", *TIMES LITERARY SUPPLEMENT*, 14 July 2000, p. 10.
- (14) Juergen Habermas, *Die postnationale Konstellation und die Zukunft der Demokratie*, in: *Die postnationale Konstellation*, Frankfurt, p. 149.
- (15) Streeck, p. 11.
- (16) Habermas, p. 155.
- (17) Gabriel Gloeckler et al., *Guide to EU Policies*, Blackstone, London, 1998, p. 26.
- (18) *INTERNATIONAL HERALD TRIBUNE*, 8 December 2001, no page citation at hand. The Euro-skepticism variously manifested in Denmark and Austria as well as Ireland over the last several years offers evidence of this reality.
- (19) Streeck, footnote 7.
- (20) *FRANKFURTER ALLGEMEINE ZEITUNG (English Edition)*, 18 December 2000, p. 5. This proposal strikes me as paradoxical, if not contradictory to purpose of the whole project. In effect, it argues that to further European integration - especially through enlargement - the number of issues settled at the European level must be reduced.
- (21) Gloeckler, p. 14.
- (22) *Ibid.*
- (23) Adam Roberts, "Creating something unique", *TIMES LITERARY SUPPLEMENT*, 14 July 2000, p. 10.
- (24) Michael J. Trebilcock and Robert Howse, *The Regulation of International Trade (2nd ed.)*, Routledge: London/New York, 1999, p. 503.
- (25) *ECONOMIST*, 21 July 2001, p. 34.
- (26) *Ibid.*
- (27) *Ibid.*
- (30) The new action plan for development partnership agreed between poor and wealthy states at a recent UN meeting notably contained no pledges of aid or debt relief. (*INTERNATIONAL HERALD TRIBUNE*, 21 May 2001, no page citation at hand) Such gestures would in any event have to be considerable to more than reverse the drop in developed world aid to sub-Saharan Africa that occurred during the 1990s.
- (31) Gloeckler, p. 13.

- (30) *ECONOMIST*, 21 July 2001, p. 34.
- (31) *ECONOMIST*, 19 May 2001, Survey, p. 10.
- (32) *INTERNATIONAL HERALD TRIBUNE*, 27 July 2001, p. 6.
- (33) In Poland and Hungary, for example, current support for EU membership barely exceeds 50%. *ECONOMIST*, 19 May 2001, Survey, p. 15.
- (34) *Ibid.*, p. 10.
- (35) One expert put it semi-facetiously: "I'm sure there is 100% support in Albania." *Ibid.*
- (36) The sensitivity of popular opinion in applicant states was recently demonstrated by a large swing in support in favour of membership in Estonia following EU payments to the local agricultural sector and the victory of a local duo in the Eurovision song contest. *FRANKFURTER ALLGEMEINE ZEITUNG*, 13 August 2001, p. 6.
- (37) *ECONOMIST*, 19 May 2001, Survey, p. 10.
- (38) Gloeckler, p. 343.
- (39) The experience of past enlargement, particularly to Spain, Greece, and Portugal, fills supporters with hope of success in realizing these objectives.
- (40) *ECONOMIST*, 19 May 2001, Survey, p. 9.
- (41) Some participants argue that the veto rights of member states must be further curtailed if the EU is to maintain the integration dynamic and to avoid paralysis after enlargement. Others argue that increased heterogeneity should be managed by 'flexible integration' (i.e. by differentiated modes of integration that allow various groupings of member states to pursue public policies with different procedural and institutional arrangements). Each of the proposed approaches remains unsatisfactory to the extent that it does not constitute a means of resolving a difference of opinion when the integration process has reached a critical depth for certain member states. Gloeckler, p. 67-8.
- (42) *INTERNATIONAL HERALD TRIBUNE*, 1 February 2001, no page citation at hand.
- (43) Larry Siedentop, *Democracy in Europe*, Allen Lane The Penguin Press: London, 2000, p. xi.
- (44) The negative response was particularly remarkable in the Irish context, as Ireland has benefitted greatly from EU membership. As a result of EU-related subsidies and foreign investment, Ireland has gone from being one of Europe's poorest states to being one of its richest in a remarkably short space of time.
- (45) "The seemingly sudden appearance of the Community in all walks of life caused people to question how it had happened and, more importantly, what basis it had in terms of legitimacy" (Gloeckler, p. 23). Since Maastricht, the EU can hardly be spoken publicly of without mention of a 'democratic deficit'.
- (46) A poll taken early in the year showed 61% of French and German respondents "unsatisfied" with how the EU is organizing itself. *INTERNATIONAL HERALD TRIBUNE*, 1 February 2001, no page citation at hand.
- (47) *Ibid.*
- (48) The proposal of a special EU tax mooted recently (*ECONOMIST*, 14 July 2001, p. 30) may attract more popular attention to the supranational body, but it seems unlikely to enhance its popularity.
- (49) Siedentop, p. 215 on. The Economist pithily characterized this approach to steering the EU as "we decide everything; one day you'll thank us." *ECONOMIST*, 28 October 2000, p. 11.
- (50) *ECONOMIST*, 2 June 2001, p. 16.
- (51) Romano Prodi, as quoted in *FRANKFURTER ALLGEMEINE ZEITUNG* (English Edition), 14 February 2001, p. 1.
- (52) *INTERNATIONAL HERALD TRIBUNE*, 24 October 2000, no page citation at hand. Gerhard Schroeder is alleged to have complained during the Nice negotiations that the endless haggling over states' voting power within the EU "makes me sick" (as quoted in *ECONOMIST*, 16 December 2000, p. 23).
- (53) According to other observers, pragmatism and not grand visions has always dominated the progress from EEC to EC to EU. A recent account by Andrew Moravcsik finds, for example, that at five major treaty-amending turning points in the history of the EC the decisions taken were bargains among national governments based on concrete national interests, relative power and carefully calculated transfers of sovereignty. (See generally, Andrew Moravcsik, *The Choice for Europe*, UCL Press: London, 2000.)
- (54) In both France and Germany, the traditional motors of European integration, the governments must soon face their electorates.
- (55) *ECONOMIST*, 28 October 2000, p. 11.
- (56) Siedentop, p. 217.
- (57) *Ibid.*, p. 229.
- (58) It is true that there is a gap between politicians and citizens throughout the West, but as European Commission President Romano Prodi noted, the alienation is "particularly acute" in the EU's case. (As quoted in *ECONOMIST*, 28 July 2001, p. 31.)
- (59) David Marquand, "No End in Sight", *TIMES LITERARY SUPPLEMENT*, 20 April 2001, p. 6.
- (60) *INTERNATIONAL HERALD TRIBUNE*, 27 July 2001, p. 6.
- (61) Siedentop, p. 28.
- (62) *ECONOMIST*, 28 October 2000, p. 11-2.
- (63) "Certainly, anyone betting against the EU over the past 50-odd years would have lost a lot of money." *ECONOMIST*, 16 June 2001, p. 34.

- (64) FRANKFURTER ALLGEMEINE ZEITUNG (English Edition), 6 December 2000, p. 1.
- (65) ECONOMIST, 2 June 2001, p. 16.
- (66) A good argument can, however, be made that a persistent diversity of economic, fiscal, and social policies would be good for the European economy as it would stimulate competition among governments for mobile capital. Political union is accordingly to be resisted, as it implies policy harmonization.
- (67) FRANKFURTER ALLGEMEINE ZEITUNG (English Edition), 14 February 2001, p. 1.
- (68) FRANKFURTER ALLGEMEINE ZEITUNG, 12 June 2001, p. 12.
- (69) Siedentop., p. 231. Building up a US-style system may, as argued by German Foreign Minister Joschka Fischer, be an "illusion", as Europe may "never have a homogeneous national population. It is made up of different languages, cultures." (As quoted in INTERNATIONAL HERALD TRIBUNE, 15 November 2000, no page citation at hand.) With the proclamation of a Charter of Fundamental Rights in Nice, the existing member states have made some progress in this direction. They declared their desire thereby to be a community bound by shared values. Roman Herzog, chair of the drafting group, has referred to the Charter as a part of a future European constitution. FRANKFURTER ALLGEMEINE ZEITUNG (English Edition), 8 December 2000, p. 1.
- (70) ECONOMIST, 3 February 2001, p. 31.
- (71) FRANKFURTER ALLGEMEINE ZEITUNG (English Edition), 23 March 2001, p. 5.
- (72) Hall, p. 21 (manuscript).
- (73) INTERNATIONAL HERALD TRIBUNE, 6 February 2001, no page citation at hand.
- (74) ECONOMIST, 16 June 2001, p. 33.