

EUROPE WITHOUT ILLUSIONS

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ABSTRACT

Future historians may someday look back on the 1990s as the decade when Europeans began to view the European Union without illusions. Although the core of European integration has always been pragmatic, functional cooperation of a largely economic nature—trade liberalization, regulatory harmonization, financial openness—the project was assisted by the existence of a “permissive consensus” of favorable public opinion, which permitted centrist political parties to satisfy the economic demands of powerful producer groups while justifying their actions with arguments about the role of the EU in promoting regional democracy and peace. As a result, European political elites only rarely criticized the EU. In recent years more open skepticism has been voiced. The first part of this essay evaluates the views of five leading European statesmen and thinkers, found in their Spaak lectures at Harvard University, on this issue: Ralf Dahrendorf, Uffe Ellemann-Jensen, Roy Jenkins, George Papandreou and Renato Ruggiero. The second part evaluates the most serious of recent criticisms of the EU, namely that it is democratically illegitimate. Concern about the EU’s ‘democratic deficit’ is in fact misplaced. Judged against the practices of existing advanced industrial democracies, rather than an ideal plebiscitary or parliamentary democracy, the EU is legitimate. Its institutions are tightly constrained by constitutional checks and balances: narrow mandates, fiscal limits, super-majoritarian and concurrent voting requirements and separation of powers. The EU's appearance of exceptional insulation reflects the subset of functions it performs – central banking, constitutional adjudication, civil prosecution, economic diplomacy and technical administration. These are matters of low electoral salience commonly delegated in national systems, for normatively justifiable reasons. On balance, the EU redresses rather than creates biases in political representation, deliberation and output.

Future historians may someday look back on the 1990s as the decade when Europeans began to view the European Union without illusions.⁷ For almost 50 years after World War II, geopolitical imperatives—the democratization of Germany and Italy, the Communist menace at home and abroad, and the omnipresence of United States military power—masked the foundation on which postwar European integration was built, namely the management of commercial and financial interdependence. Support for the EU rested on a “permissive consensus” of favorable public opinion, which permitted centrist political parties to satisfy the economic demands of powerful producer groups while justifying their actions with arguments about the role of the EU in promoting democracy and peace. With the exception of a few salient episodes—the French debate over the European Defense Community and the British referendum of 1975 come to mind—fundamental assumptions about the proper form and substance of European economic integration were almost never put to public debate. The future of Europe was instead placed in the hands of prominent statesmen, Paul-Henri Spaak being a noble example, who charted the way forward. In this way were constructed the major pillars of the EU: the customs union, the Common Agricultural Policy, regulatory procedures, and successive monetary institutions.

A decade ago this quiet, elite-driven style of EU politics came to an end. In the wake of the Single European Act of 1986, the Maastricht Treaty of 1991, and enlargement to include three new members, the old fundamentals of European integration began to be questioned. Referenda on the 1991 Maastricht Treaty in Denmark, France, and Ireland have sparked widespread, if somewhat demagogic, public deliberation. National constitutional courts, notably in Germany, implanted the issue at the heart of national legal debates. Discussion was later energized by new challenges—regional stabilization, democratization, enlargement—emerging out of the post-Cold War world.

In time, there emerged a wide-ranging debate over the deeper purposes, technical efficiency, institutional appropriateness, and democratic legitimacy of the EU. In a widely read book, Oxford don Larry Siedentop recently asked, “Where are the Madisons for Europe?” Yet a more appropriate question is: “Why are there so many Madisons?” For the debate over the future of the EU has engaged an extraordinary number of Europe's leading public intellectuals, journalists, and politicians. Jürgen Habermas, Alain Minc, Anthony Giddens, Joseph Weiler, and Timothy Garton Ash head the list of hundreds of scholars debating its democratic legitimacy. Elite European newspapers devote entire sections to proposed provisions for a European constitution. In recent years, one is hard-pressed to find a major European politician who has not advanced a detailed

⁷ This paper was as the opening lecture at the Third Spaak Foundation – Harvard University Conference, “Les Relations transatlantiques un an après le 11 septembre 2001” (Brussels, 6-8 September 2002). It will appear as the introductory essay to a series of papers by Ralf Dahrendorf, Uffe Ellemann-Jensen, Roy Jenkins, George Papandreou and Renato Ruggiero, in Andrew Moravcsik, ed. *Europe without Illusions* (Harvard University/University Press of America, forthcoming). Moravcsik can be reached at moravcs@fas.harvard.edu or at 617-495-4303 x205, Center for European Studies, Harvard University, 27 Kirkland St., Cambridge, MA 02138 USA. Until February 2003 he is Visiting Senior Research Fellow, Department of Politics, Corwin Hall, Princeton University, Princeton, NJ 08544 USA. Tel: 617-571-7395.

scheme for reform of the European constitutional order. In the past two years alone, Prime Ministers Tony Blair of the United Kingdom and Jose-Maria Aznar of Spain, French President Jacques Chirac, German Foreign Minister Joschka Fischer, former Italian Premier Giuliano Amato, and European Commission President Romano Prodi—to name just a few—have done so. The current constitutional convention is charged with crafting something enduring from all these ideas.

This is not to say that European integration is faltering. Indeed, decade from 1992 to 2002 may be the most successful in its history, marked by deepening of the internal market program; realization of a single currency; enlargement to include Austria, Sweden and Finland; increased activities on social, defense, and immigration policy; and the launch of and, we expect soon, the conclusion of negotiations for enlargement to include five to eight new members to the East and South. By any estimation, the EU has been and remains the most successful voluntary international organization in world history. Understanding its distinctive dynamics has become essential for any serious analyst of world politics.

It is thus fitting that the Spaak lectureship at Harvard University should have invited during the period from 1994 through 2000 a series of five speakers—Roy Jenkins, Renato Ruggiero, Ralf Dahrendorf, Uffe Ellemann-Jensen, and George Papandreou—who differ in both topic and tone from their predecessors in the preceding decade and a half:ⁱⁱ Three of these differences illustrate the depth of recent changes of the prevailing political mood in Europe.

First, whereas previous speakers focused primarily on NATO and transatlantic relations, the five members of this group hardly mention these issues. Indeed, with the exception of Papandreou's discussion of the Balkans, they hardly touch on pure security affairs at all. Four of the five lecturers focus instead on policies directly related to the EU, while the fifth, Ruggiero, dwells on the relationship of regional institutions like the EU to the GATT/WTO. This is indicative not just of a shift in public attention from transatlantic relations to European events. It also signals an even deeper shift from the unquestioned primacy of security matters in the Cold War to a more balanced attention to social and economic interactions among countries in the post-Cold War period.

Second, as befits commentators in any period of fundamental transformation, each speaker seeks to situate the current state of the EU in historical perspective. This is particularly striking in the cases of Roy Jenkins and Dahrendorf, who devote the greater part of their essays to the history of the EU. Ellemann-Jensen, Ruggiero, and George Papandreou also advance intriguing historical claims.

Third, while each of the five speakers sincerely professes to be a "European," most are deeply critical of current and past EU policy. This reflects one of the most intriguing developments in contemporary Europe—the emergence among national political elites of a range of more skeptical positions with regard to the EU. Before 1991, one would have been hard-pressed to find, with the exception of the French Gaullists of the early 1960s and the British Tories of the 1980s, a governing party in Europe that was

openly critical of any major aspect of European integration. (I set aside squabbles over the agricultural budget.) Many European leaders were far more skeptical in private, of course—Helmut Schmidt and Valéry Giscard d’Estaing are examples—but such concerns remained essentially outside the scope of acceptable public debate for all except the representatives of the extreme left and right. Instead politicians invoked a set of symbols and myths, of varying degrees of appropriateness and accuracy, about the beneficial consequences of integration and the continuing need for “ever closer union.”

After 1991, as we have already seen, major European politicians began to stake out a series of subtly differentiated critiques and proposals for EU reform, some quite unorthodox. The essays by Dahrendorf, Ellemann-Jensen, and Ruggiero illustrate this trend. Taken together, they cast doubt on nearly every one of the core beliefs of Spaak’s generation: the necessity of integration to prevent war in Europe; the use of European ideals as an antidote to nationalism; the need for Europeanism as a bulwark against domestic and foreign Communism; the inevitability of “spillover” into ever expanding activities; the destiny of the EU to become a centralized federal state; the conception of EU officials as impartial administrators of the common interest; and the higher purpose justifying the EU’s lack of traditional democratic institutions. All these things, and more, are called into question by these writers, just as they have been in recent European debates.

For each speaker, as for many Europeans, the central question for the future is thus: *How can we justify European integration in an era when it is increasingly viewed without the help of these illusions?* Each writer contributes in an interesting way to that discussion. I have organized their thoughts and my own commentary to address a series of issues critical to understanding what sort of public justification is required for European integration. The first section below considers the case of the United Kingdom, a country which has long harbored lukewarm attitudes toward the EU. The second section addresses the historical role of European myths and beliefs on the Continent. The third section investigates whether the founding myths of the EU, in particular the belief that economic integration will prevent war and lead to political union, are correct. The fourth section evaluates claims that the recent deepening of European integration has gone too far. I examine three such critiques: Deepening is said to breed insularity and protectionism, to generate division and conflict, and to exacerbate the perception that the EU is democratically illegitimate. I reject each, arguing in particular that the EU is democratically legitimate as it stands—and widespread efforts to reform it in a more participatory or majoritarian direction, not least in the current constitutional convention, are therefore unwarranted. The past ten years have not, in fact, confirmed the concerns voiced by the more critical among us.

LIFE WITHOUT ILLUSIONS: THE EXCEPTIONAL ROLE OF BRITAIN

Some countries have always been lukewarm towards European integration, and the United Kingdom is foremost among them. Certainly it is in Britain that we find the most vociferous and deeply entrenched “Euroskeptical” minority.ⁱⁱⁱ As a result, European

integration has been more salient and more controversial there than in nearly all other member states. In his 1994 Spaak lecture, entitled “The Disappointing Partnership between British Governments and Europe: Why the Paul-Henri Spaak Tradition Rarely Embraces London,” British politician and former President of the Commission Roy Jenkins, now a member of the House of Lords, addresses the central puzzle of British EU policy over the past half century: How can we account for Britain’s persistent self-defeating semi-detachment?”^{iv}

It is a double puzzle. The first puzzle lies in the British tendency to hang back from new European initiatives, from the European Coal and Steel Community (ECSC) to the present. The second lies in the British tendency (in Jenkins’ apt metaphor) to then run alongside the departing train, trying to climb aboard at the next convenient point. The latter is a habit, he rightly notes, “conducive neither to comfort nor to national dignity” and one that in practical terms, “guarantees that we never play an effective role in shaping the institutions which we subsequently join.”^v In the last few decades, the result has been a policy at the “extreme of illogicality,” in which the British government generally supports *a la carte* or multiple-speed policies, yet violently opposes any effort by others to move ahead without the UK.^{vi} Such demands seem to imply a sense of “British exceptionalism” and, needless to say, elicit little sympathy from other European governments.

Jenkins sets out in search of a “general theory” to explain this phenomenon. He begins by dismissing, succinctly and with devastating finality, some spurious explanations.^{vii} British semi-detachment, he concludes, is too consistent to be attributed only to particular individuals, too enduring to be the result of nostalgia for empire, and too much in conflict with US policy to stem from a hankering after an Atlanticist “special relationship.” It can be attributed neither to poor British linguistic skills (for the French are worse) nor to Lockean skepticism of continental Cartesianism *à la française* (for the Irish have managed, at least until recently, rather well in Europe).

What, then, is the explanation? To be sure, it is with some disappointment that one turns to the final page of Jenkins’ essay and finds a brief concluding paragraph headed: “I am sorry not to give you a more definitive answer...”^{viii} Yet his search uncovers two very promising leads.

The first has to do with what Jenkins terms the “*peculiar rigidities of the British political system.*”^{ix} British parliamentary support for Europe rests on a cross-party coalition between center-right and center-left. This itself, of course, is hardly distinctive, since in most European political systems over the years, opposition to the EU united the radical left (e.g. French and Italian Communists, the left wing of the British Labour Party, and even the social democratic parties of Scandinavia) and the nationalist right (e.g. Poujadists, Thatcherite British Tories, sometimes the French Gaullists, and current anti-immigrant parties). What is distinct in Britain, Jenkins rightly observes, is a singular inability to manage this delicate political situation so as to permit the government to act.

This persistent inability to manage domestic conflict productively invites us to reflect on deeper characteristics of the British political system. Many might contribute to this pathology.^x Perhaps the most important factor for our purposes here is the lack of a large, organized Communist opposition, a characteristic that differentiates Britain strikingly from Italy, France and (albeit indirectly) even Germany. In these countries the threat from a highly organized radical left powered in part by internationalist views led postwar centrists to embrace European integration as an alternative conception of cosmopolitan idealism.^{xi} The lack of such a threat is a characteristic that Britain shares with other less federalist countries, notably Denmark, Sweden, Norway, Switzerland, and Ireland—and it lends European integration less ideological force.

The second intriguing lead uncovered by Jenkins is *the British tendency to view European integration primarily as a matter of trade*. Trade, he maintains, is an inherently uninspiring matter. It is the management of “packages,” of which a century and a half previously the ambitious young Gladstone, relegated early in his career to head the Board of Trade, bitterly complained. Today it remains insufficient today to inspire widespread public support. “Europe is and must be about men and women, and peace and politics and security, and art and life and buildings and ecology, and wider purpose than packages.”^{xii}

Jenkins is quite correct that economic incentives have dominated British policy-making over the past half-century. Indeed, recently released confidential documents reveal that commercial concerns were far more important than most, including Jenkins, believed at the time and ever since. In 1955, the British government’s choice to favor the maintenance of Commonwealth trade over trade with the Six made perfect sense; the former took 52% of British exports and the latter only 12%. (France and Germany, by contrast, exported two to three times as much to the Six.) As the relative weights of British trade with Commonwealth and Continent reversed between 1955 and 1965, so did British policy. We know now that Harold Macmillan’s primary motivation for launching the first British application in 1961 was his understanding that trade was shifting rapidly from Commonwealth to the Continent. Avoiding commercial exclusion from Europe became the single most important priority of British policy. If Britain were unable to export, neither guns nor butter would be affordable.^{xiii}

Commercial concerns continued to dominate British policy over the decades that followed. The positive outcome of the Referendum of 1975, for example, was decisively shaped by the intervention of British big business, which permitted the “Yes” campaign—in which Jenkins played a leading role—to outspend their opponents 10 to 1.^{xiv} In the years that followed, the major issue around which British opposition formed was the CAP, which burdened British taxpayers while creating relatively few allies in Britain’s tiny agricultural sector. Jenkins notes also the particular irony of Margaret Thatcher, the most Euroskeptical leader of Britain in the postwar period, who presided over the advance to the Single Market—“the one major step towards integration taken in Europe in the past half century in which Britain was not left tagging behind”—in large part due to her commitment to free trade.^{xv}

The result: Britain was constantly forced by economic interest to carry on, yet rarely responded swiftly or strongly. At most turning points, as Jenkins suggests, economic interest rather than geopolitical calculation or federal idealism dictated British participation in Europe. Yet the absence of a domestic political rationale for action—in particular, the absence of organized Communist opposition at home—meant that partisan and public support was weak. Accordingly, British participation was less enthusiastic (and often slower to emerge) than among its Continental counterparts.^{xvi} The non-ideological nature of the British approach to Europe may well account for this singular pathology.

Yet one cannot help but perceive that in the post-Cold War period Britain is today less exceptional in Europe than ever before. This is so in part because creative diplomacy has moved Britain closer to the heart of Europe. Though Britain remains a persistent objector on EMU, Prime Minister Tony Blair has moved Britain to the middle of efforts to construct a common foreign and security policy. He has brilliantly usurped the traditional position of the French by advancing proposals for foreign policy cooperation that contain a tinge of idealism and not a little self-interest, and doing so in a way that makes it impossible for either France or Germany to oppose them.

The UK is also less exceptional because Europe has become more British. Public debate within other EU member states, even the original Six, has moved in a more skeptical direction. On the Continent, the end of the Cold War and the disappearance of a domestic Communist opposition (with former Communist voters disseminated among other parties) appear to have legitimated more Euroskeptical views. The addition of new members with very different political traditions, most notably in Scandinavia, adds to the momentum. To see how much difference these developments make, let us step back and retrace the history of the European illusions on the Continent.

THE POWER OF EUROPEAN MYTHS

In his October 1996 Spaak lecture entitled “From Europe to EUrope: A Story of Hope, Trial and Error,” Jenkins’ Right Honorable colleague Ralf Dahrendorf stresses the role of political ideology in motivating European integration on the Continent. For Dahrendorf, as for most Germans, however, the key concern was not simply anti-communism but also a desire to restrain Germany.

European integration since 1945 was always about Germany....At least three German Chancellors—Adenauer, Schmidt and Kohl—showed a strong sense of the need for German *Selbsteinbildung* . . . All the way to monetary union, one motive force of European integration has remained the desire to keep Germany within the fold...of the liberal democracies of the world....Democracy at home is as solid a guarantee against aggression abroad as anyone can hope for.^{xvii}

This view is echoed by former Danish Foreign Minister Uffe Ellemann-Jensen, whose 1997 Spaak lecture entitled “The New Europe: How to Overcome 40 Years of Division” restates the political interpretation of European integration in its strongest possible form.

You must know what really lies behind European integration...Out of the despair [of World War II] grew the idea that a united Europe would make war impossible.... Although the agreement evolved from an arrangement initially dominated by economic issues to one increasingly dominated by political concerns, the fundamental objective remained the same: integration should lead to peace and liberty. *That* was always the goal. Economic integration—pooling the resources—was always the means, not the end....It is very important to keep this in mind: *European integration is first and foremost a political endeavor.*^{xviii}

European integration, in Ellemann-Jensen's account, was meant to render war between European governments impossible, to support the West in a continent "divided between two ideological systems" and, more recently, to strengthen new democracies in Southern and Eastern Europe. Renato Ruggiero, in his 1995 lecture entitled "The Global Challenge: Opportunities and Choices in the Multilateral Trading System," takes the same view not just of the EU but of the global trading regime. It was designed, above all else, to promote peace and security.^{xix}

Is this really the case? There is in fact good reason to doubt the conventional wisdom. We have already seen that major shifts in British policy were motivated primarily by commercial concerns. Jenkins assumes that it was different on the Continent, and in the public mind this was doubtless the case. Yet the release of confidential documents has revealed that elite decision-makers among the Six were similarly obsessed with economic interest.^{xx} The most recent historiography reveals that European integration has in fact always been more about commercial gain and less about peace and liberty than politicians have admitted publicly. Non-economic arguments for integration were more often used as a public justification for policies that reflected rather narrow economic self-interest.

Consider, for example, the Schuman Plan (later the ECSC) of the early 1950s—perhaps the clearest case of a European proposal undoubtedly motivated by the desire to stabilize peace and democracy. Even in this case, recent historical research reveals the considerable extent to which the ECSC was also motivated by narrow economic self-interest—above all the efforts by Jean Monnet, the chief of French planning, to obtain the natural resources necessary to fulfill his industrial schemes.^{xxi} Yet even if we were to concede the dominance of geopolitical concerns in this case, things had changed fundamentally just five years later.

It is often forgotten that the customs union plan of 1955-1957 that gave rise to the European Economic Community (EEC) was perceived by the "founding fathers" of the EU as a decisive break with the original conception of the European economic integration as a means to prevent war. When discussions began in 1955, Spaak, Monnet, and Pierre Uri proposed instead to carry on in the spirit of the ECSC by regulating "strategic" sectors that could support warfare, notably transport and atomic energy. Within a matter of days, however, German business leaders, who had resented meddling by the ECSC High Authority and had grown internationally competitive enough to favor trade liberalization, vetoed any such proposal. The proposal for a customs union instead was the brainchild of the Dutch Foreign Minister Willem Beyen, not particular known for his

pro-European views, and was only reluctantly accepted by Spaak and Monnet as a *quid pro quo* to keep the transport and atomic energy plans alive. In 1955 and 1956, Monnet secretly visited Adenauer several times to beg him to kill the EEC, arguing not just that it was unrealistic, but that trade liberalization, by its very nature, was apolitical.^{xxii} Yet the EEC, as the only acceptable proposal for most of the major economic interests involved, remained at the core of the discussions, whereas transport cooperation and EURATOM persisted only in a watered-down, symbolic form.

During much of the subsequent history of the EEC, European governments continued to be motivated as much or more by butter than by guns. Again the documents now demonstrate—unambiguously, in my view—that de Gaulle’s veto of Britain in 1963 was motivated primarily by the desire to protect French commercial prerogatives, most importantly in agriculture, rather than geopolitical rivalry with Atlanticist Britain. Certainly this motivation was sufficient to trigger a veto.^{xxiii} Similarly, there is general agreement today that the desire to overcome economic “Eurosclerosis” was the primary motivation behind the Single European Act of 1986.^{xxiv} It can also quite plausibly be argued that the support for monetary integration by leaders like Helmut Schmidt, Giscard d’Estaing and François Mitterrand owed as much to the economic interest of their respective nations as to geopolitics. Monetary integration did not simply reduce the transaction costs of investment in Europe, but also freed European monetary policies from constraints imposed by an unstable US dollar and an unaccountable German Bundesbank—or was at least perceived as doing so.^{xxv}

Overall, European politicians have always been pragmatists quite attentive to commercial considerations, no matter what additional geopolitical and ideological considerations were adduced to support their positions. Though economists rarely see it this way, producer groups believed that the EU had considerable advantages over the multilateral trading system under GATT and the WTO, since it permitted trade liberalization that has been at once more intense and more closely tailored to European interests. While it is surely true, as Dahrendorf notes, that geopolitical concerns rendered Germany somewhat more forthcoming than pure economic interest would have dictated. In a series of crises with the Soviet Union and its client state on German soil, Adenauer, Brandt, and Kohl employed European integration effectively to muster support among the Western allies.^{xxvi} German willingness to fund the Common Agricultural Policy in the 1950s is difficult to explain any other way.^{xxvii} Most of the time, however, European integration has been powered by the pragmatic search for commercial benefits in the world’s most economically interdependent continent.

ARE THE EUROPEAN MYTHS TRUE?

Some may find the preceding discussion a somewhat arcane historical diversion into motivations. After all, from *Sonntagsreden* in Germany to the abstract analyses of American academics, nearly every commentator on European politics over the past fifty years has viewed the EU as a decisive force preventing a European war. The practically-minded reader might thus conclude that whether politicians really believed what they said

or simply used geopolitical concerns as a justification for commercial gain, surely European integration has had stabilizing impact on European politics. Is this not the EU's real contribution to postwar regional order?

Here Dahrendorf finds intriguing reasons for even deeper skepticism. Even if politicians believed that economic liberalization promoted democracy and peace, Dahrendorf believes that the linkage was spurious all along. Worse, the notion that economic integration can “spillover” into geopolitics, as founding fathers like Robert Schuman, Spaak and Monnet believed, is not just fallacious—it is the “fatal flaw” of the EU. This public ideology, Dahrendorf asserts, is based on two questionable connections between economic integration and geopolitical stabilization, one direct and indirect.

Does European economic integration promote peace by removing incentives for war? This view, first developed by Schuman and Monnet, remains widespread. It is advanced in classic form by Ellemann-Jensen, who argues that the EU has succeeded in rendering war between its members “not only unlikely and unbelievable, but also impossible for practical reasons.”^{xxviii} Ruggiero voices concern about the possibility of excessive regionalism, with “all the consequences this would imply for political stability and security.” He concludes: “If we decrease our imports from developing countries, we decrease their growth and our growth alike...[and] will just increase instability, violence, war and terrorism.”^{xxix}

Dahrendorf will have none of it. “One has to be allowed to wonder,” he writes, “whether it was actually European integration which has prevented wars at least among the members of the European communities after 1945.”^{xxx} And he is no longer alone in voicing skepticism about this linkage. The issue was publicly debated, with considerable sophistication, during the French referendum on the Maastricht Treaty, and is increasingly challenged in European circles.

Both the historical record and social scientific analysis seem to confirm Dahrendorf's skepticism—at least in the postwar European case. Nearly everything we know about international security affairs suggests that democratic governance alone is sufficient to prevent war; trade has a secondary impact and membership in international organizations even less.^{xxxi} And in the particular case of postwar Europe, the evidence is scant that the EU either prevented war or promoted democracy among the Six. From the beginning of this period to the end, no two West European governments (members of the EU or not) even once threatened one another with military attack. The resolution of territorial disputes in the Saarland and the integration of Germany into the Western alliances, the last outstanding issues that might have led to war, took place before the founding of the European Community in 1957. By that time, democracy in the Bundesrepublik had been consolidated, and it is far-fetched to assert that the ECSC, launched in 1952, contributed much to a process of German democratization that was also propelled forward by the Nazi debacle, allied occupation, the Soviet threat, and Adenauer's strong leadership. Dahrendorf, who is as qualified as any living scholar to make such a judgment, is correct to “doubt whether the role of European institutions in

creating a firm social basis for Germany's democratic political institutions was more than marginal.^{xxxii}

Will European economic integration eventually “spill over” into political and security cooperation? Some believe that success in economic areas, say trade, necessarily creates political or institutional support for cooperation elsewhere. This was the view of Monnet, Spaak, Walter Hallstein, and others of that generation—though most of them tended to believe that areas of strategic significance and high government regulation, such as atomic energy, would work best.

Dahrendorf is again dismissive. “If we want political union,” he states flatly, “no economic subterfuge will get us there.”^{xxxiii} And again he has a valid point.^{xxxiv} Economic integration seems to have done relatively little over the years to advance European cooperation in non-economic matters. There have been notable successes in deploying international institutions to stabilize postwar Europe—the Marshall Plan, NATO, the Organization of Security and Cooperation in Europe, and the European Convention on Human Rights come to mind—but these lie outside the EU, and all but one predate it.^{xxxv} Those areas of EU success in foreign policy coordination appear to have proceeded in parallel to economic integration, rather than as a result of it.

Dahrendorf goes further. Economic integration, he argues, not only fails to promote democracy, liberty and political union, but the fallacious belief that it can do so—the myth of spillover—is harmful. This belief is no less than a “fatal flaw” that has led the EU “seriously astray.” The illusory quest for political union via economic integration, he states categorically, has become an “obstacle rather than a motive force for real political cooperation.”^{xxxvi} This, Dahrendorf believes, is the primary reason why integration proceeded beyond initial plans for a customs union—the source of the current difficulties facing the EU.

Here we must be skeptical. Has the myth of political union really had such a negative impact on European politics over the past half century? Should we reverse the Single European Act and its program for non-tariff barrier reduction? Should we reject the EU's recent movement toward more robust foreign and security policy, which has already moved considerably beyond Dahrendorf's modest proposal for separate renewal of the WEU? Above all, does Dahrendorf, himself a strong supporter of enlargement, really mean to reject economic integration as a means to stabilize neighboring Central and East European democracies? This is, after all, a classic “linkage” argument if ever there was one, as Ellemann-Jensen's states.

If popular support of the political and economic reforms weaken, [it] may not bring us back to the old days of East-West confrontations, with its threat of mutual destruction, but it may unleash the nationalistic forces buried in the soil of Europe...If we should face a situation of turmoil...with new massive movements of refugees and immigrants, the costs will be greater than those needed to prevent it.^{xxxvii}

Here Papandreou, in his 1999 Spaak lecture entitled “Europe and the Balkans: The Role of Greece,” adds a strong voice for viewing the EU as an effective means to stabilize

fledgling democracies. He sketches a vision of a united Europe based on democratic governance.

The practice of democracy, the strengthening of our institutions, the reduction of economic inequalities, and the rule of law...lies in being members of the EU and NATO....Every country in Southeastern Europe...[should] join the EU....We see one sole and unifying path: from totalitarianism to democracy, from violence to peace, from poverty and prosperity. Each country in Southeastern Europe might stand today on a different ground but they should all be heading in the same direction. There is only one path to becoming part of Europe.^{xxxviii}

This, Papandreou argues, is the surest way to eliminate nationalist conflict and other causes of war.

This justification seems persuasive to many in Europe today. Whereas one might reasonably doubt whether the EU decisively stabilized postwar Germany or prevented a Franco-German war, a far stronger case can be made that the EU helped to stabilize Spain after Franco and Greece after the colonels. Certainly it is a positive force for European stability today. Indeed, the promise of membership in the EU is perhaps the most powerful and unique instrument of European foreign policy. Access to the vast European market, with far fewer exceptions and limitations than under the WTO, creates a nearly irresistible impetus to political and economic reform. In 1996 in Romania, 1997 in Bulgaria, 1998 in Slovakia and 2000 in both Croatia and Serbia, authoritarian, ethnically intolerant and corrupt governments lost elections to democratic, market-oriented coalitions held together above all by the promise of eventual EU membership. Serbia and Montenegro tottered on the brink of civil war and separation until EU foreign-policy czar Javier Solana recently threatened that they would not be considered for membership unless they applied together. Without the military-political impetus, one wonders whether enlargement would have proceeded nearly as fast.

Does Dahrendorf really mean to call all this into question? Are we really to reject all use of political ideology to support pragmatic policies? I suspect not. After all, Dahrendorf himself considers enlargement to be the primary imperative for the EU today. Surely this cannot be because the se tiny economies, whose GDP totals only 3% of that of the EU-15, are of critical economic significance. As Ellemann-Jensen argues, one major purpose of enlargement to the Mediterranean and now Eastern Europe has been “to strengthen their democracies by introducing them to the...possibilities of the larger European integration.”^{xxxix} In the end, then, it seems to me that Dahrendorf’s complaint is not so much with the linkage between economics and politics *per se*, mythical or not, but with the particular course that the EU has charted over the last decade. Dahrendorf, here joined by Ellemann-Jensen, is deeply dissatisfied both the procedural and substantive nature of recent EU reforms—most notably EMU. Not by chance are Dahrendorf and Ellemann-Jensen both leading spokesmen for liberal political parties, suspicious of government regulation and centralized bureaucracy. With this observation we move from the assessment of Europe’s past to the prognosis for Europe’s future.

HAS EUROPEAN INTEGRATION GONE TOO FAR?

Three of the Spaak lecturers—Dahrendorf, Ellemann-Jensen and, at least implicitly, Ruggiero—highlight the dangers of excessive deepening, another central concern of the ongoing European debate. All tend to be skeptical of monetary union, the common agricultural policy, and the general trend toward deeper economic cooperation among existing member states. The two remaining speakers—Jenkins and Papandreou—are more supportive of a broad European agenda. The debates among them revolve around the status of three core European values: free markets, European unity, and democratic legitimacy. Let us consider each in turn.

Free Markets and the Threat of Protectionism

The first danger posed by deepening is the prospect of greater European protectionism. New reforms, Dahrendorf, Ellemann-Jensen and Ruggiero hint, threaten to close Europe off from the rest of the world. Economic liberals, among them most professional economists, have long viewed the EU's carefully crafted compromise between free trade and domestic political stability with suspicion. Self-interest has led the British, Danish and Dutch governments, not to mention that of the US, to take a similar view. The greatest conflict is found in agriculture and other sensitive sectors.

Current developments threaten new protection. In EMU and other recent projects, Dahrendorf detects an “inward looking bias” and warns that “protectionism and parochialism would be the end of a Europe that matters in the world.”^{x1} Ruggiero documents the striking extent to which the cosmopolitan aspirations of the global trading system are in conflict with the dictates of regional agreements.

Since the creation of the GATT nearly 50 years ago, 108 regional agreements have been notified. Eighty existing agreements have so far been examined, and only six have been found consistent with the rules I mentioned above (the EU is not one of them.)...Certainly there is a need to improve the rules and the procedures under which The WTO's members can assess this crucial relationship. ... Regional agreements are becoming more and more important...These are elements that could break up the parallelism between regional and multilateral progress.^{xli}

Viewed from Geneva, the choice is stark.

There is the basic question of the kind of economic system we want: a global system based on the principle of non-discrimination embodied in agreed and enforced rules, or a world divided into regional blocs with all the consequences this would imply for political stability and security.^{xlii}

Ellemann-Jensen calls for the EU to offer Central and East European governments “access to our markets—even in sensitive areas like agricultural products, textiles, and steel.”^{xliii} He doubts that the EU will reform the CAP and considers WTO pressure a fortunate development in this regard.

With the passage of a decade, however, the tension between regionalism and globalism apparent in the mid-1990s concerns seems somewhat overdrawn. EU protectionism, while certainly a constant concern, is not worsening. The SEA and, to a surprising extent, EMU have been implemented with minimal disturbance to the global trading and financial systems. European agricultural policy remains a major barrier to developing country prosperity, but there is every sign that a new trade round, as well as the internal politics of the EU, are moving slowly toward renationalization of the CAP—unless, of course, pressure from new applicants prevents this.

Perhaps more fundamental is the increasing acceptance—in large part thanks to the EU experience—of the notion that trade policy must acknowledge the legitimacy of domestic regulatory protection. This effort, the Europeans have learned, cannot be carried by mutual recognition alone, but requires a measure of regulatory harmonization. Whether in environmental, consumer, competition, monetary or social policy, deregulation without “reregulation” is often neither feasible nor desirable. Deepening is therefore required. This is the point made by Jenkins and Papandreou, who instincts are more favorable to regulation than their three more liberal counterparts. They stress the need for balance by paying attention to issues like art, ecology, education, and development—in Jenkins’ words, “and wider purpose than packages.”^{xliv} For this reason as well, the EU appears to have successfully pursued deepening without succumbing to the protectionist temptation.

European Unity and the Threat of Fragmentation

Deepening also raises a significant danger of fragmentation. By differentiating among states within the EU and raising the barriers to entry for those outside the EU, skeptics fear that excessive deepening will increase divisions and conflict within Europe. Dahrendorf warns of divisive splits between “ins” and “outs.”^{xlv} In this regard, Dahrendorf and Ellemann-Jensen’s major concern is that deepening will slow or block efforts to enlarge the EU. Dahrendorf charges that “Western Europe has betrayed its principles and promises when instead of stretching out its hands to Central Europe it has turned inward to its own *approfondissement* à la Maastricht.”^{xlvi} Ellemann-Jensen warns that critical questions—such as the relative voting weights of respective member states, the number of Commissioners, and the reform of the CAP—have yet to be resolved.^{xlvii}

Whereas a decade ago many believed that schemes for deepening monetary, social and foreign policy might slow or derail enlargement, this fear too has receded. The EU has moved with surprising speed. Surely this critique is unsustainable on the eve of a “big bang” enlargement likely to include 5 to 8 new members. To be sure, negotiations with the applicant countries have been difficult, and they have been conducted on terms extraordinarily advantageous to the interests of existing EU member states. The very real danger of a backlash in some applicant countries cannot be ignored. At the same time, however, we should not forget that East European states are taking part in this laborious accession process primarily because EU membership brings tremendous economic and geopolitical benefits – particularly as compared to the uncertain and potentially

catastrophic costs of being left behind as others move forward. Most have already moved toward more open trade with Europe on a bilateral basis, and seek an even closer relationship. While the candidates have had to comply with the EU's requirements and acquiesce to certain unfavorable terms, EU membership remains for each a matter of net national interest. (This is precisely why their bargaining power is so weak.) On balance, moreover, the sacrifices demanded of them seem entirely in keeping with the immense adjustment, and the immense benefits, involved. Consistent with Papandreou's analysis, which stresses the fundamental political and economic transformations required for stable democracy, development and EU membership, most requirements motivate East European governments to implement reforms undeniably required to improve the structure of the state and increase aggregate economic welfare.^{xlviii} To oppose this process would seem churlish, even if the self-interest of existing member states is regrettable.

Another cost of deepening has been greater fragmentation *within* the EU. Over the past decade, new forms of EU cooperation have been all but impossible without "multi-track" or "flexible" arrangements—meaning, effectively, that countries can opt in or out. We see such provisions in many policy areas. Initial decisions were taken at Maastricht to move ahead in social policy with 14 of the 15 Member States and in monetary policy with 11 of the 15 members. Foreign and defense policy coordination assembles 'coalitions of the willing', in which those governments that wish to pursue a particular policy may move ahead without fully committing the others. In transport, R&D and structural fund policies, similar ad hoc arrangements have long existed. The Schengen Agreement establishing a zone free of customs checks has increasingly been integrated into the EU, though it does not include all EU members and not all participants belong to the EU. There will very likely be long transition periods in extending the Common Agricultural Policy (CAP) to Eastern Europe. General provisions for flexibility have been written into the amended Treaty of Rome, with the intention of resisting both obstructions by Euroskeptical governments and (one suspects) demands for redistribution by newly admitted governments. Such provisions have been uncomfortable for some countries, not least those (like Britain) subject to threats of exclusion.

Yet the basis for a fundamental objection to flexible arrangements remains unclear. As with enlargement, the record of the past decade is quite positive. A subset of countries moving ahead toward a single currency, a tendency that might have appeared divisive six years ago, now appears rather benign and conflict-free—and the number of members has increased.^{xlix} The pessimistic prognoses envisaged by Dahrendorf—"political non-viability," shocks derailing the transition, massive domestic unrest—simply have not come to pass. Similarly, can common policies on immigration, social protection, or foreign policy really be viewed, on balance, as divisive?

Such a position is particularly odd for a sociologist of Dahrendorf's pragmatic, pluralist beliefs. One associates his brand of liberal sociology with the fundamental premise that a certain amount of political disagreement and conflict is an inevitable and desirable feature of modern politics. Dahrendorf's professed ideal of a "Europe of trial and error" seems more consistent with policies that encourage flexibility and diversity—the "laboratory of democracy" of the US, but among countries that have the imperative

and option to cooperate internationally—than with the centralized uniformity of a unit veto system.¹ Again Jenkins is a useful counterpoint. As he remarks, tolerance of an open-ended multi-speed EU is surely more consistent with pragmatic British objections to European centralization than is the dogmatic insistence on a right to veto the collective actions of other governments.^{li}

European Democracy and the Threat of Popular Discontent

In the end, then, the danger of EU deepening comes down to the belief that it exacerbates the “democratic deficit” in Europe. Democratic legitimacy is, of course, the major issue in the EU today and the primary topic of the ongoing constitutional convention. It is fitting that our discussion culminates here.

Today the EU is widely viewed as democratically illegitimate. Ellemann-Jensen takes the (quintessentially liberal) view that this lack of popularity is a function of the EU’s ambition to encompass new policy areas and to expand its bureaucracy.

Some of [the] “sense of common purpose” was lost when integration was speeded up in order to respond to changes in Europe and has promoted significantly, I believe, the widespread notion of the EU as a haven for bureaucrats and a centralized organization with too little democratic control. This is why *decentralization, participation, openness, information, and democracy* have become key concepts in the debate on how to reform...the EU.^{lii}

Like many European observers, the primary evidence is the behavior of voters in referenda, not least in Denmark.

Developments in my own country can be taken as an example. The Danes voted no to the “Maastricht Treaty in 1992, causing much delay in the process, but other countries have witnessed a growing popular discontent with the European Union...The Danish and French referendums on Maastricht clearly showed that the people wanted information and influence on EU decisions, *not* that they were against a unified Europe....It was widely believed that the Community had become too centralized, too bureaucratic, and too removed from the lives of ordinary citizens.^{liii}

Dahrendorf is similarly critical of the EU’s “serious lack of democratic accountability.”^{liv} His assessment of the 1970s (“A democrat must be ashamed to see grown-up parliamentarians enact the farce they have to play ten times a year in Strasbourg and Luxembourg.”) appears to have changed little over the past quarter century.^{lv}

This perception is common in Europe today. Arbitrary rule by national and supranational technocrats—“bureaucratic despotism” by a “superstate” in Brussels, one formulation has it—is a widespread concern in regard to contemporary EU politics.^{lvi} This is the stuff of British tabloid articles, often fueled by ignorance of what the EU actually does, but it also underlies much legitimate concern, particular by those at the libertarian end of the political spectrum. This concern appears to gain plausibility from the overtly technocratic nature of much EU regulation, the open role played by non-

elected officials in Brussels, and the geographical and cultural distance between those regulators and the average European “person in the street.” All this raises suspicions based on the classic liberal justification for democracy, namely to check and channel the arbitrary and potentially corrupt power of the state. This is very much the spirit of Dahrendorf and Ellemann-Jensen’s critique.

Nonetheless, it is odd—and, I believe, deeply misleading—to view the EU as democratically illegitimate, much less as a centralized, arbitrary “superstate”.^{lvii} It is neither. The threat of arbitrary rule by a European superstate is an illusion. Narrow substantive, fiscal, administrative, legal, and procedural constraints on EU policy-making are embedded in the Treaty of Rome. These exceed the most extreme limitations imposed by national systems, whether consociational or consensus democracies (beyond, say, the Netherlands or Austria of years past), federal systems (e.g. Switzerland or Canada), separation of powers systems (e.g. the United States), and systems with weak fiscal competences (e.g. the United States or Switzerland). To see precisely how and why this is so, let us now consider the most relevant characteristics of EU policy-making.

(1) The EU’s current activities are restricted to a modest number of the myriad substantive activities pursued by the modern state—primarily those linked to the regulation of policy externalities directly resulting from cross-border economic activity. The core of EU activity and its strongest institutional prerogatives still lie almost exclusively in the area of trade in goods and services, the movement of factors of production, the production of and trade in agricultural commodities, exchange rates and monetary policy, foreign aid, and trade-related environmental, consumer, and competition policy.^{lviii} Thereby excluded from the EU policy agenda are taxation and the setting of fiscal priorities, social welfare provision, defense and police powers, education policy, cultural policy, non-economic civil litigation, direct cultural promotion and regulation, the funding of civilian infrastructure, and most other regulatory policies unrelated to cross-border economic activity. To be sure, the EU has made modest inroads into some of these areas, but only where it is directly related to cross-border flows.^{lix} Even within the core functions of the EU, governments are allowed to exempt themselves to maintain high regulatory protection (e.g. environmental and social policy) or to act unilaterally where the EU has not effectively legislated (e.g. air transport).

(2) The EU’s institutional capacity to act in new areas is further constrained by access to no more than tiny fiscal resources. The ability to tax and spend is what most strikingly distinguishes the modern European state from its predecessors, yet the EU’s ability to tax is miniscule. It is capped at about 2-3% of national and local government spending (1.3% of GDP) and is unlikely to change soon. The spending of these funds, moreover, are explicitly dedicated to a small range of policies—the common agricultural policy, structural funding, and development aid—that must periodically be renewed by unanimous consent of the member states. The EU is thereby rendered what Giandomenico Majone terms a ‘regulatory polity’—a polity with legal instruments but little fiscal capacity.^{lx} There is little room for discretionary funding by Brussels technocrats, who are generally constrained by the need for unanimous intergovernmental agreement. It is not coincidental that the policies absent from the EU’s policy portfolio—

notably social welfare provision, defense, education, culture, and infrastructure—require high government expenditure.

(3) Analysts often observe that the essential politics of regulation lays in implementation, yet the EU implements very few of its own regulations. With the exception of monetary policy, competition policy, and the conduct of, though not the ultimate control over, external trade negotiations—exceptions to which I shall return—the powers of the EU to administer and implement are, in fact, exceptionally weak. How could it be otherwise, given the extraordinarily small size of the Brussels bureaucracy? The EU employs fewer people than a modest European city. They total about 1/40th the number of comparable civilian federal employees even in the United States, a jurisdiction of comparable size but noted in cross-national perspective for the small size of its national government workforce. Except in a few areas the task of legally or administratively implementing EU regulations falls instead to national parliaments and administrations. The EU also has no police, military force, or significant investigatory capacity—and no realistic prospect of obtaining any of these. Even if, for example, the most ambitious plans currently on the table in European defense were fully realized, the EU would control only 2% of European NATO forces—and these forces could be employed only for a narrow range of regional peacekeeping and peacemaking tasks.

(4) The EU's ability to act, even in those areas where it enjoys clear competence, is constrained by institutional checks and balances, notably the separation of powers, a multi-level structure of decision-making, and a plural executive. This makes arbitrary action—indeed, any action—difficult and tends to empower veto groups that can capture a subset of national governments. Such institutional procedures are the conventional tool for protecting the interests of vital minorities—a design feature generally thought to be most appropriate to polities, like the EU, designed to accommodate heterogeneous cultural and substantive interests.^{lxi} The most fundamental constraint is the requirement of unanimity for amendment of the Treaty of Rome, followed by electoral, parliamentary, or administrative ratification—a high standard for any fundamental act of substantive redirection or institutional delegation. Accordingly, the EU has developed over the past two decades only by focusing on core areas of exceptionally broad consensus, backed by large financial side-payments to persuade recalcitrant member states. Whereas judicial decisions like the celebrated *Cassis de Dijon* case, which ushered in the single market, may have helped set the agenda for initiatives like the single market, monetary union or enlargement, there is now agreement in the scholarly literature that they could not do so without nearly consensual support from the member states. Even “everyday” EU directives must be promulgated under rules that require the concurrent support of between 74-100% of the weighted votes of territorial representatives in the Council of Ministers—a level of support higher than required for legislation in any existing national polity or, indeed, to amend nearly any national constitution in the world today.

(5) The EU is not a system of parliamentary sovereignty but one of separation of powers, which means that power is divided horizontally among the Commission, Council, Parliament, and Court, and vertically among local, national, and transnational levels. Concurrent majorities are required for action. For legislation, the Commission

must propose; the Parliament must consent; if the challenged, the Court must approve; national parliaments or officials must transpose into national law; and national bureaucracies must implement. Indeed, even *within* each branch and level of EU governance, we encounter extraordinary pluralism. The Commission itself is a plural executive—so much so that experts disagree whether it is an executive at all. The EP requires unusually high majorities to act.

(6) In important matters of market regulation, the EU is directly accountable to the EP and indirectly accountable to elected national officials. For over a decade, the EP has been progressively usurping the role of the Commission as the primary agenda-setter vis-à-vis the Council in the EU legislative process. It is now the EP that, late in the legislative process, accepts, rejects or amends legislation in a manner more difficult for the Council to reject than to accept—a prerogative traditionally accorded the Commission. The EP is directly elected, generally by proportional representation within nation-states, and often acts independently of ruling national parties. Whereas one might criticize the absence of clear programmatic elections, the EP nonetheless has an effective system of party cooperation, with votes most often splitting along party lines and in which recognizable ideological cleavages shape voting patterns. Among the most relevant differences between the European Parliament and national parliaments appears to be the tendency of the EP to reach decisions by large majorities. Yet this tendency underscores the tendency of the EU to reach decisions by consensus—unsurprising given the high level of support required in the Council of Ministers—and should give us reason for confidence that it is legislating in the “European” interest.^{lxii}

A still more important channel of accountability lies in the democratically elected governments of the member states, which dominate the still largely territorial and intergovernmental structure of the EU. In the European Council, which is consolidating its position as the EU’s dominant institution, elected heads of state and government wield power directly.^{lxiii} In the Council of Ministers, which imposes the most important binding constraint on everyday EU legislation, permanent representatives, ministerial officials and the ministers from each country act under constant instruction from national executives, much as they would at home. The bonds of accountability are tight: These representatives can be recalled or re-instructed at will, often more easily than parliamentarians in national systems. In addition, national parliaments consider and comment on many EU policies, though their *de facto* ability to influence policy fluctuates greatly by country.

(7) EU policy-making is transparent. In contrast to the widespread impression of a cadre of secretive gnomes of Brussels, supranational officials in fact work under intense public scrutiny—in part as a function of broad representation. The legislative process works slowly, without any equivalent to ruling by executive decree or pushing legislation swiftly through a friendly parliament, and information appears as plentiful about the EU political and regulatory process, at least at the Brussels level, than about similar processes in nearly all of its member states. With 20 commissioners and their staffs, 15 national delegations, over 600 parliamentarians, 100’s of national ministers and 1000’s of national officials, *ex ante* parliamentary scrutiny in some countries and *ex post* parliamentary

scrutiny in nearly all, combined with the subsequent need for domestic administrative implementation, there can be no such thing as a monopoly of information in the EU. And whereas it is true that certain aspects of the system, such as early discussions in the lower levels of COREPER, tend to take place in relative secret, the same might be said of the *de facto* preparation of legislation in national systems. Recent research seems to reveal that the EU regulatory processes are as open to input from civil society, and as constrained by norms of “reason-giving,” as the (relatively open) systems of Switzerland and the US. Recent research reveals that even discussions within the secretive *comitologie* appear to take due account of public interest considerations.^{lxiv}

THE ROOTS OF POPULAR DISCONTENT WITH THE EU

If all this is so, then one might well ask: Why is the EU so widely perceived as undemocratic? Many factors contribute to this perception. Most governmental institutions are viewed negatively these days.^{lxv} The EU manifestly fails to provide the sort of face-to-face political interaction that prevails in small countries such as Denmark. The decentralized EU form of government, with its complex horizontal and vertical separation of powers, appears foreign to most Europeans, who are used to a different model of governance. Yet two other points are particularly relevant to our discussion here.

The first point critical to understanding public dissatisfaction with the EU is that there is little distinctively “European” or “supranational” about the pattern of delegation to supranational officials we observe in the EU. (Except, as we have seen, that these officials are far less numerous and their roles far more circumscribed than their national counterparts!) In almost all advanced industrial democracies, the late 20th century has been a period of the “decline of parliaments” and the rise of courts, public administrations, and the “core executive.” Accountability is imposed increasingly not through direct participation in majoritarian decision-making but through complex systems of indirect representation, selection of representatives, professional socialization, *ex post* review, and balances between branches of government.

The critical point for understanding the EU is this: Within the multi-level governance system prevailing in Europe, EU officials (or insulated national representatives) enjoy autonomy in precisely those areas—central banking, constitutional adjudication, criminal and civil prosecution, technical administration, and economic diplomacy—that many advanced industrial democracies, including most member states of the EU, insulate from direct political contestation. *The apparently “undemocratic” nature of the EU as a whole is largely a function of the curious selection of tasks delegated to it.*

This pattern of delegation to insulated authorities gives the impression of an undemocratic institution—hence the public criticism. But it can in fact be fully justified, as it is in most nation-states, by reference to legitimating normative and pragmatic considerations. The most important of these include: (a) the need for greater attention, efficiency and expertise in areas where most citizens remain “rationally ignorant” or choose not to participate; (b) the desire to promote justice, equality and rights for

individuals and minority groups; and (c) the need to provide majorities with unbiased representation. Consider one example of the latter: the use of “fast-track” provisions in the US Congress to pass trade legislation. This institutional maneuver is designed to serve the interests of consumers and future producers, both unorganized and weak constituencies, over the opposition of smaller but exceptionally self-conscious and powerful minorities comprised of sectorally-organized protectionists. Europeans tend to strongly favor the use of such techniques in the US, where trade liberalization would otherwise probably be impossible. Yet these same analysts often tend to overlook that the EU, by virtue of its insulation, performs much the same function in Europe. In this sense, the EU is more “representative” precisely because it is, in a narrow sense, less “democratic”. This may help explain why in those advanced industrial democracies where they play an important role, non-elected branches of government, most notably the judiciary, are often among the most popular.

The second point critical to understanding public discontent in Europe is that the issues handled by the EU, and even more so second-order institutional choices about how to manage those issues, are relatively unimportant to European voters. Of the five most salient issues in most West European democracies—health care provision, education, law and order, pension and social security policy, and taxation—none is primarily an EU competence. Among the next ten, only a few (managing the economy, the environment, alongside the anomalous issue of Europe itself) could be considered major EU concerns, but none exclusively so.^{lxvi} By contrast, the issues in which the EU specializes—trade liberalization, monetary policy, the removal of non-tariff barriers, technical regulation in the environmental and other areas, foreign aid, and general foreign policy coordination—tend not to inspire electorates. It is reasonable to believe, therefore, that lack of interest, not lack of opportunity, imposes the binding constraint on European political participation. This explains why European citizens fail to exploit even the limited opportunities they have to influence EU politics—even when polls show that they recognize that the EU is powerful and their own influence is considerable.^{lxvii}

Referenda, parliamentary elections, or constitutional conventions based on such issues encourage informationally impoverished and institutionally unstructured deliberation, which in turn encourages unstable plebiscitary politics in which individuals have no incentive to reconcile their concrete interests with their immediate choices. Under such circumstances, public opinion and mass political behavior are notoriously unstable. A typical result is a debacle like the recent Irish referendum on the Nice Treaty, in which public opinion swerved in response to a misleading minor incident involving the Commission. Not only does this demonstrate the existence of significant substantive constraints on EU policy-making, but it implies—as we shall see below—that even if a common European “identity” and the full panoply of democratic procedures existed, it would be very difficult to induce meaningful citizen participation about issues of little salience. The result is that public opinion and voter behavior in referendum campaigns tends to be volatile—with large numbers of undecided voters and large percentage changes in response to relatively insignificant symbolic events.

In order to give individuals a reason to care about EU politics, it would be necessary to give them a greater stake in it. The most compelling schemes for doing so rest not on the creation of new political opportunities, but the emergence of entirely new political cleavages based on interest. Philippe Schmitter argues that agricultural supports and structural funds should be replaced with a guaranteed minimum income for the poorest 1/3 of Europeans, national welfare systems should be rebalanced so as not to favor the elderly, and immigrants and aliens should be granted full rights.^{lxviii} With the EU acting as a massive engine of redistribution, individuals and groups would reorient their political behavior on whether they benefit or lose from the system. This is a coherent scheme targeted at precisely those groups most dissatisfied with European integration today—broadly speaking, the poorer, less well-educated, female, and public sector populations—but its utter impracticality demonstrates the lack of a coherent alternative to current, indirect democratic accountability in the EU.

CONCLUSION

The last decade has witnessed the emergence of a stable institutional equilibrium that serves as a *de facto* constitution for Europe. The current division of labor — let us term it the “European Constitutional Settlement” — places market regulation largely at the European level, leaves educational, social, fiscal and infrastructural policies largely at the national level; and suspends foreign policy in intergovernmental institutions straddling the two. A complex system of institutional checks and balances, as we have seen, keep the system under tight control. The EU is democratically legitimate, even if it is not perceived as such.

This may well be the constitutional order that will govern Europe, barring a severe crisis, for the foreseeable future. The Treaties of Amsterdam and Nice have failed to alter its structure significantly. The constitutional convention now underway, despite being turbo-charged with Madisonian rhetoric, is unlikely to achieve much more. The most ambitious proposals still under serious discussion—incremental expansion of qualified majority voting or flexibility, the creation of a forum for national parliamentarians, restructuring the European Council and its presidency, for example—consolidate decade-long trends rather than launching new ones. Moves to deepen foreign policy, justice, and monetary policy cooperation appear to require only minor institutional reforms, and few other functional issues of significance are visible on the horizon. The current mix is quite close to what publics report that they want.^{lxix} In any case, integration will probably advance more slowly, as the stock of desirable *grands projets* is depleted.

It may seem paradoxical that popular criticism of the EU should arise just at the moment when it has reached a satisfactory equilibrium. Yet there is a deeper logic at work, for it is precisely when a polity is stable that its supporters trust themselves to become its critics. The generation of Paul-Henri Spaak would not have dared, even if they had been so inclined, to voice the criticisms we have discussed here. The current generation of Spaak lecturers considers it their civic duty. It is encouraging that debates

about the future of Europe—like deliberations in the European Parliament—reflect the fundamental split between liberals and social democrats about the proper purposes of government. The EU is becoming a normal polity.

It is nonetheless surprising that the criticisms come from pluralist liberals like Dahrendorf, Ellemann-Jensen and Ruggiero. One would have thought that they would be very pleased with what they see today. From the start—1957 at the latest—national leaders in Europe have been more pragmatic than they are given credit for, making decisions largely on the basis of concrete considerations of commercial and geopolitical interest. Thus they constructed the EU through precisely the process of incremental “trial and error” that Dahrendorf recommends. The result is a political system that is binding only where it needs to be, namely in enforcing a core set of market regulations and rather flexible elsewhere. It is an organization that, over the past decade, has deepened without encouraging protectionism, triggering excessive political conflict, slowing enlargement, undermining democratic legitimacy, or generating any of the other disadvantages often attributed to it. For these reasons and others, we must view with considerable skepticism the claim that European integration has gone too far—even as the EU reaches the limits of its economic and institutional development. Over the past decade, even as it deepens, the EU has become—perhaps in part due to the criticisms of liberals—much more like the flexible, open system liberals generally espouse.

In the end, then, perhaps it comes down to a matter of temperament. Some are very uncomfortable with ideological justifications for pragmatic policies—or elite management even when the public remains suspicious. It is therefore tempting—not least for the scholars among us—to side with Dahrendorf’s aspiration to justify Europe solely as “a matter of the head rather than of the heart” and thereby to “close the gap between realities and aspirations.”^{1xx} Why not call the EU what it is—the world’s most successful system of market regulation, without aspirations ever to be the United States of Europe—and leave illusions behind for good? If, as I have argued, integration is slowing, the costs of foregoing ideological justifications may not be great. Yet Roy Jenkins has an answer. Broad public opinion is rarely swayed by complex technical arguments about optimal policy. In the details, to paraphrase Walter Hallstein, lurks only the devil. Convincing European publics to accept fundamental EU reforms, such as the current round of enlargement, may often be—even today, in a Europe without illusions—a matter of the heart.

ENDNOTES

ⁱ Larry Siedentop, *Democracy in Europe* (New York: Columbia University Press, 2001).

ⁱⁱ For previous lectures, see Richard C. Eichenberg, *Drifting Together or Apart? U.S. – European Relations in the Paul-Henri Spaak Lectures, Harvard University, 1981-1984* (Lanham, MD: University Press of America, 1986); Center for International Affairs, *Allies or Adversaries? U.S. – European Relations in the Paul-Henri Spaak Lectures, Harvard University, 1985-1992* (Lanham, MD: University Press of America, 1993). The five recent lectures are: Lord Roy Jenkins, “The Disappointing Partnership between British Governments and Europe: Why the Paul-Henri Spaak Tradition Rarely Embraces London” (Cambridge: Center for European Studies, Harvard University, Lecture delivered 13 October 1994); Renato Ruggiero, “The Global Challenge: Opportunities and Choices in the Multilateral Trading System” (Cambridge: Center for European Studies, Harvard University, Lecture delivered 16 October 1995); Ralf Dahrendorf, “From Europe to EUrope: A Story of Hope, Trial and Error” (Cambridge: Center for European Studies, Harvard University, Lecture delivered 13 October 1994); Uffe Ellemann-Jensen, “The New Europe: How to Overcome 40 Years of Division” (Cambridge: Center for European Studies, Harvard University, Lecture delivered 13 October 1994) George Papandreou, “Europe and the Balkans: The Role of Greece” (Cambridge: Center for European Studies, Harvard University, Lecture delivered 13 October 1994).

ⁱⁱⁱ For an overview of Euroskeptical opinion, with somewhat greater attention to France, see Ronald Tiersky, *Euroskepticism: A Reader* (Lanham: Rowman and Littlefield, 2001). Jenkins cites Thatcher as rarely saying anything positive about the EU. He cites her amusing judgment on her Continental counterparts as “a rotten lot, except maybe for Schmidt.” Jenkins, p. 9.

^{iv} Jenkins, p 13.

^v Jenkins, p. 7.

^{vi} Jenkins, p. 12.

^{vii} Jenkins, pp. 12-14.

^{viii} Jenkins, p. 14.

^{ix} Jenkins, p. 11.

^x One is the lack of presidential government, an institutional characteristic that appears to have contributed much to French support for the EU under both the right (de Gaulle and Chirac) and the left (Mitterrand). Another is the “first past the post” electoral system, which undermines the power of smaller centrist parties—one thinks of the German Free Democrats, the French UDF, and many others on the Continent—that often contribute to pro-European centrist parliamentary coalitions. The positive role of the Liberal Democrats in Britain, weakened though they are, is striking in this regard. Also, the selection of candidates for parliamentary elections by decentralized party activists, notably in the Conservative Party, tends to encourage the selection of more less centrist candidates.

^{xi} The trajectory of the French Christian Democratic Party, the MRP of Jean Monnet and Robert Schuman, is a good example. The MRP began the postwar period a Euroskeptical party, but switched in large part in order to contest the Communists for the rural electorate. See Serge Bernstein and S., J.-M. Mayeur, et al. *Le MRP et la construction européenne* (Paris, Éditions Complexe, 1993).

^{xii} Jenkins, pp. 10-11.

^{xiii} For the argument in detail, see Andrew Moravcsik, *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht* (Ithaca: Cornell University Press, 1998), pp. 122-135, 164-176, 274-285. Also Jacqueline Tratt, *The Macmillan Government and Europe: A Study in the Process of Policy Development* (New York: St. Martin’s Press, 1996.)

^{xiv} David Butler and Uwe Kitzinger, *The 1975 Referendum* (London: Macmillan, 1976); Anthony King, *Britain says Yes--The 1975 Referendum* (Washington, American Enterprise Institute, 1977).

^{xv} Jenkins, p. 10. This was true when Jenkins spoke. Now we must add Tony Blair’s recent proposals in foreign and security policy.

^{xvi} One might also argue that Britain benefited less broadly from membership in economic terms, thereby undermining domestic support. For a consistent economic interpretation of cross-national public opinion support for the EU, see Matthew Gabel, *Interests and Integration: Market Liberalization, Public Opinion, and European Union* (Ann Arbor: University of Michigan Press, 1998).

^{xvii} Dahrendorf, pp. 4-5.

^{xviii} Ellemann-Jensen, p. 4.

^{xix} Ruggiero, p. 1.

^{xx} By this I mean economic interest as defined by powerful domestic interest groups, not aggregate welfare—though the two often converged. Many economists take the view that if the EU cannot be economically motivated, since it a strict economic assessment would favor multilateral trading system instead, but this overlooks the domestic political imperatives of trade policy.

^{xxi} Alan S. Milward, *The Reconstruction of Western Europe, 1945-1951* (Berkeley, University of California Press, 1994); Francis M. B. Lynch, *France and the International Economy: From Vichy to the Treaty of Rome* (London, Routledge, 1997).

^{xxii} This interpretation is not controversial. See the finest biography of Monnet, by his former close associate: François Duchêne, *Jean Monnet: The First Statesman of Interdependence* (New York, Norton, 1995). Also Moravcsik, *Choice for Europe*, pp. 145, also 140, 151-152.

^{xxiii} Andrew Moravcsik, "De Gaulle between Grain and *Grandeur*: The Economic Origins of French EC Policy, 1958-1970 (Parts I and II)" *Journal of Cold War Studies* (Spring 2000 and Fall 2000). Available at: <http://muse.jhu.edu/journals/cws/toc/cws2.2.html>, <http://muse.jhu.edu/journals/cws/toc/cws2.3.html> See also Moravcsik, "Le grain et la grandeur: les origines économiques de la politique européenne du général de Gaulle (Partie I et II)" *Revue française de science politique* (August 1999 and February 2000).

^{xxiv} E.g. Wayne Sandholtz and John Zysman, "1992: Recasting the European Bargain," *World Politics* 42 (December 1989), pp. 95-128.

^{xxv} Thomas H. Oatley, *Monetary Politics: Exchange Rate Cooperation in the European Union* (Ann Arbor, University of Michigan Press, 1997); Jeffrey Frieden, "The Impact of Goods and Capital Market Integration on European Monetary Politics," *Comparative Political Studies* 29 (1996), pp. 193-222; Kathleen McNamara, *The Currency of Ideas: Monetary Politics in the European Union* (Ithaca, NY: Cornell University Press, 1997); Moravcsik, *Choice for Europe*, Chapters 4, 6, and, for a balanced assessment of economic and geopolitical concerns, Chapter 7.

^{xxvi} Dahrendorf, pp. 4-5.

^{xxvii} Though, of course, the German government demanded and received high support prices as a *quid pro quo*, with the result that a country that had exported almost no agricultural goods in the 1950s became the world's sixth largest agricultural exporter.

^{xxviii} Ellemann-Jensen, p. 4, argues that "today war between member-states of the European Union is not only unlikely and unbelievable, but also impossible for practical reasons"—an outcome he attributes to the EU.

^{xxix} Ruggiero, p. 16.

^{xxx} Dahrendorf, p. 4.

^{xxxi} For a detailed discussion, see John R. O'Neal and Bruce Russett, *Triangulating Peace: Democracy, Interdependence, and International Organizations* (W.W. Norton & Company, 2001).

^{xxxii} Dahrendorf goes yet further, disputing the link between economic growth and democracy. He writes: "It is tempting to interpret the history of post-war Europe as one of political stabilization by economic growth and prosperity. Yet here as elsewhere one must beware of the elementary confusion between correlation and causality. The economic and political miracle happened at much the same time, but it does not follow that one caused the other." Dahrendorf, p. 12.

^{xxxiii} Dahrendorf, p. 12.

^{xxxiv} This conclusion is surely a bit overstated, since spillover does appear to exist within the economic area—say from trade to money—and has had important political consequences. For example, the creation

of a single market contributed to investment and capital flows that encouraged monetary union—though even here the most recent research suggests that high trade and capital flows in Europe are, for the most part, not induced by European integration but are largely a function of underlying resource endowments and global economic trends. For state-of-the-art econometrics on the question, see

^{xxxv} Even EU institutions for foreign policy coordination lie outside the supranational “first pillar.”

^{xxxvi} Dahrendorf, pp. 9-10.

^{xxxvii} Ellemann-Jensen, p. 11.

^{xxxviii} Papandreou, p. 7.

^{xxxix} Ellemann-Jensen, p. 5.

^{xl} Dahrendorf, pp. 11, 14.

^{xli} Ruggiero, pp. 14-15.

^{xlii} Ruggiero, p. 16.

^{xliii} Ellemann-Jensen, p. 10.

^{xliv} Jenkins, pp. 10-11; Papandreou, pp. 9ff.

^{xlv} Dahrendorf, p. 11.

^{xlvi} Dahrendorf, p. 5-6.

^{xlvii} Ellemann-Jensen, p. 6.

^{xlviii} For a more detailed analysis along these lines, see Andrew Moravcsik and Milada Anna Vachudova, “National Interests, State Power, and EU Enlargement,” *East European Politics and Society* (forthcoming).

^{xlix} Dahrendorf also believes that monetary union was simply the wrong policy, which may well be true. But this is not the basis of a general critique of the EU. For skeptical views, see Peter Hall and Robert Franzese, “Central Bank Independence, Coordinated Wage-Bargaining, and European Monetary Union.” *International Organization*, 52 (Summer 1998), pp. 505-35; Torben Iversen, “Wage Bargaining, Central Bank Independence and the Real Effects of Money,” *International Organization*, 52 (Summer 1998), pp. 469-504.

^l Dahrendorf, p. 14.

^{li} See fn 5. above.

^{lii} Ellemann-Jensen, p. 10.

^{liii} Ellemann-Jensen, p. 9.

^{liv} Dahrendorf, p. 11.

^{lv} Dahrendorf, p. 10.

^{lvi} Siedentop, *Democracy in Europe*.

^{lvii} This section follows Moravcsik, “In Defense of the Democratic Deficit: Reassessing Legitimacy in the European Union,” *Journal of Common Market Studies* (40th Anniversary Edition) (forthcoming, December 2002); and Moravcsik, “Federalism in the European Union: Rhetoric and Reality,” in Robert Howse and Kalypso Nicolaïdis, eds. *The Federal Vision: Legitimacy and Levels of Governance in the US and the EU* (Oxford: Oxford University Press, 2002).

^{lviii} To be sure, there are exceptions, including a modest level of regional and structural funding of infrastructure exists, primarily as a side payment for the creation of core policies, in some areas regulatory controls exceed narrow market-making functions, and immigration and foreign policies are emergent areas of action. But these tend often to be treated in more intergovernmental procedures, whereas the strongest constitutional prerogatives of the EU remain primarily concerned with market regulation.

^{lix} The scholarly literature on European integration seems to pay disproportionate attention to exceptional cases of “spillover” in cases such as gender discrimination, the initial experience with environmental policy and structural funding, the jurisprudence of supremacy and direct effect, the Commission’s use of Article 90, and the possible, but as yet undocumented, effects of the Open Method of Coordination. These are intriguing trends, to be sure, but atypical of the EU as a whole.

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- ^{lx} Giandomenico Majone, *Regulating Europe* (London: Routledge, 1996).
- ^{lxi} Arend Lijphart, *Patterns of Democracy* (New Haven: Yale University Press, 1990).
- ^{lxii} Simon Hix, Abdul Noury, and Gerard Roland. “‘Normal’ Parliament? Party Cohesion and Competition in the European Parliament, 1979-2001” (Paper presented at the Public Choice Society conference, San Diego, 21-23 March 2002).
- ^{lxiii} Peter Ludlow, *The Laeken Council* (Brussels: Intercommunity, 2002).
- ^{lxiv} Christian Joerges and E. Vos, eds. *EU Committees: Social Regulation, Law and Politics* (Oxford: Hart Publishing, 1999).
- ^{lxv} Joseph S. Nye, Philip D. Zelikow and David C. King, eds. *Why People Don't Trust Government* (Cambridge: Harvard University Press, 1997).
- ^{lxvi} I am indebted to Prof. Bonnie Meguid at the University of Rochester for access to her systematic data set on issue salience in European democracies.
- ^{lxvii} Jean Blondel, Richard Sinnott, and Palle Svensson, *People and Parliament in the European Union: Participation, Democracy, Legitimacy* (New York: St. Martin's Press, 1998).
- ^{lxviii} Philippe Schmitter, *How to Democratize the European Union...And Why Bother?* (Lanham, MD, Rowman and Littlefield, 2000).
- ^{lxix} See the public opinion data reported in Richard C. Eichenberg, “Europe and the United States in a Perplexing World,” in Center for International Affairs, *Allies or Adversaries?*
- ^{lxx} Dahrendorf, p. 13.