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Maastricht: Before, During, After

THE MAASTRICHT TREATY OPENS with the following words: "By this Treaty, the High Contracting Parties establish among themselves a European Union." Later in the text one reads that the Union has been "concluded for an unlimited period."[1] A reading of the Treaty (an exercise that is not to be recommended even to one's worst enemies) raises many questions: Was a European Union (EU) in fact born in Maastricht? If so, how can it be described? Are unions based on technical (as opposed to political) dictates viable? Do we know the final configuration of the Union? Or is Europe still engaged in a journey to an "unknown destination"?[2]

The Treaty on European Union has raised more problems than it has tried to resolve. What is more, the Treaty is at the same time the greatest victory of the so-called "functionalist approach," which for more than four decades has inspired the march toward European integration, and its first defeat on the field. There are connections between what happened before Maastricht, what happened in Maastricht, and what might happen following Maastricht. Before exploring these connections, however, one fact needs to be underlined since it is making the citizens of the Union's nations nervous and uncertain about the future. It is becoming increasingly impossible for the people of Europe to live without a commanding notion of what the Union and Europe can become in the years ahead, a notion of Europe's economic and political role in the contemporary world.

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In the European Council of Copenhagen, held on June 21, 1993, Helmut Kohl said that the European economy shows "tiredness and lack of dynamism." It is not unreasonable to note that the European malaise is a product not only of economic recession but also of the absence of a clearly discernible political design. Is Europe ready to offer itself in exchange for a political and economic design? To put it in the most simple terms, the choice is between the union of policies and the separation of political destinies; between the accommodation of diverse cultures and triumphant nationalities; between far-sighted commonsensical wisdom and self-indulgent pride. Are we to see union or division?

The authors propose to explore the conditions which would allow the first alternative to prevail over the second. Since we have based our views on certain assumptions, it is our duty to declare those assumptions. First, none of the member countries has so far dared to withdraw from the Union, and it is unlikely that such an event will take place in the future. The Union will survive because it is much too useful to all member states; none of them can afford the luxury of irreparably undermining it. Second, the EU can be achieved, provided that common institutions are created that do not entail the fusion of national states in a kind of superstate, be it federal or confederal. Already today, with the Maastricht accords for the European Monetary Union (EMU), the principle of a Europe of variable geometry has been admitted. The authors believe that the nations of Europe will collaborate to construct the Union as long as the Union is based on the principle of asymmetry, and not on the unrealistic assumption of a symmetrical equality of member nations. Third, since the Cold War is over, and no longer holds tens of millions imprisoned, the demonic forces of nationalistic pride are reappearing. This notwithstanding, the authors believe that a fertile and rich political season will soon open up in Europe, characterized by the quest for complementarities between the nation-states and the supranational regime of the principal powers. Fourth, the EU (today a name only) is the potential terrain for the construction of a novel political organism. Since it cannot be a federation or confederation, and not even a free trade zone because of the need to harmonize and direct complex unified markets, it will be a Union difficult to describe, one without clear precedents in history. Fifth, because the history of the last two centuries offers

few trustworthy points of reference, either for describing the situation Europe and the West are living today or for avoiding the repetition of recent tragic and destructive outcomes, we concede that at the moment the final destination of the "European journey" remains unknown. Still, certain steps in the right direction are being taken; for example, it is now understood that certain destinations are impracticable or impossible. Sixth, if the EU will be "another thing," we do not presume to describe what that "thing" will be. We do not claim the imagination and insight of prophets. However, we are convinced that Europe's task is to construct compatible political architectures—if not common ones—allowing a nonprotectionist market economy (the oxygen which maintains life) to expand, not to lose ground on a global scale. We believe that no one can watch these developments with indifferent detachment, least of all those who live across the Atlantic.

FUNCTIONALISM, OR THE "SPILLOVER" EFFECT (FROM 1950 TO THE EARLY 1960s)

Thirty-five years separate Ernst B. Haas' *The Uniting of Europe* and Bino Olivi's *L'Europa difficile. Storia politica della Comunità Europea,* yet the two authors use essentially the same conceptual instruments for defining the functionalist approach to European integration:[3] Haas speaks of "sector integration" which perfectly matches the Italian expression, "*integrazione settoriale,*" used by Olivi. The functionalists hold, as Olivi says, that "the objective of the European Union (can) be reached only through successive sector integrations," which need to be accompanied by "gradual and partial concessions of sovereignty to new institutions independent of the States."[4] Haas writes that "the spillover effect in sector integration is believed to lead inevitably to full economic unity" and that "it is as inconceivable that this form of cooperation should not result in new patterns of profound interdependence as it is unlikely that the General Common Market can avoid a species of political federalism in order to function as an economic organ."[5] Olivi reinforces this concept when he says that "the sector integrations of some segments of economic and social life will impose a form of political integration, and with these fatally the weakening and even draining away national sovereignties."[6]

Inspired by Jean Monnet and sustained politically by Robert Schuman, the functionalists won the game. The day of their victory was May 9, 1950 when Robert Schuman proposed the creation of the European Coal and Steel Community (ECSC), the first sector and supranational integration.[7] On the foundation stone of the future building of the European Community (EC) is engraved the seal of the early functionalists: in fact, the entire history of the EC, until Maastricht, was marked by a continuity of operative concepts, methods of work, and language.[8]

For the functionalists, European integration is a process of transferring national powers to a supranational entity through measures called for, made necessary in some sense, by economic interests and by the market. Three rules have usually guided this process. First, to maintain the process of constructing the Community, the stages of economic integration must follow each other without interruption. Second, every stage must be concluded with an enrichment of the array of powers available to the Community. Third, no stage must ever be complete and perfect, in order that the next step is made inevitable. Is it possible to create a European internal market without instruments to govern it, such as a common currency and a central bank? Certainly not. Yet, the Single Act did not explicitly call for them, and no one objected.[9] The Single Act, conceived as a partial and imperfect step, was intended to render the next one, symbolized by Maastricht, inevitable.

With the passage of years, paradoxes and flaws inherent in the functionalist approach have become visible, weakening its efficacy, reducing its plausibility. The functionalist approach aimed at uniting Europe by methods entirely dependent on the political benevolence of the Community's member states. The nation-state was being quietly asked for its authority to be peeled off leaf by leaf, like an artichoke; without raising objections, it was expected to allow a gradual, but irreversible, transfer of its specific sovereign prerogatives to the Community. The failure of the European Defense Community (EDC) in 1954, by vote of the French National Assembly, revealed a paradox whose truth was to be confirmed decades later: the closer the moment came when nation-states were called on to transfer to the Community the last powers which bestow legitimacy on their sovereignty, the stronger and more pernicious were the

pressures to limit, if not to stop outright, a European integration process set in place by a functionalist Community.

There was in the late 1940s a specific historical and political context which allowed the nation-states of the Old World no choice but to accept the perspective of unity. Destroyed by two world wars and mortally threatened by Stalin's imperialism, dominated by the beneficent policies of the United States and fascinated by the success of the American economy on a unified continent, Europe could not hope to withstand the Monnet-Schuman initiative. Though they were weak, frightened, and without any practical alternatives, these nation-states imagined that they would be able to hold on to their ultimate sovereign prerogatives, that they would be allowed to mint money, impose taxes, and organize national armies.

It is probable that the functionalists were always aware of the opposition of Community and national interests, but they had no wish to exacerbate it by outlining, even as a working hypothesis, the political and institutional destination they intended. The functionalists preferred not to alarm the member states and waited patiently, recognizing that the states were effectively imprisoned by their successive delegations of sovereignty, never indicating what new and fatal steps would soon be required.

Only at a certain moment, which was never defined, would the physiognomy of the new entity be wholly revealed. The ship of the functionalists was anchored to a whole set of formulas that seemed to say everything, that in reality said very little—and even that little was shrouded in veils of ambiguity. Implicit in Schuman's formula of a "wider and deeper community" was the operative concept of a community to be created through successive stages. This constituted the birth of the sacramental formula of an "ever closer community." The Maastricht Treaty incorporates this in Paragraph 2 of ARTICLE A: "The Treaty marks a new *stage* in the process of creating an ever closer union among the peoples of Europe." The same paragraph reformulates another principle of the functionalist approach: "decisions are taken as closely as possible to the citizen."[10] Actually, the functionalist approach never underestimated the importance of creating within the community embryonic institutions which sanctioned the classical division of powers: an executive in Brussels, a legislature in Strasbourg, a judiciary in Luxembourg. In order for this approach not to be exposed to the vagaries

of democratic life, to electoral results which are by definition unpredictable, the functionalists knew that they had to work in a democratic environment, but that they could not use the institutions of democracy. This was the ultimate flaw in their approach.

At Maastricht, the nation-states prevailed over the Community and Germany prevailed over its partners. In the near future, European affairs will be more deeply influenced by the interests and needs of the nation-states comprising the Union than by the authorities in Brussels. This does not mean that the nineteenth-century European nation-state, like the legendary Phoenix, has risen from its ashes. Rather, it suggests that the conditions dictated by the Community, allowing for a linear, progressive, and cumulative despoiling of the nation-state's authority, have been halted. The principles put into motion by the functionalist approach half a century ago are being explicitly questioned.[11]

Maastricht brought to an end a season when, within the Community, Euro-optimism supplanted Euro-sclerosis as a protagonist. An era in the Community's life has drawn to a close. The functionalists lost more than a battle at Maastricht. Before, the Community was constantly expanding; today it is an instrument obliged to adapt itself to the needs of the nation-state. This explains why, in respect to the EMU, the proviso of opting out was included. Bino Olivi has noted that "it is the first time that such a clause is contained in a law destined to make part of the structural *corpus* of a (communitarian) Treaty."[12] As a result of this and other exceptions, the countries of the Union seem now to be authorized to move sporadically, not to act together and in tandem. An opening was created in Maastricht from which a multitiered, asymmetric Union may emerge.

THE FRANCO-GERMAN DIARCHY AND THE REFURBISHMENT OF THE NATIONAL POWERS (FROM THE EARLY 1960s TO 1989)

Today it is no longer possible to eliminate the possibility that we are indeed witnessing a reconstruction of European politics, but one that is very different from any considered in the immediate postwar years. The suspicion or conviction that in some way the Community may have been a solution for European nation-states anxious to turn it to their own advantage, to resume their own power games, knowing that it was no longer possible to do so on the basis

of their own national resources, needs at least to be entertained. France and Germany were the first to intuit this rather banal truth. At the end of the 1950s, de Gaulle's France was weak; wishing to compensate for the loss of its colonies, it had to demonstrate that it was still a Great Power. Germany, "a political dwarf," was with each passing day becoming more of "an economic giant"; it, too, sought to acquire the status of a Great Power. The aspirations of France and Germany conveniently converged in their joint discovery that a Community directed by a Franco-German diarchy would allow them to carry much more weight both on the European and international scene. The potential of the two countries was perfectly complementary, and each had an interest to exploit it through a mutually privileged relationship. Political and strategic primacy would go to France; economic primacy would go to Germany. The French lived with the illusion that its future nuclear arsenal would offer a political counterweight to the deutsche mark; Germany, it was thought, would become the "junior partner."

Such a Franco-German diarchy did not run contrary to the interests of the other Community members, pleased to be part of a system that generated and distributed wealth to all participating states, and in which (until a few years ago) all decisions required a unanimous vote. While France and Germany were in a position to use the Community to strengthen themselves, the Community itself was free to pursue its slow and steady march toward the creation of an integrated market. Thus, other Community members were not excessively alarmed by the Franco-German initiative.

The strong and constant American commitment in Europe goes far to explain why the Franco-German diarchy did not forcefully dominate Europe. Not only did this continuing commitment balance the understanding between Paris and Bonn, but it refereed a political game from which no European country was willing or able to distance itself. Germany, which hosted American soldiers on its soil, had no wish to do so. France, more interested than ever in putting some distance between itself and the United States to underscore its political and strategic aspirations, found the arrangement eminently acceptable. The United Kingdom, after the withdrawal of Charles de Gaulle's veto, and following a season of some anxiety and uncertainty, decided to enter the Community slowly, resuming, this time from within, the ancient and honorable role of balancing

the alliances, the axes of the countries of continental Europe. Italy, in addition to using the Community and the alliance with the United States as an insurance policy for its own domestic affairs, found it convenient when France and Germany announced initiatives to strengthen the diarchy to seek a dialogue with the United Kingdom. This was very obvious when, for example, an announcement was made that a Franco-German brigade would be created. The United States found faithful interpreters of its European commitment in the United Kingdom and Italy. France and Germany were obliged both by the United States and the Community to sing their duet sotto voce. In this manner, potentially embarrassing situations for those countries that are members both of the Community and of NATO were avoided, and the Franco-German diarchy functioned to perfection.

It is difficult to say with absolute certainty whether the Community was able to carve out for itself a free and autonomous space in relation to the Franco-German axis, or whether the axis was able progressively to impose itself to the point of dominating the Community. The circumstances surrounding the Single Act (aimed at creating by 1992 a European internal market) suggest that the second probably happened.

Launched in 1985, the initiative survived until 1988 without ever striking the popular imagination. In June 1988, Helmut Kohl, at the European Council meeting in Hannover, as if with a touch of magic, transformed an essentially bureaucratic initiative into a political action which immediately captured the public imagination. Nineteen ninety-two became the year of great expectations, the completion of the European revolution. The world asked whether the realization of the internal market—with its free circulation of people and goods, of services and capital—would result in a "Fortress Europe," whether it would create an open space in which economic initiatives could take root without restrictions. What happened in Hannover showed conclusively that the political initiative was not in the hands of the Brussels Community, but remained firmly in the control of its member nations. In 1988 Maastricht was an unforeseeable event; yet, looking at what happened before and after Maastricht, it becomes possible to see the Treaty as an attempt to formalize the Franco-German *union,* to make it the European political *union.* It was an explicit recognition of an implicit bilateral

pact that for thirty years had served as the Community's true political backbone.

Events such as these have brought under the control of the individual nation-states, and above all the Franco-German diarchy, every major decision relative to the transfers of power to the Community. In the case of the Maastricht Treaty, with its economic and monetary union, conditions were planned and imposed principally by France and Germany, the second more than the first. Indeed, a careful reading of the Maastricht Treaty leads one to the obvious conclusion that it envisages Europe as the deutsche mark's area of influence. It is not an accident that the European Council held in October 1993 decided to establish the new European Monetary Institute in Frankfurt, an arm's length from the Bundesbank's headquarters.

Finally, the inclusion in the 1980s of new countries in the Community—Greece, Portugal, and Spain, following Denmark, Ireland, and the United Kingdom—and the negotiations with the EFTA countries (Nordic Europe plus Austria and Switzerland) were intended to create a larger European economic space, to further European commercial interchange. One must never forget that the flow of goods that fill the rooms, refrigerators, closets, and garages of millions of European homes is more than 60 percent dependent on European interchange—EC plus EFTA. This enlargement, however profitable, has diluted the political potential of the Community. By becoming wider it has not become deeper or closer as Robert Schuman had predicted.

The nation-state is at least as much a protagonist in the process of European integration as the Community. Under certain circumstances, the process must take into account terms set by the states, particularly those known to be stronger than others. The capacities of the individual nation-states have been substantially weakened because, at least for the duration of the Cold War, but even today, the true keys to power were locked up by the Americans.

The nation-state has thus far managed its own political refurbishment by maneuvering within the boundaries of Western Europe's and the Community's domestic playing field. Every now and then, one European leader or another has tried to move beyond these boundaries, but it is doubtful that Valéry Giscard d'Estaing's words could have induced Leonid Brezhnev to change his mind when the

two met in Warsaw in 1980 following the Soviet invasion of Afghanistan, or that Giulio Andreotti's errands in the Arab lands convinced Yasser Arafat to change his policies. Then the cold shower of 1989 arrived.

François Mitterrand understood immediately that for France the dismantling of the Berlin Wall could be the beginning of a political disaster. His crisscrossing of Europe was intended to win support for "go-slow" policies. On November 28, 1989, Helmut Kohl presented to the *Bundestag* a three-stage program to unify the two Germanys. Eight days later, in Kiev, François Mitterrand met Mikhail Gorbachev, imagining that the Soviet leader could reassemble the pieces of a vase he had himself broken. It was not to be. Searching always for conditions to revive an axis that Bonn had always needed far less than Paris, Mitterrand was forced to make a virtue of necessity. On December 20, 1989, on an official visit to East Germany to meet Egon Krenz, he abandoned him to his fate, saying only that he had confidence "in the maturity of East and West Germans."[13]

Germany was no less confused than France, but for more compelling reasons. Unification was within reach, and Helmut Kohl understood immediately that the Community was no longer (as it had been in the initial stages of the axis with France) the instrument to compensate for Germany's political weakness. Since Maastricht, the Community, rechristened the Union, has become the vehicle which allows the Chancellor both to consolidate Germany's leadership of Western Europe and to dilute its new power into a larger European framework. France had no choice but to accept the challenge, to follow the German cart, continuing to offer to its partners in the Union its own specific guarantees.

THE MAASTRICHT DAYS: EUROPE'S LEARNING CRISIS (1989–1993)

The power balance in Europe leans strikingly towards Germany. In the past, when challenged by similar imbalances, the nation-states reacted by creating conditions to bring about a reequilibrium. It is doubtful that this can happen again, at least in the ways it once happened. The time when European countries were in a position to carry on their deadly power games has passed forever. There is today a structural economic gap that prevents Germany from being

reinserted in an equilibrium. It is sufficient to say that the combined French and Italian industrial labor force is not larger than that of Germany. This is one of many circumstances which compel the EU countries, and others in Europe, to congregate around Germany. Even if the dynamism of the German economy "has turned slowly into a static welfare state (which) seriously threatens Germany's capacity to compete effectively in world markets,"[14] its economy maintains a position of unchallengeable relative strength within (and also outside) the EU's compound. A confirmation of this is offered by the monetary events of 1992 and 1993. The adoption in the summer of 1993 of a thirty point range—fifteen points up and fifteen down—within which currencies in the European Monetary System (EMS) are allowed to fluctuate, makes the deutsche mark the base currency for the entire European region. Fears are diminished by the Union's role as a shield for Germany; for its part, the French franc is able to continue to navigate in relatively calm waters, thereby saving the image of France in the world.

The important point, however, is another one. Germany, from the time the axis with France was fractured, cannot but be wholeheartedly in favor of the Union, even at the cost of maintaining only nominally those organizations which belong to the Union genetically, including those foreseen by the Maastricht Treaty.

To be sure, Germany in all this is walking a narrow path. Its deutsche mark can neither be strengthened nor weakened in relation to the economies and the currencies of other Union countries. Its weakening would result in German inflation, would multiply the government's difficulties in mending the "structural weaknesses" of the country's economy, and would impede its efforts to carry through its various initiatives to reconstruct—not only physically and materially—its eastern regions. If, however, the deutsche mark were substantially strengthened, Germany would be unable to export even a pin. Neither possibility is a real option. Even if, in the case of a possible weakening of the deutsche mark, Bonn were willing to accept a modest compromise, both the Bundesbank and the German middle class would create, as they did recently, insurmountable obstacles. When all is said and done, there is no consensus in Germany for initiatives that might challenge even a small part of its national autonomy in matters of monetary politics. Germany's code

of conduct must coincide with Europe's, and there is no room for alternatives. The Union is the heart of Europe, and Germany is the heart of both. In 1992 and 1993, Europe learned that it cannot afford the luxury of provoking a German heart attack. France learned this lesson better than any other European country; it remains keenly interested in preserving under almost any condition its privileged political relationship with Bonn.

Following 1989, the political options available to Germany grew both in number and quality. They are more numerous than those available to all its Union partners combined. Notwithstanding Germany's present troubles, its economic force is sufficient to guarantee its place at the center of any future European political configuration. Any hypothesis about the future of Europe must acknowledge that.[15] Three hypotheses need to be considered: first, as a result of internal political and social crises triggered by the need to restructure the German economy, but also to treat the complex process of reunification (which is proving to be more difficult than foreseen), Germany will turn inward; second, Germany will manage its new opportunities and political options timidly, indecisively, and will commit a number of fatal errors; third, Germany will move with caution, but with determination, along paths opened up by the new opportunities which lie before it.

Of the three hypotheses, the last appears to be the most probable. The vital interest of a country able to move with a freedom it lacked until a few years ago consists in having a say in shaping the world market, assuring itself of stable competitive advantages. To do this, Germany must acquire a negotiating force, which cannot fail to depend on the construction and availability of an *extended German national market.* This implies the definitive transformation of the Union into the "deutsche mark area," control of Central and Southeast European markets, and, if permitted by a normal evolution of present conditions, the forging of a privileged and strong relationship of economic and political cooperation with Russia. The two principal weapons available to Germany are the internationalization of the deutsche mark, which in turn requires a quick and successful restructuring of Germany's economic and industrial potential, and the consolidation of a form of political hegemony, not as a nation, nor as a people, but as the Union's only Great Power.

The EU is even more important for Germany today than it was in the past. If, in the past, Germany favored Europe, it must now become formally, unexceptionably — one is tempted to say obsessively—pro-European. It needs the Union to create the essential tools with which to control the gradual process of internationalizing the deutsche mark, fashioning its political hegemony. For its part, the Union must get off the dead-end street on which it has lingered since Maastricht. Brussels was unable to prevent member countries, while they were engaged in ratifying the Maastricht Treaty, from transforming the EMU into a condominium with apartments, already officially reserved, to be occupied in some undetermined future, from reducing the EMU to the level of a purely nominal institution. Brussels is no longer the cat who will decide the fates of the national mice of Europe.

In this context, Germany, as the Union's strongest country, is in a position to favor various and quite different solutions. Germany can act formally as a powerful member of the EU without excessively jeopardizing its own national interests. Germany can play the precious card of a "multitiered" Europe, a card unavailable before Maastricht. One cannot eliminate the possibility that Germany will propose the creation of a Union directory for European political affairs, more or less informal, offering membership to France, Italy, the United Kingdom, and Spain. Germany, strongly supported by a Union reorganized along these lines, would acquire the space and flexibility needed to establish bilateral relations with members of the Union and with others, facilitating a trajectory towards a Europe made up of concentric circles, each of which would acquire specialized and reciprocally recognized functions. In a Union of multiple orders the functionalist approach could find new applications, gradually resolving otherwise intractable problems.

Is a Union of multiple orders less acceptable than one of sixteen or eighteen national states which do not move in unison? Can a directory within a multiordered Union, or an overstretched Union lacking a hard core, be in a position to address urgent questions, such as the relationship between the Union and Turkey? What lessons ought to be drawn from the European fiasco in the Yugoslav tragedy? In order to consolidate its European trajectory, Germany would be obliged to compensate somehow for its inherent military and strategic weakness. There is no choice for Germany but to

remain linked and subordinated to the United States' strategic decisions. In 1993, Germany reduced its military expenses, but not those related to investments for research and development for new generation weapons. In the next ten to fifteen years it will be unable to decide very much in this field, since it does not possess its own adequate military force. It is possible that Germany will not be able, given the precedence it is obliged to give to the restructuring of its economy and to the economic and social issues created by unification, to dispose of a modern and sophisticated national military potential much before the year 2010.

It follows from this that Germany (and all of Europe) will be compelled to entrust its security to the United States and NATO. Yet, it is not unreasonable to think that in what is likely to be a tight and unavoidable cooperation with the only remaining superpower, Germany (and with it, possibly, the Union's directory) may strongly advocate the development of the Western European Union (WEU), as NATO's European pole, endowing it with a minimum of political autonomy. One should not forget that such a solution is favored also by economic and industrial considerations that are difficult to ignore: NATO maintains a division, following strictly national lines, between Europe's defense industries; a strengthened WEU would not only favor, but would be inclined to accelerate transnational integration, almost certainly increasing the rate of modernization and also overall economic and industrial efficiency.

Even if official rhetoric chose not to admit it, during the Cold War Europe lived in a politically maimed condition. The direction of the absolutely indispensable Atlantic Alliance was in American hands. In addition, the Cold War, with its own very specific rules, restricted the exercise of national sovereignties, especially in Europe where the two great nuclear powers were physically contiguous. These are ancient truths, but it is useful to remember them. For all those years (almost half a century, two generations) the European governments and public became habituated to a diet which limited their exercise and understanding of political responsibilities, not to speak of their ability to reach and execute autonomous decisions. In this context, what some have called the *Pax Americana,* Europe could do only what it did—notwithstanding some feeble attempts, like in Suez in 1956, where two nations sought to behave as if they were still World Powers in the pre-1914 golden age—which was to

integrate itself as a market, to grow economically. It is another question whether it did well or poorly. Why not acknowledge that the United States, always worried about the rise of a menacing competitor across the Atlantic, in reality played the role of prime agent and engine of West European integration? At the very least, America facilitated that integration by ensuring the safety of Europe's frontiers.

With the end of the Cold War, the role of prime agent and engine of European integration can no longer be played by the United States. Today, following Maastricht, economic, monetary, and, above all, political interests dictate a revision of the old relationship. The nature and substance of the American commitment to Europe is changing. Relations between the United States and the EU cannot continue to be managed as if the Cold War was still a reality. Since all the processes of European integration require both a prime agent and an engine, the role discharged by the United States towards Europe passes, inevitably, to Germany. The Europeans have no choice but to change their political diet, reacquiring the habit of assuming responsibility, making and executing decisions, finding their voice, and making it heard.

The European response to what has been learned in these last years cannot but come from the nation-states. They alone must decide if the lessons resulting from these years of crisis can and should be translated into political action. The European nation-states cannot any longer be what they were in the past. They cannot accept what the pessimists keep insisting on, that the end of the Cold War must, in Europe at least, lead to a "new factionalism, to sectarian strife, and violent ethnic particularisms, to skirmishes spilling over border disputes, civil wars and battles of secession"[16]; nor can they accept their own extinction, let alone passively adopt the prescriptions of Brussels. Today, and very probably for the next two or three years, the ball of the EU will be played in the nation-states' court, and not in that of Brussels.

The learning crisis of the Europeans may be synthesized in two challenges: the elaboration of a positive compromise by which the hard nucleus of the Union, possibly its directory, accepts that the internal European market coincides in fact with the extended German national market; and the recognition that Germany is already the only great European Power, and that this position of preemi-

nence is destined to grow if the restoration of Germany's economy and the process of unification are successful. Recognition of this means laying down an appropriate foundation upon which to build political and security cooperation inside the Union, in close coordination with the American ally. The political leadership of the major European nation-states can easily imagine a Germany without Europe; would all admit that a Europe without Germany would be worth less than nothing? The problem is how to balance the needs of Germany with those of the Union's other members, how to reach an honorable compromise that is accepted by all. In negotiating these objectives, it is impossible to substitute for the nation-states, not least because when (and if) they achieve real union all the nation-states, Germany included, will no longer be what history has taught us to know. They will be quite other things. For the first time, nations, overloaded by centuries of history, have decided to unite, accepting to "dissolve" themselves, or at least to change in ways that cannot today be fully anticipated. As a consequence of a tormented and gradual process aimed at forming a European union, a multitiered, asymmetric, but effective union of countries performing specialized roles, whose final configuration awaits definition, may result. Will this be an adequate answer to the learning crisis of the Europeans? The response depends on many factors, some of which, including the most important, call for fresh analysis.

MORE THAN AN ALLIANCE, LESS THAN A UNION

The final destination of Europe's long journey is in sight. Despite the ambiguity of its text, the Maastricht Treaty, with its functionalist formula of an "ever closer community," puts into motion a political dynamic which has contributed to the clarification of which cards may be played to define, or at least circumscribe, the final destination of Europe. Today, for the first time, Europeans may discard certain destinations which are now recognized to be clearly impossible: for example, the self-annihilation of the individual European nation-states and their fusion into a new European federal superstate. If the authors have not succeeded in finding a single word to define the final destination towards which Europe is moving, a formula, while not being entirely satisfactory, may be offered: The final destination of Europe will be something more

than an alliance but something less than a union. We are not about to see a United States of Europe.

A careful reading of European polls over the years conveys the distinct impression that Europeans are aware of the usefulness of living in a great, institutionalized European economic space, within which it is possible to work, travel, and sell products without barriers and controls at borders, protected and administered by a homogenous and reciprocally recognized system of sanctions and norms. The majority of Europe's citizens, in our view, see European integration as a unique occasion that allows their respective nations to become greater and more important in the new global arena. The union makes for force; the individual European nations are weak, if left alone, strong, if united. This means that the political design to which the citizens of the states of the Union are ready to subscribe has a particular characteristic: it is a Union based far more on banal utilitarian values than on old-fashioned national values; it is not driven by generous, utopian European impulses. If this is so, then, in time, the Europeans will certainly recognize the need to integrate their resources for a common defense.

If the United States can no longer guarantee the security of the Old World in the absolute terms characteristic of the years of the Cold War, the European states must make other provisions for their defense. This does not imply that the Union will be the decisive body, substituting its views for those of the European states on the day they must decide how to deal with their obsolete nuclear arms. This decision has a certain urgency, given the accords reached in January 1994 by the President of the United States with Ukraine, Belorussia, and Russia on the elimination and/or control of their nuclear warheads.

The more important point, however, to which the attention of readers must be turned, is that no one has ever bothered to ask the European people for their views on what the final destination of Europe should be. In particular, no one has asked them to choose with any sort of precision among the possible final configurations that the process of European integration may require. For example, is it a *strong alliance* between the European nations, with the right of vote and veto, or a real and proper *fusion* of these states, in a Union similar in many respects to the United States, that is desired?

It is a mistake to imagine that the opinions expressed by Europeans in the referenda held in a few countries of the Union for the ratification of the Maastricht Treaty can be thought to indicate their choices concerning the final destination of Europe. In these votes, the peoples (but also the parliaments) simply voted for or against the idea of Europe, for or against the possibility of a dissolution of the Community, the Union, and foundations as laid down by the Rome Treaty in 1957. It was the life or death of the idea of Europe that was being voted on. That idea has remained alive, but not because of an uncontainable and enthusiastic vote of "yes."

For these reasons, the concerns expressed by public opinion cannot be ignored when the discourse moves to the more vital question, the future of the Union. Examples of resistances to change are numerous: the strong misgivings manifested by the Germans at the prospect of seeing the dilution of the deutsche mark in a European currency; the marked hostility of the British to automatic, uncontrollable mechanisms which would annul certain national prerogatives; the growing dissent of the French and the Italians with respect to European norms that, in liberalizing competition and the market, would limit the intervention of the state in the economy, prohibiting subsidies to public enterprises.

Other factors also feed national resistances to European union because it is a project that denationalizes nations. First, consider language. While it is true that young Europeans are much more multilingual than their parents, the primacy of the "mother tongue" will continue to exist, nourishing the national identities of the various European peoples. There is another and even more concrete factor likely to make itself felt for many years which needs to be reflected on. While the social service state of continental Europe has been shaken by a profound crisis, its funeral has not yet been celebrated. The social service state will continue to offer its own specific guarantees, and these will be offered by the nations, not by the Union. These guarantees will be qualitatively different from one nation to another. An Italian employee will continue to be less socially protected the moment he opts for work in the United Kingdom. A French farmer will enjoy in his country social (and economic) guarantees not to be found elsewhere. A citizen of one of the countries of Northern Europe will encounter enormous prob-

lems should he or she need to use the health and hospital services of certain countries of Southern Europe. It is this lack of homogeneity that will prevent for years to come the emergence of a real, concrete sense of European citizenship widely shared at a mass level.

More than 99 percent of all Europeans will continue to live in their own national areas. Happy to live in a liberalized internal European market, satisfying their own personal and social interests through the union, their true point of reference will not be Brussels, but rather the ruling classes of their own countries. These European citizens will remain citizens of the nation-states in which they were born. The new Europeans will probably not number more than 1 percent (perhaps not even 0.5 percent) of the entire population of the Union. They will include managers of industrial enterprises or banks, highly qualified technicians, financial analysts, marketing experts, applied science researchers, public administrators, directors of pension funds, and analysts of sociopolitical affairs of one country who will agree to work for the government or enterprises of another country in the Union. In short, they will be men and women who will sell their know-how at a high price, who will be willing to live in or move to any city in the Union. In the coming decade, true European citizens will constitute a small elite who are spread out over a large area and are aware of belonging to a new and quite special social group. The others will remain rooted in their nations, "separate nations" in the foreseeable future. A part of Europe's brain will become European, but its body, including the heart, is likely to remain national for a very long time.

It is in light of these considerations that certain phenomena, visible in the Europe of the early 1990s, must be appreciated. First, the European ruling classes have absorbed the Maastricht-induced shock—the temporary tempests created by the Danish and French referenda—and are once again at work to give life to the Union. They know they are obliged to honor binding pacts, they have no wish to evade the obligations imposed by the Treaty. They know, also, that the internal European market imposes an agenda of harmonization that cannot be halted without the destruction of the market itself. The lesson learned by Europe may be summarized in the following way: European union cannot be the result only of a juridical agreement; it must also be the product of voluntary political action. The majorities in the Union that elect the ruling classes

required to implement the Maastricht Treaty wish to keep alive certain social and political traditions of a purely national character; they have begun to evaluate the European prospective in very concrete terms, considering personal advantages or disadvantages. They have no wish to exchange the certainties of today for the uncertainties of tomorrow. As long as Europe was spoken of in very general terms, everyone agreed; the agreement grew more tenuous when Europe began to be more precisely defined. There is nothing in this that places in jeopardy the idea of *a strong alliance* among the states of the Union; it does put in crisis, however, the idea of *fusion,* which would require a quick and substantial denationalization of the social institutions of the individual European countries.

The construction of the European edifice will certainly proceed, even if the agenda foreseen by Maastricht is not respected, if parts of the Maastricht Treaty have to be renegotiated. This does not imply that Europe will move towards a union, as understood in the traditional political and historical sense of that word. The European edifice is evolving, and from this travail "something" will come out: something that will be more than a strong alliance, but less than a union. History offers no precedent for what is now happening (and is likely to happen) in Europe. Usually unions (or federations) are born where there is a subject with the political force to act as "federator," to federate others. The "federator," by virtue of its military or economic power, imposes its will. (On occasion, the existence of a common enemy may serve the same function.) Many believe that in Europe today the "federator" is Germany. While Germany has certainly played a crucial and in many respects decisive role in regard to European integration, it is a mistake to see Germany as the "federator" of Europe. The political hegemony of Germany (in part exercised together with France) has not produced in Europe a classic unionist or federalist tendency. Indeed, exactly the opposite is happening in Europe today.

Germany is negotiating the limits of its sovereignty in a condition of absolute parity with the others. While Germany has enjoyed powers of influence and of moral and material suasion greater than that available to other states in the Union, at the end of the day the decisions made by Germany, however difficult and complicated, must win the consent also of Luxembourg and Ireland. Every state in the Union must agree on which parts of their national sovereignty

they are willing to concede to the new "something" being born in Europe. Under these conditions, it is possible to define the process as one that is both necessary and voluntary. The nation-states are the legitimate proprietors of the sovereign powers which they are asked to renounce, so that they may remain strong and make their voices heard while becoming something quite different from what they were in earlier centuries.

A NARROW AND SLIPPERY PATH

Not only Germany, as we have explained, but also Europe, in the years to come, will be obliged to walk along a narrow and slippery path. The journey towards the final destination will perforce continue, provided that certain conditions, both internal and external, are realized. First, the political systems of the states of the Union must continue to represent a large majority of politically moderate voters, be they of the center Right or the center Left. A deep fragmenting of these political systems must be avoided. The disaggregation of the electorates, towards radical movements of the Right (of a national socialist type) and of the Left (of a populist type) would destroy the Europeanist political code, which to date has witnessed decisive steps taken towards the economic and market integration of the Old World. Moreover, it would open the way to nationalist protectionism.

It will be important in the next few years that the discontinuities in the succession of political leaders and governments not be too great. The new leaders will be required to show the same talent as their predecessors in creating consensus, in holding together the moderate electorate. It can never be forgotten that the parties of the continental European countries are heavy machines, costly and obsolete. From the center to the periphery every stratum of the party has a corresponding level in the administrative organization of the state. This allows the parties to control and/or influence the behavior of offices of the state which allocate large public resources. Being what they are, the European political parties cannot be managed without recourse to public money, thereby relying on the benevolence of the taxpayer. All of the European parties (in a more or less obvious, more or less morally indecent fashion) have become crossroads, where public and private, legitimate and illegitimate

financial resources intersect. The European political parties are today shaken by a credibility crisis; it is probable that in the coming years not a few of today's European leaders will have vanished, their places taken by others. It is important that this passage not be accompanied by fractures in the political culture.

Second, the European economic and social fabric must continue to produce (or at least maintain an inherent and substantial credibility with regard to its capacity to produce) a "great middle class" oriented towards "political optimism." This process must not be subject to abrupt breaks or tragic interruptions. The cohesion of the social majority, formed by a prosperous middle class, unfrightened by the temporary weakening of the social state constructed in recent decades, must be relied on to bring to completion Europe's integration. All of this is banal, but true. The question, then, is whether the social-economic fabric, together with the middle class that is its unique product, will be hit by a generational change soon, and whether both will be able to maintain politically moderate orientations.

Third, how and when is the profound economic crisis that presently afflicts Europe likely to be overcome? We can be reasonably certain that after the current period of recession the European economy will rebound to higher levels, exhibiting less discouraging rates of growth. Still, we cannot ignore the structural characteristics of the 1992–1993 European economic crisis, which distinguish it from all preceding crises. Will the economic recovery succeed in absorbing unemployment, particularly among the youth? Will the resources generated by economic recovery be distributed fairly within the larger countries of the Union, and, especially as regards Germany and Italy, will they reach every area of their respective national territories and be equitably distributed among different social groups?

It is crucial that the very special character of the European economic crisis of the early 1990s be understood. The major European manufacturing industries have not been able to adapt themselves to the new rules of international competition. The principal European states are today heavily indebted, and it has become impossible for them to avail themselves of political measures that can be financed through the creation of further deficits. The crisis of the German economy, aggravated by the need to direct large and unanticipated resources to the reconstruction of its new *Länder,* has

made attempts to stabilize the economic and monetary situation in Europe more difficult. These crises have generated another: it is impossible to keep alive the welfare state machine in its old form. A diet is called for, one that reforms and augments the efficiency of the system.

There is a genuine fear in much of Europe that to make an exit from the present crisis, Europe will be obliged to reduce its labor force and cut many of the social guarantees of its welfare state.[17] This is made even more difficult by the progressive aging of so much of its population. It is probable that in these conditions of relative weakness of the European political parties and of abnormal functioning of welfare state mechanisms, an eventual economic recovery could be very selective, positively "Darwinian," and not, as in the past, diffused. In contrast to the Americans, the Europeans (like the Japanese) are not accepting of severe social and economic inequalities. The European states (rightly or wrongly) have always sought to avoid a situation that would compel millions to live in conditions of semiemployment, with incomes close to or below the so-called threshold of poverty. The possibility that conditions will develop that will amplify the fears and uncertainties of the middle class, increase their social pessimism, and fuel the mistrust now felt in respect to so many parties of the "political center" cannot be excluded.

The overload of decisions and responsibilities that today weigh on those called to positions of leadership is not likely to diminish. Nor is it likely that the member states of the Union will assign to Brussels the task of assisting them financially, directly or indirectly, to facilitate their escape from the present economic crisis. Brussels, lacking autonomous resources, has nothing to give. Each state is compelled to work out its own economic and social destiny. The major responsibility in the coming years must fall on the national systems.

Precisely because the responsibility for the evolution of the EU remains in the hands of the nation-states, it is imperative that they not become totally absorbed in their own grave domestic problems so as to ignore all their other opportunities. Indeed, the argument can be made that some of their initiatives in favor of the Union may in the end be useful towards maintaining the social cohesion in the

European middle classes that is the absolutely necessary condition to avoid the collapse of political optimism.

The political challenge before Europe's ruling classes may be defined as follows: to transform the weakness of a purely nominally expedient, adopted *faute de mieux* into a real and substantial political opportunity. At the European Council in Copenhagen in June 1993, Chancellor Kohl, referring to the economic and social crisis of Europe, said that the best political therapy was to give citizens the bare, unvarnished truth: if they learned the truth in very precise terms, this would mobilize their energies.[18] At a time when citizens are all too aware of the internal economic, social, and political crisis that the nation-states are obliged to confront and resolve in perfect solitude, mobilizing their considerable moral and material resources, it is essential to tell them also that work continues on building the new house of the EU and that the present economic crisis has not sapped the foundations of that building. If it is to be a house in which each nation-state (including those of Central and Eastern Europe) will be able to occupy that apartment which best satisfies its own needs, Brussels must abandon the "all or nothing" approach, according to which each country which enters the Union must accept all of the so-called *acquis communautaire* and not simply parts of it. This "all or nothing" approach is mistaken. Must we have a symmetrical Europe, or can we not plan for one that is asymmetrical? Given the very substantial differences between states, their political force and power cannot be made equal by the stroke of a pen.

Juridical formalism declares all states equal and then leaves political force and power under the table to make its own rules. A duty of democracies is to regulate conflicts and state relations in public and open procedures. If this is the context in which we can (and must) enlarge the architecture of the EU, proposals such as that advanced by Douglas Hurd, Minister of Foreign Affairs of the United Kingdom, and Nino Andreatta, Minister of Foreign Affairs of the Italian Republic, deserve to be listened to. Their proposal allows the countries of Central Europe to associate themselves with the Union even if only some of the pillars of the Maastricht Treaty are accepted. The EU must be allowed to develop according to realistic principles of a political culture of asymmetry, the ad hoc rules of variable geometry. In this way, the politically weak and

essentially nominal solutions of the EMU type could be seen by public opinion as a stage in a realistic political process. This process would be directed at accommodating within the EU nation-states which are neither ready nor prepared to submerge themselves in a European federal superstate. It is an approach which would be equally valid for present and future members of the Union.

The search for complementarities should also be translated into concrete political innovations, possibly having a high symbolic value, to be realized in as short a time as possible. One of these could involve the common defense. The European Council should elect a president for the security of Europe who would have visibility, be given full powers to act in clearly defined emergencies, including intervention in conflicts dangerous to the security of Europe, international policing, or "peacekeeping" under the aegis of the United Nations or the Atlantic Alliance. It is a way to create an exquisitely European power, a power derived not from occasional decisions, that would become visible in emergencies, that would oblige Europe's defense ministers to accelerate the preparation of integrated European military structures to be used in such cases. By the same token, the search for complementarities between sovereign states and the supranational regime should, in other fields, include relations between the EU and the United States. The Uruguay Round, for example, having resulted in a happy end, could be used to advance a Euro-American decision to institute supranational courts of justice to resolve commercial disputes between enterprises operating on both sides of the Atlantic.

Michael Mertes, writing on what would be "the glue that will keep — or could keep — the German nation together," said that "the answer depends on whether the Germans will be able to develop a calm patriotism based not only on their indivisible history (not excluding its darkest chapters), their common cultural traditions, but also, and most importantly, on shared democratic values, civic responsibility for their own *respublica,* an active sense of solidarity and togetherness." He went on to say, ". . .this is the 'true challenge of normality,' a condition neither Germany nor Europe has known for the greater part of the twentieth century."[19] If in the next few years Europeans, as well as Germans, face their problems with sentiments of "calm patriotism," one of the most difficult stages of the journey towards the final destination of Europe will be

accomplished. The nation-states of Europe, to become European states, must understand the situations, political, social, and economic, in which they find themselves.

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ENDNOTES

[1]ARTICLE A and ARTICLE Q, respectively. Council of European Communities, *Treaty on European Union* (Luxembourg: Office for Official Publications of the European Communities, 1992), 7, 139.

[2]Andrew Shonfield, *Europe: Journey into an Unknown Destination* (Harmondsworth: Penguin Books, 1973).

[3]Ernst B. Haas, *The Uniting of Europe* (London: Stevens & Sons, 1958). Bino Olivi, *L'Europa difficile. Storia politica della Comunità Europea* (Bologna: Il Mulino, 1993). Incidentally, Olivi does not mention Haas' book in his bibliography.

[4]Olivi, *L'Europa difficile,* 27.

[5]Haas, *The Uniting of Europe,* 454.

[6]Olivi, *L'Europa difficile,* 27.

[7]There are some oft-quoted key passages in Schuman's speech which describe the approach set shared by the functionalist school of thought: "Europe will not be made at once, or according to a single plan. It will be built through concrete achievements which first create a de facto solidarity. . . .In this way there will be realised simply and speedily that fusion of interests which is indispensable to the establishment of a common economic system; it may be the leaven from which may grow a wider and deeper community between countries long opposed to one another by sanguinary divisions. . . .By pooling basic production and by instituting a new higher authority. . .this proposal will lead to the realization of the first concrete foundation of a European federation indispensable to the preservation of peace." *Keesing's Contemporary Archives,* 10701ff.

[8]On 19 March 1951, the day in which the Treaty of the European Coal and Steel Community (ECSC) was signed in Paris, Jean Monnet, who had been named President of the ECSC, defined the objectives of the newly born Community, among them the "creation of a single market of 150 million consumers." Thirty-four years later, in 1985, the white book prepared by the Community, which identified the physical, technical, and fiscal frontiers to be removed by 1992 to create the European internal market, opens with an expression of the very same goal: to bring about the unity of a market of 320 million consumers. In the meantime, the member countries of the Community had increased from six to twelve.

[9]Livre Blanc à l'intention du Conseil Européen, *L'achèvement du marché intérieur* (Luxembourg: Commission des Communautés Européennes, 1985), 4.

[10]*Treaty on European Union,* Paragraph 2, ART. A.

[11]Ralf Dahrendorf writes: ". . .one must hope that the disuniting process (of Europe) will not go too far. . .the best way to stop it would be to encourage initiatives which abandon the Monnet method of achieving the ultimate objective through the back door (i.e., political union by economic integration). . . .If we want a political Europe we have to create a political Europe rather than hope that economic convergence will force the politicians' hands. Alas! The time may not be ripe for such initiatives." Ralf Dahrendorf, *The Dahrendorf Letter* (Milan: Globalità, February 1993), 3.

[12]Olivi, *L'Europa difficile,* 377.

[13]Ibid., 331–33.

[14]Kurt J. Lauk, "Germany at the Crossroads: On the Efficiency of the German Economy," *Dædalus* 123 (1) (Winter 1994): 59.

[15]Kurt J. Lauk, after having indicated the two challenges that confront Germany, says that the first challenge "requires that comparable living conditions and equal opportunities be afforded all who today live in Germany"; the second "requires that Germany pay close attention to its economic productivity, understanding that it is the only way for the country to maintain its prosperity, to be able to compete internationally." Emphasis is placed above all on the urgent necessity that the country reformulate and renovate its own *Ordnungspolitik,* that is, "the (domestic) financial, legal, social. . .framework in which industrial and commercial firms operate. . .(and which). . .company directors and workers are expected to adhere to." In fact, "the once effective values—autonomy and entrepreneurial creativity, set forth and made legal by the Federal Republic—threaten to be suffocated through excessive tutelage and overregulation." Ibid., 57, 59. In brief, Lauk seems to support the view that, while nothing is lost, Germany must urgently get rid of a Nessus' tunic that threatens to poison the once Herculean strength of its economy. In another analysis, Konrad Seitz, the German Ambassador to Italy, expresses the conviction that German industry as a whole is too absent "from the five new key industries" on which the industrial revolution, begun in the 1980s, rests: the information industry, genetic engineering, new materials, solar energy, and aerospace technology. According to Seitz, since traditional German products "face the increasingly acute competition of the newly industrialized countries of Asia, Latin America, and, soon, of Eastern Europe," Germany has "only one strategy which might lead to success. . .(that is, to) move simple products and activities to low-wages countries, and keep the sophisticated ones. . . .German industry has launched the process of renewal which, under the ruthless challenge of the Japanese, American industry experienced in the '80s. And just as was the case with American industry, German industry will emerge slimmer and more efficient." Konrad Seitz, "Germania, le radici del declino," *Il Sole 24 Ore,* 25 May 1993.

[16]John J. Mearsheimer, "Why We Will Soon Miss the Cold War," *The Atlantic* 266 (2) (August 1990): 35–50.

[17]In Copenhagen, at the European Council held on 21 June 1993, an authoritative source acknowledged that in Germany 10, if not 15, percent of those who receive unemployment compensation do so without having a right to it. One can only imagine what happens in other, less stringent nation-states of the Union! We wish to thank a European diplomat who made the minutes of the Copenhagen European Council, referred to as *The Copenhagen Minutes,* available to us.

[18]*The Copenhagen Minutes.*

[19]Michael Mertes, "Germany's Social and Political Culture: Change Through Consensus?," *Dædalus* 123 (1) (Winter 1994): 23.