

A tale of two cities: the next European Utopia

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‘Our words make our worlds. To choose our words is to choose a form of life. To choose our words is to choose a world. To oppose words is to oppose a form of life and a world. To change words is to change a form of life and a world’

Philip Allott, *Eunomia*, 1990

Contents

1. Introduction
2. The first city: a Europe that rescues its states
3. The second city: a Europe rescued by politics

1. Introduction¹

This short essay borrows its title from the novel by Charles Dickens in order to describe two European ‘cities’ that are very different from each other. Through them it aims to present a narrative that can be useful for understanding European integration as a whole, presenting a critique and re-launching it in our time.

Each of the two cities represents an approach to the future of European integration, as bearers of a Utopian component, an ideal that gives meaning to ‘Europeanism’ at very different historical moments.

Arrival at the first city, formulated by Jean Monnet and Europe’s other ‘founding fathers’, took place at the beginning of the 21st century. The initial steps were taken under exceptional circumstances in the wake of World War II and under the threat of a new world war, a context that strongly moulded the European project.

The task at hand cannot be based on taking the same road again, and treading it in the same way, but rather on charting a new path and proposing another way of traveling together, that leads to the second city, as a metaphor for a pro-European vision adapted to our own time.

¹ This paper is based on the last chapter of the book “Power and Law in the European Union”, Civitas 2014, and expands further some of the themes presented there.

2. The first city: a Europe that rescues its states

A dinner in Paris

On 13 October 1955 the Action Committee for the United States of Europe began to operate in Paris under the direction of Jean Monnet. The association had its headquarters at 83 Foch Avenue, in the apartment the French politician shared with his brother-in-law. Monnet would spend many hours around the long table in the dining room, piled with stacks of papers, accompanied by his former collaborators from the ECSC, Max Kohnstamm and Jacques Valmont, and supported by a team of secretaries overseen by the able Madame Miguez.

The Committee was the old cognac merchant's personal response to the failure of the European Defence Community (the Pleven Plan, actually the umpteenth Monnet Plan), wrecked in De Gaulle's France in late August 1954 by a disappointing vote in the National Assembly. Following this political setback, Monnet had decided not to serve again as president of the High Authority of the ECSC. Now, having stepped down, he decided to work independently to re-launch integration.

The Committee, funded primarily by his American friends, proposed to create a favourable political environment in the parties and trade unions of the ECSC's six member states in order to establish two new European Communities, one for atomic energy and the other a common market. At the same time, the committee studied and drafted improvements to these projects in order to link them to the Community that was already in existence. The idea of launching two further Communities had been devised by the minister Paul Henri Spaak in what was termed the 'Benelux Memorandum'. In fact, the Belgian politician had all but reproduced the plan prepared by Jean Monnet and Pierre Uri before withdrawing from the High Authority of the ECSC.

Spaak had sent Monnet the final version of the memorandum accompanied by a hand-written note that said 'this is your baby'.² Spaak now headed the intergovernmental working group that was to develop and implement the document, approved by the ministers of foreign affairs, with certain reservations, at the Messina Conference on 1 June 1955. Antoine Pinay had spoken on behalf of France to express his opposition to reindustrialising Germany beyond coal and steel. Adenauer's representative, meanwhile, was not entirely convinced of the idea of jointly managing nuclear power for peaceful purposes –Euratom–. The Soviets, meanwhile, had conveyed to the Messina forum their firm opposition to any further progress in the efforts to promote European unity.

Monnet continued to believe that both the German problem and the reconstruction of the European economy should be resolved through the Continent's economic and

² Cfr. C.P. Hackett *et al.*, 'Monnet and the Americans', Jean Monnet Council, Washington, 1995.

political integration. To make the process work, states were to transfer real decision-making capacities to common institutions rooted in a supranational principle and that wielded authority superior to that of national governments. The idea was to follow the model of the ECSC, the first tangible result of the Schuman Declaration of 1950, which Monnet also drafted.

Monnet's ability to bring together groups of people capable of formulating and promoting projects governing the relationships between states was already legendary on both sides of the Atlantic. Over the preceding twenty-five years he had developed an extraordinary skill at accessing the circles of power in Washington where, in their upper echelons, everyone knew everyone else. In fact, Monnet was more in synchrony with the Americans than with many Europeans. The two Americans who had helped him most to bring the ECSC to fruition, the Secretary of State, Dean Acheson, and the High Commissioner for Germany, John McCloy, once back on Wall Street, continued to support him through various philanthropic and foreign-policy organisations.

Ever since his youth, when both geography and his region's economy had pushed him towards the Atlantic and the Anglo-Saxon world, Monnet had developed a special relationship with the US. Over time, the relationship was to prove his primary source of power. He admired the vitality of American society, its unlimited confidence in individual projects, its openness to change and its ability to carry out its own social and economic transformations.³ In his business life he gave short shrift to ideologies or nationalities and preferred to focus on what each individual could contribute to his plans, based on long-term objectives and ideas. Monnet had a sense of urgency and historic need. He had always been an internationalist, and this took precedence over his Europeanism, while he only acted in the public sphere at times of war or in post-war situations, in exceptional times when new solutions were required that were, perhaps, unthinkable during periods of stability.

John Foster Dulles, secretary of state under the Eisenhower Administration, was an old friend of Jean Monnet's. Their relationship dated back to the Versailles Conference in 1919, during which both had served on the Reparations Commission along with John Keynes. Dulles and Monnet were born in the same year: 1888. After their first meeting they worked on various financial projects in the public and private sectors, Dulles with the New York law firm Sullivan and Cromwell, and Monnet with the consultants Murnane & Monnet, which Dulles himself had helped to establish. Despite the former's austere and Calvinist temperament and the latter's penchant for the good life, they got along very well. After World War II the Republican lawyer had been a senator for a few months and then served at the State Department, where he was entrusted with negotiating the peace treaty with Japan. He had not formed part of the Democratic administration's resolute support for the Schuman

³ Cfr. J. Monnet, 'Memorias', *Encuentro y IUEE-CEU*, Madrid, 2010, p. 45-46.

Plan and the first European Community, the ECSC. But in his book *War or Peace*, published in 1950, Dulles argued that the enlightened interest of the US lay in strongly pressing the Europeans to move towards unity, in the context of a Cold War of whose ultimate consequences no-one could be sure. He had also supported the recently-failed European Defence Community, endorsing all the theses of the Truman Doctrine regarding the need to contain Soviet expansion, starting with Europe.

On the eve of the Atlantic Council's meeting of 17 December 1955, held in Paris, Secretary of State Foster Dulles was able to speak privately to Jean Monnet.⁴ The Frenchman's main concern involved the UK's attempts to scuttle the plans for the two new communities, Euratom and the Common Market, which London had spurned even before they had taken shape. The British government proposed merging cooperation and integration initiatives into the Eurostat-OECD, the Council of Europe or the Western European Union –in fact, any formula that eschewed the supranational principle and its implications for the integration process–.

Dulles fully supported Monnet's idea of expanding the Community through new projects in six countries (a few days later he would ask President Eisenhower to take the issue up with Britain's Eden and Macmillan so that they would refrain from boycotting the initiative). He advised the Frenchman to give priority to –and to shore up– the Common Market first and only then to address Britain's demands for a free-trade area with the European bloc. The American insisted that the creation of a market was the essential strategic project. Monnet, in his view, was placing too much stress on Euratom and should avoid devoting his capacity for persuasion to what was a secondary cause. The Frenchman thanked the American for his help, and on the way to dinner with his collaborators made a mental note of making sure that bottles of his family cognac should be sent to offices of Eisenhower and Foster Dulles before Christmas Day.

After dinner they spoke about how far European integration might one day be taken. Dulles was more optimistic than his Democratic predecessor, Secretary of State Dean Acheson, another long-time friend of Monnet's, who in March 1950 had remarked in a speech, with his usual brilliance, that 'in Europe neither the people nor their rulers are prepared for a Federation'. After all, Dulles argued, the objective of a Federation had been made explicit in the Schuman Declaration, and accepted by the six founding countries. Monnet was sincere and pragmatic: what concerned him at the time was to ensure peace through a new economic interdependence based on shared prosperity. The problem was not what political model Europe should have, about which a calculated ambiguity was advisable, but rather how to overcome the resistance of European states, particularly France, when it came to pooling and organising sufficient human and material resources at the European

⁴ Cfr. C.P. Hackett *et al.*, 'Monnet and the Americans', *op. cit.*

level, thereby solving problems too great for each individual state to confront, and all in a situation in which Europe's organisation was subject to profound American and Soviet influences.⁵ Paul Reuter, Monnet's chief jurist and one of the authors of the ECSC Treaty, told Dulles that integration was distinct from cooperation and not comparable to classic federalism, which was based on other solidarities and balances between different levels of government. European solidarity could not be taken for granted and had to be built, step by step, upon a foundation of facts. Federal checks and balances did not make much sense given the urgency of building the Communities, which called for the centralisation of powers 'characteristic of the modern economy' in their spheres of action, in line with the finest tradition of French interventionism.

Reuter continued to set forth his theses: integration implied the exercise of functions previously reserved to the state and national representatives in Community bodies were to make decisions with simple majorities, alongside others possessing decision-making powers who were not representatives of any state. The resulting law was to be of direct application, without the intermediation of national governments, and all should be subject to a highly developed legal system, guaranteed by a Court of Justice. Thus, the ideas of 'integration' and 'Community' were original and could not be easily classified politically. The term 'supranational' could even result in a 'premature federal stain'. In the words of the French jurist, there was no other path than 'faltering invention'.⁶

Arriving at the first city

Almost 60 years after the talks in Paris between Monnet and his American friends, the achievements of integration are such that none can doubt that it has been a historic success. The Utopia formulated by Monnet's generation was far beyond expectations. It is true that integration has not been linear, as it has been rocked by economic determinism, based on the neo-functional analyses used to explain the European Communities during their inception. The road has proved to be far more complex and uncertain. The role of national governments and supranational institutions like the Commission and the Court of Justice has been highly significant, as has the impact of historic and economic changes on the Continent –the end of the Cold War, an ageing population, global market pressures and so on–.

Overall, European integration during this long stage has been an exercise in successful pragmatism. Despite the anxiety generated by the Eurozone Crisis, today the Union's political value is still very great. It is the most advanced example of regional economic integration and a paradigm in the development of institutions capable of managing problems common to an entire network of states in the context of globalisation.

⁵ Paul Reuter, 'Organizaciones europeas', Bosh 1868, p. 13.

⁶ *Ibid.*, 29 and 30.

It could be argued that at the end of the 20th century Europe had brought into being the Utopia inspired by the ideals of shared peace and prosperity which Jean Monnet and the other founding fathers entertained in the 1950s. Reconciliation between former enemies came about in the market and through common policies, supported by a Community of Law, based on such fundamental values as non-discrimination on grounds of nationality. Checks and balances between the Community's institutions functioned as curbs on the new European power, as well as between the level of European Government and the national democracies. Brussels' institutions have established effective limits on economic protectionism and extreme nationalism.

Ultimately, member states were rescued from themselves by a new European legal and economic discipline that they themselves had desired. In the late 1980s the historian Alan Milward thoroughly investigated the historical origins of the Communities and explained to what extent the founding of Europe involved a rare convergence of national interests and cosmopolitan ideals. Integration was approached as a 'European rescue of the nation-state', ie, a project accepted by governments in the interest of their people, in need of economic reconstruction through a market on a European scale, while they developed their social states in the national sphere.⁷ The Communities saved nation-states from obsolescence.

Political fatigue

When the 21st century began a very successful Union, from a historical point of view, had consolidated, but it was devoid of any Utopian aspirations. It began to be taken for granted, merely part of the landscape. The old ideals of shared peace and prosperity had been achieved and were no longer a cause for motivation. Thus the Union was a victim of its own success: weary and on the defensive, it was unable to find the resources with which to reinvent itself as a project and to re-launch integration on a new basis in the pursuit of a worthy Utopia. A disconnection between the past and the future is not something unique to European integration. Every dynamic process ends up losing steam and every creative project exhausts its possibilities. And, in politics, the corollary is that all power becomes increasingly oligarchic.

The three core projects of the century's first decade illustrate how integration has come to lack the dynamism and ambition of yesteryear.

The single currency was launched but its *raison d'etat* was justified in political terms that were neither unified nor convincing, a failing mirrored by the institutions developed to make it sustainable, as revealed by the financial and economic crisis.

⁷ Cfr. Alan Milward, 'The European Rescue of the Nation-State', Routledge, Oxford, 1992.

The negotiation process for a European Constitution between 2002 and 2004 failed, aggravating public mistrust and sapping the political power of a Union that was beginning to feel drained.

Union enlargement in 2004 and 2007, which almost doubled the number of member states, did not have the desired effect of re-launching the European project but instead simply generated fear and misgiving.

The pending step of integration, the strengthening of the Union's external dimension, was inadequately dealt with, despite official speeches that proclaimed that the Lisbon Treaty of 2007 was the great leap forward. The Union is still not an entity that effectively defends its own interests in a globalised world undergoing an accelerated transformation.

One of the obstacles to the European project's reinvention is the mindset that Joseph Weiler has called 'political messianism'. On the way to the first city, part of the legitimisation of European integration was a sense of mission and of historical destiny. In an exceptional situation such as that faced by post-War Europe, it was the road to the Promised Land. The European dream generated an idealism and the feeling of an epic feat among certain governmental elites. The result was a tendency to overlook deficiencies in the Communities' democratic credentials, an issue the Union has only partially addressed. Once the first city had been reached, messianism was no longer the way forward. But the sense of a 'historic mission' resurfaced as empty rhetoric in some of the efforts to articulate what Europeanism should consist of today.⁸

The project's realisation and exhaustion have occurred without the Union making a qualitative political change to establish itself as a democracy outside the state, and without a single 'demos', which is no small task. It is true that since the Maastricht Treaty's ratification in 1992 a necessary debate began about how to justify, from a democratic perspective, the increased exercise of power in Brussels. In fact, one of the ways to view European integration since then is to conclude that it has reached what Kalypso Nicolaidis calls its 'Tocqueville moment'.⁹ Following in the footsteps of the enlightened Frenchman, we Europeans have begun to ask ourselves the tough questions addressed by all democracies: in our case, how to overhaul a supranational project carried out by a select few –the economic and political integration born in 1950– and aimed primarily at rescuing states from themselves.

The Union faces this 'Tocqueville moment' of staking a claim to legitimacy as a new power following the faltering of the social contracts based on the welfare state, the profound mutation undergone by the continent due to the disappearance of one of

⁸ Joseph Weiler, 'Europe in Crisis', *op. cit.*, 256.

⁹ Cfr. K. Nicolaidis, 'UE: un moment Tocquevillien', *Politique Etrangère*, vol. 3, nr 3, 2005.

its blocs and the acceleration of economic globalisation. Brussels and Europe's national capitals have made decisions –such as setting up the single currency and promoting the Union's eastward expansion– that have transformed its very nature and made it even more necessary to fortify its political process. But not enough steps have been taken to achieve a Union that is truly 'owned' by its citizens. National and European elites, excessively shielded by the opacity with which they operate in the Union's various institutions, have failed to successfully engage in a democratic debate on the Union itself.

As explained by Francisco Rubio Llorente, the European integration project has been typically justified as a function of national power: 'in question is not so much the emergence of a new and free power, as the creation of a limit on already existing powers. This creation needs to be justified, or legitimated, but this is a new need: not the need to democratically legitimise a new power, but rather to legitimise the existence of a set of limits on democracy'.¹⁰ In our time, a paradigm shift has become necessary and the task ahead is to legitimise, as such, a new European power.

A strange governance

The financial and economic crisis of 2008 found the Union undergoing another crisis, of a political nature, which became manifest through growing citizen indifference and criticism of the institutions in Brussels, which had yet to advance any compelling formulation of a new European Utopia.

It has become a commonplace that this period exposed a glaring lack of leadership and vision with regard to the European integration process. Less attention has been focused on the fact that the common currency has survived the worst ravages of the powerful financial markets, having survived and succeeded for important reasons of a political, and not just economic, nature. Despite four years of mutual hesitation and mistrust, the world's markets have maintained their confidence in Europe's single currency, even in the depths of recession. No government in the Eurozone has decided to abandon the ship, despite the vessel's manufacturing flaws, and neither have we veered towards a euro restricted to fewer states. And with varying degrees of success, the redesigning of the economic and monetary union, to make it more solid and credible, is underway.

However, the exceptional nature of these years, during which the common currency has been on the verge of disappearing, has led to the intensified elitism that characterised the first stage of European integration as well as to the traditional tendency of justifying integration on the basis of results. The process's elitist nature has intensified as the euro crisis has encouraged leaders to seek refuge in the policies of their national capitals.

¹⁰ F. Rubio Llorente, 'El futuro político de Europa: Espacio, fines y método', *Claves de Razón Práctica*, nr 89, 1999, p. 2-9.

Germany has acquired a new degree of prominence. During the crisis years it has all but imposed its own social contract upon the Eurozone's other members, based on austerity, sacrifices, savings and a clear distrust of the financial markets and of transferring new competencies to the Union. It should be noted that Berlin has not acted on an imperial mindset, but rather with an inward-looking intent. Germany's categorical imperative has been 'to resolve the crisis playing by the rules', which has given rise to a dangerous abstraction, overlooking the context of each country, upon which Germany's constitutional identity has been projected. Germany feels that the design of the common currency threatens its sovereignty, which it seeks to defend. Today's most sovereign member state, Germany, would prefer to be left alone than to lead, but by example and by projecting its way of doing things on the single currency's new rule book.

In this situation, integration is all too often understood as a legal and financial discipline imposed not at the European level but by certain member states on others. A sharp division has been drawn between creditor and debtor countries, giving rise to tensions and grievances between them, while the institutions and the 'Community of Law' have been weakened at the European level along with the normal functioning of democracy at the national level. This is due to the fact that during the early years of the crisis it was assumed that the rescued countries were the problem, along with Italy and Spain, which turned out to be an error of diagnosis. The root of the euro crisis has not been the debt of certain countries, but rather the monetary union's flawed design. Its central institutions lack the instruments necessary to ensure stability, the correction of imbalances and survival in the event of a crisis.¹¹

During the euro crisis the Parliament lacked a leading role, its political deliberations were not centralised and the Commission lost the capacity of initiative in both the European Council and the Euro group, where Germany's position was decisive. The counterweight to Berlin was the ECB, more than any other institution.

Despite all this, pro-European positions have prevailed in all Eurozone capitals due to a deep conviction that integration is the future. But to have weathered the storm is not enough, nor is the wariness exhibited by creditor states, especially those governing them, a new category of leaders reluctantly wielding power in Brussels.

The transfer of new powers and resources to the Union, without which the single currency will not be viable, has become more necessary and, at the same time, more difficult.¹² Restoring the euro is proving to be an uphill battle, but the main problem is not a lack of leadership. Neither is the solution as simple as

¹¹ Cr. J.I. Torreblanca & J.M. de Arellano, 'Spain's Salvation in the Euro', *The New Political Geography of Europe*, ECFR, London, 2013, p. 71-77.

¹² *Ibid.*

implementing the appropriate economic policies. Rather, the problem has deeper roots, related to the need of renewing and restoring the vision of a European Utopia.

The good news is that through a peculiar form of governance, with measures that have not always been well coordinated at the European and national levels, valuable time has been bought during which it has been possible to undertake new political and economic reforms. In this regard it is essential to know where we want to go. The common currency crisis has accelerated and at the same time complicated the political debate that is essential to re-launching integration. The Utopia of perpetual peace between Europeans –after which the Communities were created– is now taken for granted. When anti-European populism leads to sustained grumbling it is time to remember that nothing is won forever and that to lay the foundations to construct a new ideal makes the pursuit of unity attractive once again.

The second stage on the road cannot simply be a continuation of the preceding one. Unlike the post-war era, the challenge is no longer to make nation-states become members states of a Union, rather it is to establish and flesh out the role of the new European power –legitimate, limited and effective– and make it fully compatible with national democracies which, in turn, will gain the beneficial effects of a European legal and economic discipline.

3. The second city: a Europe rescued by politics

Europe is now also the problem, as much as its member states. It is necessary to legitimise a new power that cannot be justified merely on the basis of its transformation of nation-states into open and prosperous member states. The time has come to evolve towards a reinforced European political community, though limited in its material expansion and compatible with national democracies. The states that make up the Union face the problem of meeting the challenges posed by today's world, in which none of them can effectively defend their interests on their own. Sovereignty, the compulsion to have the last word, is blind to a country's future. There is a European society with common traits that suffices to justify this paradigm shift.

The journey to the second city requires the formulation of a new European Utopia that provides a *modus operandi* similar to that which characterised the first plan, drawn up during an exceptional era. Elitism, a sense of historical destiny, excessive technocracy, and the pre-eminence of diplomatic negotiations –again, elements very much present in the redesign of the euro– are counterproductive when it comes to reinventing integration. Of course, the political dimension, materialised in institutional forms, still calls for prestigious figures that are seldom or never suspected of acting on the basis of national biases. The first requirement would appear to be personal prestige. That is the founders' reconciled Europe. But neither the Union nor the Eurozone can relive their past nor aspire to survive as projects essentially based on a certain kind of enlightened despotism.

In order for the EU to regain momentum it is necessary for it to become a public forum through which to formulate a new ideal, a distinct European narrative mobilised in favour of integration. As stated by Javier Gomá, ideals are essential: they establish a target and, by virtue of their attraction, they propel the moral progress of societies.¹³ Even when they fall short, the pursuit of well-defined goals at least ensures that significant progress has been made.

With a view to generating this new Utopian impulse, 21st-century Europeanism should be based on three axioms. The first is to make progress in European integration compatible with the member states' national projects, ie to demonstrate that progress towards integration is compatible with the demand for political and economic modernisation. The second is to make decision-making subject to democratic processes within a Union with enhanced democratic credentials. The third is to respond to the desire harboured by most Europeans of making the Union a global player in the face of the accelerated transformation of the surrounding world.

(a) A European project compatible with national democracies

During the German election campaign of September 2013 some moderate voices called for European integration not to dominate public debate or to be a ubiquitous issue, in an effort to dispel the idea that everything, both good and bad, should emanate from Brussels. In essence what they were asking for was that democracy at the national level retain its full force, even taking into account the European context. The President of the German Constitutional Court explained this in vivid terms when he recognised that his worst nightmare was to wake up one day and realise that his Parliament no longer made decisions because everything was to be voted at the Community level.

In this regard we must learn from German democracy and its political, legal and economic debate on the mutations produced by the euro's redesign. At the same time, worthy of criticism is the German tendency to impose a unilateral vision on the development of the Union, instead of articulating a convincing proposal for the group of member states and their citizens, as too often the Germans' approach generates imbalances and ends up suppressing the European debate.

The executive in Berlin, however, is right about insisting on assigning maximum importance to discussing what new policies ought be transferred to the European level. It is essential to thoroughly address how much integration citizens want, thereby getting all participants to accept the new rules of economic governance, which, renovated, must be sustained both in new national social contracts and in a European pact.

¹³ J. Gomá, 'Ingenuidad aprendida', Galaxia Gutemberg, 2011.

In the founding fathers' original plans, a high degree of economic integration was compatible with the preservation of national identities. Therefore, it was necessary to justify each new Community power, to create legal and political mechanisms to regulate this progressive centralisation and to develop democratic life at the European level. Little by little, however, Europeans developed a mentality according to which any and every new Community action was good news, as if we were riding a bicycle on which we had to keep on pedalling to not fall over. Only with the ratification of the Maastricht Treaty in 1992 were the first democratic debates held to justify the continuous transfer of powers to Brussels.

A certain determinism is exerting its influence on the current situation. Simplistic solutions to the problems of the single currency tend to be based on calls for our leaders to centralise in Brussels –almost overnight– all kinds of different powers and resources in order to bolster economic and monetary integration. Yet, while continuing to act with the diligence the situation requires, the classical democratic question of how much integration each state really wants cannot be sidestepped. Instead of uniting people, as Jean Monnet believed the European dream should, the common currency has sparked serious hostility, and it is essential for its reconstruction to reflect a widely shared and thoroughly debated vision of the European project.

Moreover, the centralisation of new powers to strengthen economic governance should not lead to an unlimited amassing of authority in the EU's hands. A 'union of general competences', should it come to pass, would not enjoy legitimacy in the peoples' eyes. Thus, mechanisms should be established to make it possible to renationalise some policies when this represents a desirable European decision. The idea of a Union with wide-ranging and flexible power, but with limits, would make it possible to maintain the full compatibility between national and European democracies. Only the implementation of a model of 'equilibrium of enumerated powers' would ensure that the stress between centre and periphery would be beneficial to both levels of government. The effect would be to 'get off the bicycle', as Fidel Sendagorta once proposed, to regain the voters' confidence and to address the demands of the citizens without relinquishing vigorous democracy at either the national or European levels.¹⁴

At the national level more importance should be assigned to political and economic reform, not through the imposition of European institutions but rather through national capitals taking better advantage of the opportunities offered by the Union. Spain should learn from German democracy. Even though the Union has an impact on almost all of Spain's economic and social life, the latter contributes little to the formulation of a vision for Europe. In Spain, the desire for 'more Europe' sometimes reveals that what it wants is for others to govern it. This childish longing has recently

¹⁴ Cfr. F. Sendagorta, 'Bajarse de la bicicleta', *ABC*, 11/VII/2005, p. 61.

been accompanied by a certain scepticism –just as counterproductive– of a Union that is unable to solve all of its problems, starting with its complex and unstable state, based on a system of *comunidades autónomas*.¹⁵

In this regard, constitutional reform in Spain, a pending task that is yet to be undertaken, would have to be based on its status as a member state of the Union, a legal and political reality that offers valuable guidance. An overhaul of Spain's territorial model would be more feasible if it were to be based on how the state's will is applied to European issues, how the internal market's integrity is preserved and how Community law is more effectively and coherently applied.

If we want a new Europeanism to take root, it is also essential for member states to contribute to foster integration, going beyond the defence of their short-term interests, which the economic crisis has brought to the fore. One of these proposals should be the political development of the concept of European citizenship, originally a Spanish initiative but today stalled at an embryonic stage. This complementary status of member-state nationality is based on a cosmopolitan ideal that could inject both reason and moderation into our territorial debate, as its essence entails belonging simultaneously and harmoniously to different collective identities, making European integration fully compatible with a commitment to the projects of the Union's various nation-states.

(b) Democracy for the Union

The second vector of this new Europeanism would require shedding any nostalgia for the integration that has already been accomplished, acting decisively to transform European governance today. It is not enough to move forward once again towards a 'Europe of results'. The transfer of new powers to the EU can only be justified by improving its system of government in democratic terms, based on the acceptance of a new social contract between Europeans to resolve the tensions and political and economic imbalances that have been responsible for so much uncertainty in the European project. Renovation would involve allowing further transfers of powers essential for redesigning the euro in exchange for the democratic and political reinforcement of Community institutions.¹⁶

Brussels' institutions must govern in a more visible and public way, and not just formulate policies. The objective should be to improve the quality of democratic debate in Europe, with greater transparency, intelligibility, accountability and, progressively, competition between different European visions of the common good.

¹⁵ Spain's *comunidades autónomas* (autonomous communities) are regional government divisions granted considerable powers and authorities under the country's 1978 Constitution. The costs and complications associated with maintaining this tier of government have been great and highly controversial.

¹⁶ Cfr. J.I. Torreblanca & J.M. de Areilza, 'Spain's Salvation in the Euro', *op. cit.*

The fostering of a vigorous democracy at the European level should lead to discussions at the Community level about the kind of Europe we want. Fritz Scharpf has observed that to a great extent the present Union is rooted in a liberal political model and not a republican one (in reference to Community political philosophy). Its priority is the protection of individual economic rights and it aims to establish limits on the exercise of European power by means of an institutional system based on multiple vetoes, thereby enshrining a pluralist model rather than one based on a pan-European majority.¹⁷ Given the current ground rules and the lack of a clear electoral mandate, Scharpf argues, the Union cannot promote the common good and nor can it solve many problems that its states are unable to tackle on their own. This analysis is particularly accurate in tracing the general outlines of the European political model, but incorporates a vision that is too demanding as regards the necessary degree of common identity. Ultimately, it proposes a state-based model applied at the European level.¹⁸

The Union can only lay claim to the status of a 'democracy outside the state' by recognising the absence of a demos, and by not seeking to improvise a sense of common identification comparable to that felt in a unitary state. Therefore, the effort of creative imagination in the field of politics must be greater in order to respect pre-existing national identities and, at the same time, going further in the creation of a polis in the European sphere that reflects both the diversity and common features of European society.

The most pressing question remains how the Union can one day constitute an advanced democracy, enjoying legitimacy and incorporating at the European level all the democratic traits of Western political systems, without having to necessarily evolve towards a European state.

It must be recognised that the size of the European political community makes it difficult to achieve this democratic quality. At present the Union is structurally remote from Europe's more than 500 million citizens. There is no example worldwide of a democracy enjoying mechanisms that ensure deliberation, transparency, accountability and the efficient management of public affairs with such a large and diverse population. At the European level it is difficult to fully honour the required standards of representation and citizen participation, and it is a daunting task to generate public opinion about the issue. We face a certain structural impediment that hinders the establishment of an advanced democracy.

At the same time, there are reforms which should be tackled now that the urgent demands of the euro crisis are over. The European institutional system does not yet allow a debate on electoral mandates or responsible government. It would be

¹⁷ Cfr. F.W. Scharpf, 'Legitimacy Intermediation in the Multilevel European Polity', *op. cit.*

¹⁸ Cfr. Joseph Weiler, 'Europe in Crisis', *op. cit.*, p. 256.

advisable for the Commission's possible development models to include its transformation into a European Cabinet, in which the positions of Commission and European Council president would be fused. The Cabinet should be capable of acting as a European government and of putting into practice a platform generated in the European elections, as well as of dissolving the assembly and holding elections, or being compelled by Parliament to go home. The European Parliament, meanwhile, is part of the solution, but it also tends to claim a degree of representativeness greater than it really has. The reorganisation of the assembly at Strasbourg, with formulas such as half of its deputies being elected in European elections and the other half being national deputies appointed by their parliaments to serve as European representatives would improve the European debate and enhance accountability. Rather than a step backwards, this could be a way of reconnecting and harmonising national and European democracy.

The making of political decisions at the European level has become more difficult as a result of the aggravation of the technocratic nature of policy at all levels due to the impact of globalisation. The process of global economic integration has augmented the power wielded by interest groups of experts who understand each other because they speak the same highly technical language.

Since the 1970s we have witnessed the rising power of 'sub-national' agents within the Union. As explained, many European policies are decided by individuals with sector-based loyalties who are neither motivated nor guided by any notion of European or national interests. Globalisation has accentuated this narrow, technocratic and fragmented view of the terms of European public debate. Supranational and intergovernmental viewpoints are not enough when it comes to understanding the EU's current and future development. In many EU negotiations the decisive agents involved pay little more than lip service to European or national loyalties, and what they really seek is to advance specific projects entailing specialised technical considerations. This 'infranationality' prevails in Brussels, as it does in the capitals of all Western countries, and makes it possible to resolve with some degree of effectiveness certain transnational problems related to the extensive regulation of internal markets and foreign trade.

But these communities are both opaque and unaccountable, thus generating the impression that both Europeanisation and globalisation severely undermine the power of states while failing to transfer power to democratic institutions and political processes above the national level. It is as if power had disappeared, lost amidst the inner workings of committees and agencies which, like black holes, absorb political visions, powers and aspirations. In addition, its fragmented debates, focusing on concrete problems, typically involve complex issues reserved for genuine experts. As indicated in the chapter on modes of integration, the solution is not to wield national legitimacy as a counterweight to the communities of experts at the European level or to curb their tendency to present highly political decisions in technical language. Rather, the necessary contribution of the hundreds of

committees should form part of a system of checks and balances, which combine representative institutions capable of working with other organs not based on the majority principle. Both models of exercising power should be subject to effective accountability. To better regulate these processes and make them more transparent, and for them to offer more equitable access to stakeholders, neither federal nor constitutional reform is necessary.

No political reform would be complete without reinforcing the status of the Union's citizens, so that members of European society share a series of substantive rights and duties derived from a vision of civic values guiding Europe's institutions. This would give rise to a more clearly expressed identity and a European loyalty that would reinforce and strengthen that felt towards states and regions. Europe's citizens, by definition, would be people of different nationalities and the Union would not succumb to the temptation of trying to evolve towards an unnecessary and counterproductive objective of statehood.

European identity should serve to guide the exercise of power at the European level, but without seeking to replace national or regional identities, which European legal and economic discipline should help to refine and update. Neither does it make any sense to define who we are as Europeans in terms of opposition to other identities, whether the US or Muslim societies, to mention two recent temptations, as it would be a mistake to foster outbreaks of Continental nationalism.

In order to strengthen European citizenship, ways to enrich it could be considered by fulfilling what was expressed in the Treaty on the Functioning of the EU: 'The citizens of the Union hold the rights and are subject to the duties set out in the Treaties'. For now, however, the treaties do not establish any real duties.¹⁹ We should devise different ways to strengthen their sense of belonging among Europe's citizens. An initiative in this regard could be the creation of a European system of volunteers, going beyond the small steps that have been taken so far.

The aim would be to instil in the minds of Europe's next generation, who believe that the advantages of belonging to the Union are unrenounceable, a sense of duty so that they devote some time during their lives to the service of others in projects of a European scope. To this end the Union could create a system to certify and recognise as 'European service' the thousands of volunteer activities already underway in the 28 member states, and those of European origin being carried out all over the world. To grant this recognition the Union could request that European voluntary service be performed by teams made up of citizens from different countries, so that they might learn to work together in the service of their societies. The Union could also make a concerted effort to ensure that European voluntary

¹⁹ Cfr. Joseph Weiler, 'To Be a European Citizen: Eros and Civilization', *The Constitution of Europe, op. cit.*, p. 324-358.

service should acquire prestige and include a practical aspect through its acceptance, evaluation and promotion by schools, universities and employers.

The democratisation of institutions and the support of citizens should help to avoid the distraction of producing constitutions, declarations of rights and reflections based on a statist mentality in which we ask ourselves to what extent the Union should evolve towards a European federation. The essential hurdle to the project's unity, sovereignty, cannot be tackled directly through a constitutional amendment but rather indirectly, through economic stimuli, which may fail, as in the case of monetary integration, and by legitimising a new European public space through politics.

Each federal experience is different and the common features of federalism are few. Thus, there is no ideal paradigm or type of federation.²⁰ The Union already possesses some federal features, its very own and limited. First of all, its Law, applied by European and national judges whose decisions prevail over national law. Also, its decision-making, largely based on the majority principle, both in the European Parliament and in the Council of Ministers. One can also speak of federalism with regards to its flexible distribution of competencies. Almost all the powers of the Union and its member states are shared, their actual extension being negotiable, day by day, by representatives of the states and the Union, as in any contemporary system of cooperative federalism.

The Union, however, is not and nor should it aspire to be a state-type federation, as it lacks social legitimacy and its citizens' direct loyalty. Some have proposed the formulation of a 'two-speed Europe'. The nucleus of such an effort would be dedicated to the economic governance of the common currency. Political tensions, however, between the two concentric circles and the threat to the integrity of the internal market and Community law, shared by all –the two networks that create interdependence and European unity–, would prevent this project from working.²¹

The Union has already emerged as a legal federation based upon a political confederation. The Community model defines this organisational novelty and European policy: an institutional and legal architecture created over the course of 60 years, with a dynamic combination of supranational and intergovernmental political elements under the growing influence of more technocratic decision-making, which we have called 'infranational'. It is true that the redesigning of the single currency calls for new elements typical of an economic federation: banking supervision, fiscal union and mechanisms to ensure financial stability. But the Union of tomorrow must

²⁰ Cfr. K. Nicolaidis & R. Howse, 'The Federal Vision: Legitimacy and Levels of Governance in the United States and the European Union', Oxford University Press, 2001.

²¹ Jean-Claude Piris has formulated a non-federal, more realistic alternative to establish these 'two speeds'. But, ultimately, it fails to go beyond providing creative legal solutions to the challenge of strengthening the Eurozone with its own institutions and regulations. Cfr. Jean-Claude Piris, 'The Future of Europe: Towards a Two-speed Europe?', Cambridge University Press, 2012.

counterbalance this centralisation with improved representation and accountability mechanisms, as well as with decentralisation in areas in which European action is no longer demanded by the public.

(c) A European global player

A third vector of the Europeanism of the future involves addressing the challenge, recognised for some time now, of making the EU a truly global player. One of the serious shortcomings of early Europeanism was its desire to make Europe an island of perpetual peace, which failed to observe its neighbours and understand globalisation trends which exert competitive pressures on its welfare states.

Once again, the idea of dressing the Union as a superpower in anything that is not tailor-made must be ruled out. José I. Torreblanca has called for a Union which acts as an introvert rather than an extrovert, perceiving that if we fail to undertake this transformation in a multipolar world we run the risk of European irrelevance. Most of the problems to be faced by European society in the coming years will involve solutions designed and negotiated beyond our borders and we cannot allow others to make these decisions for us. The sum of just half of all European efforts –still uncoordinated today– in the field of economic governance, diplomacy, security and defence, would be enough to achieve this goal.²²

European external action is usually analysed on the basis of an assessment of European capabilities, an evaluation that emphasises its lack of resources and institutions with a political will. This combines with the unilateral and insufficient actions carried out by some states, incapable of resolving their problems, jealous of their power as international players and nostalgic about their past, when they were world powers. The Union, however, has some important resources in terms of both foreign policy and external action, though it must incorporate more and better national actors and processes into these tasks.²³

In this way, a European process that coordinates and includes national stakeholders and better legitimises European decision-making is necessary. We need to democratise the EU's external action and not only its common policies, overcoming its technical language, elitism, fragmentation and lack of coordination.

The EU's most troubling shortcoming is its lack of foreign policy support through its security and defence policy, an area in which capacities and political will are clearly lacking. Its biggest advantage is the fact that public opinion demands more European external action. The potential of a Union not inspired by a state model to

²² Cfr. J.I. Torreblanca, 'La fragmentación del poder europeo', *op. cit.*

²³ Cfr. Emilio Lamo de Espinosa *et al.*, 'Europa después de Europa', Academia Europea de Artes y Ciencias, Madrid, 2010.

gain prominence as a global actor in the world is very great and, little by little, this decision-making should generate a sufficient European identity.

The alternative to the renewal of the Utopian component of European integration is an increasingly debilitated Union marred by mounting inequality between its states and greater public indifference towards its institutions and legislation. The Community of Law and the Internal Market, which have required so much effort to establish, may yield their pre-eminence to a set of intergovernmental agreements, prominent in the redesigning of the euro, difficult to apply and, at the same time, very demanding with the reforms that debtor states are to undertake in response to European mandates.

Considering the divisions and tensions that in the medium term would lead to a frayed Union, it is necessary to recoup the central idea of integration as an ethical project whose primary purpose is to unite people. The path towards a new Utopia must be different from the first journey. Now the Union must be reformed by placing emphasis on the material restriction of its powers, on politics and democracy at the European level, and on taking steps to make the Union an effective global actor. Based on these three axioms, it is possible to generate a new European ideal.

We should still learn, at the same time, from the organisational capacity and audacious long-term thinking of Jean Monnet. But the debate on how to pursue a new Union must be capable of engaging and inspiring not just the national and European elites, but also its citizens, transforming the European polis.

The task of building and propagating the new Europeanism is now up to a new generation, for whom membership in the Union is as natural as the digital world, sunsets and the changing of the seasons. The European challenge of our time was well summed up by Goethe: 'now you must prove yourself worthy of what you have inherited from your parents'.