

The Federal Future of Europe

*From the European Community
to the European Union*

Dusan Sidjanski

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Jacques Delors

Introductory Note

It is with great pleasure that I pay tribute to the English edition of Professor Dusan Sidjanski's *The Federal Future of Europe*. As Professor Harold Jacobson rightly says in his foreword, this work fills a gap in the literature, since Anglo-Saxon studies tend to underplay the federal approach to European integration. Furthermore, this English edition is the most up-to-date publication of a book that during the past decade has become a classic in European analysis.

Federal thinking has been implicit throughout the history of European integration. Overtly present at the outset, sometimes muted or even running underground at times, the logic of federalism has in fact been present at all the main stages of European integration. One can trace it all the way from the Spinelli Report, which relaunched the integration process in the early 1980s, to a great many of the political programs put forward during the elections to the European Parliament in 1999.

This federal thinking has a singular relationship with the neofunctionalist approaches, which are more familiar to the Anglo-Saxon reader. It is a kind of historical and dialectical process during which the failures of each of them contributed in turn to the successes of the other, a process which is probably far from over. Thus the original failure to achieve political integration outright in the early 1950s led to the Monnet-Schuman functional approach epitomized in the Treaty of Rome. Similarly, the relative failure of this approach—integration “spillovers” occurred at an economic level but went nowhere on a political level—led, ultimately, to the political developments of the Single Act and the Treaties of Maastricht and Amsterdam.

Today the European Union must grapple with the conceptual problems of enlargement, a challenge that surpasses all previous experience. Our only certainty is that Europe, in its perpetual evolution, cannot rely on a preexisting road map or on some historical model to guide us in this new adventure. We are breaking new ground. Dusan Sidjanski's particularly opportune analysis in the framework of European federalism casts a clear

light on one of the deepest and most permanent mainsprings of European action.

This work is all the more welcome in that it does not just retrace the history of European integration in light of the theory of federalism but also provides a critical assessment of what the author calls "European federalism." I would not go so far as to say that every episode, every twist and turn in the story of Europe could be explained exclusively by this theory. However, if this analysis is not the only possible interpretation, it is certainly one of the most illuminating and enriching analyses of the future of Europe, a future which will doubtless be both difficult and exciting.

I wish English-speaking readers of this new edition, which is now at last at their disposal, the pleasure of discovering this major work in European integration.

Harold K. Jacobson

Foreword

The Federal Future of Europe: From the European Community to the European Union is a marvelous addition to the English literature on the European Union. This insightful and powerful book has been available in its original French and in other languages since the early 1990s but not in English. Here finally is an English edition. This English edition, however, is more than a translation of a previously published book. This version brings the story up to date and adds new evaluations and recommendations. It is in many ways a new book.

The Federal Future of Europe is a book of profound scholarship. It is an unparalleled history and analysis of the evolution of the European Union. It analyzes changes in civil society as well as in state behavior and institutional structures. It is informed by, but not beholden to, American scholarship on international relations and comparative politics broadly and on the European Union in particular. It introduces European scholarship, particularly the work of Denis de Rougemont, that is seldom considered by English-speaking scholars.

The Federal Future of Europe is also — perhaps even more so — a book of advocacy. Dusan Sidjanski is a deeply committed federalist. His book makes a powerful case for a federal future for Europe. He believes that only through the creation of a federation can Europe overcome the national and ethnic divisions that have caused such great catastrophes in the twentieth century. The blending of scholarship and advocacy makes this a very special book. Since May 1950, when Robert Schuman proposed that Germany and France merge their coal and steel industries, English speakers have followed the process of European integration closely. Americans particularly have sought theoretical constructs to provide a framework for analyzing the process.

Ernst B. Haas, drawing from the tactics employed by Jean Monnet, developed the theory of neofunctionalism in his masterful *The Uniting of Europe* (1958). According to Haas the key to the process of European integration was the expansive logic of sectoral integration: technology and

the expanding size of economic activity would lead to integration in one sector; integration in one sector would create pressures that would “spill over” and force integration in other sectors; the process would be led and shaped by supranational actors. For many years, neofunctionalism was the favored American explanation for the process of European integration. Federalism was the eventual outcome envisaged by Monnet and by many neofunctionalists, but in neofunctionalism federalism was achieved almost by stealth. Moreover, not all neofunctionalists have been explicit about the eventual outcome that they envisioned for European integration.

More recently American analysts of European integration have been divided between those who continue in the tradition of neofunctionalism to emphasize the role of supranational actors and those who argue that the governments of major states are principally responsible for driving and shaping the process. Andrew Moravcsik argues the latter case forcefully in his *The Choice for Europe* (1998). For Moravcsik the driving forces are commercial advantage, the relative bargaining power of governments, and interstate bargaining. Moravcsik and others of his persuasion note the transfer of sovereign power from the member states to European institutions and argue that this will endure, but they draw back from predicting a federal future for Europe.

The federalist position has generally been left out of analyses of European integration written by English-speaking authors. Curiously, given the United States’ own proud history of federalism, Americans have particularly ignored the federalist position. The English version of *The Federal Future of Europe* fills a major gap in the literature. It will stand with Haas’s and Moravcsik’s works as a seminal statement about Europe. Sidjanski clearly articulates the federalist position. He makes clear how deep the historical roots of European federalism are and he shows how strongly committed contemporary leaders are to the concept and how much it has affected European civil society.

American social scientists will be intrigued by *The Federal Future of Europe*. We are not used to reading books that are both profound works of scholarship and powerful statements of advocacy. *The Federalist* was in this tradition, as was Woodrow Wilson’s *Congressional Government*, but in the second half of the twentieth century social scientists have rarely written such books. Because the effective linking of advocacy and scholarship is so rare, *The Federal Future of Europe* is a treat to be savored.

Its message must be pondered. The future of Europe is one of the great questions of contemporary life. Is European integration a process that will resemble in historical retrospect the unification of Germany and Italy in the nineteenth century? Or will it create new forms of political authority, as in the seventeenth century when, through the Peace of West-

phalia and subsequent developments, the sovereign territorially defined state emerged as the dominant form? Sidjanski makes a powerful case for a federated Europe as both the most desirable and the most likely outcome. Whether or not one agrees, his argument must be considered and addressed. The publication of the English version of Sidjanski’s book will help make this argument a vital part of the academic and popular debate about the future of Europe.

Sidjanski’s book reflects his life. Born in Yugoslavia, he emigrated and eventually settled in Switzerland and became a Swiss citizen. His professional career was spent in Switzerland, where he became a professor of political science and founder of the department of political science at the University of Geneva. He was one of the first Swiss political scientists to employ modern analytical techniques, and he modernized and strengthened the University of Geneva’s political science department. As a Yugoslav, he knows the terrible consequences of ethnic conflict. As a Swiss citizen, he knows the benefits and operating principles and practices of federalism.

The Federal Future of Europe was written with insight, knowledge, and passion. Readers will be informed and moved. I strongly commend it to everyone interested in Europe and to those more broadly interested in contemporary international affairs.

Preface

The path toward a European Union has been mainly guided by two models. Jean Monnet's functional approach, aimed at building the United States of Europe, was inspired by the United States of America. Denis de Rougemont's global federalist approach was based on European culture and its diversity, bearing the stamp of Swiss experience. Both models, however, aimed at creating a European federation, albeit by different means.

For centuries, the concept of a united Europe was outlined in various utopian ideas and projects before taking shape in concrete political action, starting with the creation of the Pan-European Movement by Coudenhove-Kalergi in 1924. After this, the first official project was proposed by Aristide Briand, a free trade approach. Today the argument still seems to be valid despite the United Kingdom's full membership in the European Union (EU) since 1973.

After World War II, the United States fully supported reconstruction in Europe as well as the movement in favor of European integration. The Marshall Plan was an extraordinary initiative, which provided massive aid to Western European countries through the Organization for European Economic Cooperation (OEEC). It implied multinational cooperation, the elimination of quantitative restrictions, and the establishment of the European Payments Union. In this way, the American government built the basis for European integration, the creation of the European Coal and Steel Community, and the European Economic Community. At the same time, Americans, many of whom were friends of Jean Monnet, supported the European Movement, which vigorously promoted the idea of a United Europe from below. The origins of European citizenship and identity that today constitute one of the aims of the European Union are to be found here.

Two testimonies reflect the ambivalence of American policy toward the European Union. On the one hand, in January 1956 John Foster Dulles summed up the essential problems in Europe from the American point of view:

The problem of tying Germany organically into the Western Community to diminish the danger that over time a resurgent German nationalism might trade neutrality for reunification with a view to seizing a controlling position between East and West.

The weakness of France and the need to provide it with a positive alternative to neutralism and defeatism.

The consolidation of a new relationship between France and Germany, which has been developing since 1950 through the movement toward integration.¹

The continuously supportive policy of successive U.S. presidents and administrations corresponds to a global political vision and is still in force notwithstanding sectoral conflicts of interest or opinions. Many examples illustrate this ambiguity: the chicken and soya wars, the contrasting positions during the Uruguay Round and in the World Trade Organization regarding public subventions, civil aviation, services, and culture, in particular, as well as the question of the extraterritorial enforcement of American law.

Slightly differing convergent policies were enforced during the Gulf War under American leadership. Later, the Yugoslavia crisis compelled the Western allies to act together and also revealed divergences, mainly due to national constraints and political and economic contingencies.

In short, it could be argued that there are two main dimensions in the pattern of U.S.-EU relations. The economic dimension includes not only the benefit of having a solid and dynamic partner with a large and open market but also the fear of having to face a powerful competitor or even a challenger in the political and security fields represented mainly by NATO and American leadership. The United States and the EU are facing the dilemma of American domination versus American-European partnership with a greater or lesser degree of EU autonomy. In 1962, President Kennedy proposed an Atlantic partnership between the new European and the old American Unions. This plan, designed by the young visionary president and based on a concept of Atlantic economic interdependence and common values, was partially applied to economic relations.

In contrast, dependency is still the prevailing relationship in the security field. It has become even more apparent since the communist threat vanished, leaving the United States as the only superpower. Faced today with the threat of new nationalism, civil war, and intra-European conflicts, the EU, with U.S. support, is trying to build a strong European pillar within NATO. This involves attributing an effective autonomous and operational capacity to the Western European Union (WEU), which represents the military arm of the EU. This means both increased autonomy and a greater

burden and responsibility for the European partner. It is the precondition for effective common foreign and security policy in the EU and for more evenly balanced relations between the United States and the EU. It could also open a perspective for a new security system in Europe with the participation of Russia and the Central and Eastern European countries.

This is one of the problems underlining the complexity of interrelated issues facing Europeans: how to strengthen the Union, achieve economic and monetary union, stimulate growth and employment, establish an effective common foreign and security policy, create a system of common defense, and at the same time enlarge the Union. There are also questions of how to respond to the challenge of democratization in the EU, reinforce European citizenship and solidarity between states and regions, promote high technology, and support common research programs in order to restore competitive capacity and the influence of the EU in world politics. The demands and needs of these different fields, in combination with ideas and projects as they are perceived and conveyed by political elites and socioeconomic factors, are contributing to new and continuous creativity in the European Community and Union. This original organization, *sui generis*, includes diverse institutions and practices belonging to federal, confederate, and intergovernmental experiences and structures. It also augurs the concept of neofederalism, which transcends purely process and organizational approaches to combine basic democratic and federalist values with high technology in communications and management. This will make it possible to manage the complexity of Europe as well as preserving a rich diversity inside the Union.

At this point, I would like to yield the floor to Professor Lester Thurow, dean of the Sloan School at MIT. In the conclusion of his book *Head to Head*, he provided the following forecast.

While having been the slowest mover in the 1980s, Europe starts the 1990s with the strongest strategic position on the world economic chess board. If it makes the right moves, it can become the dominant economic power in the twenty-first century, regardless of what Japan and the United States do. In this case the right moves are easy to see but very difficult to make. If Europe can truly integrate the EEC (337 million people) into one economy and gradually move to absorb the rest of Europe (more than 500 million people) into the House of Europe, it can put together an economy that no one else can match. If the high science of the former Soviet Union and the production technologies of the German speaking world are added to the design flair of Italy and France and a world class London capital market efficiency directing funds to Europe's most productive areas, something unmatched will have been created. The House of Europe could become

a relatively self-contained, rapidly growing region that could sprint away from the rest of the pack.

Since European countries represent both the communitarian and the individualistic strains in capitalism, the compromises necessary for the integration of Europe could lead to a mix and match of the best strains of both. The Europeans don't have to adopt foreign—American or Japanese—ideologies.

The Europeans also have the advantage of getting to write the trading rules for the twenty-first century. Those who write the rules will not surprisingly write rules that favor those who play the game the European way.

The right moves involve two major problems. The economies of Western Europe really have to integrate, and that integration has to be quickly extended to Middle and Eastern Europe. The former communist economies of Middle and Eastern Europe have to become successful market economies. Neither is an easy task. Western Europe will have to be willing to give large amounts of economic aid to Middle and Eastern Europe in order to get capitalism started. Ancient border and ethnic rivalries in both Eastern and Western Europe will have to be put aside. The English and the Germans will both have to become Europeans.²

This statement coincides with my personal view and could have been perfectly placed as the conclusion of this book. Nevertheless, the main difference concerns the role of economic and political variables. While Lester Thurow focuses his analysis principally on economic factors, my approach is more global and political. In the first case, political variables are among the preconditions for Europe's economic capacity and competitiveness, while from the political perspective ideologies, basic culture and values, and normative functioning through institutional frameworks and decision-making processes are the principal components of political power, which interacts with economic and social power. In both cases, the general environment, the major official and unofficial actors, and mainstream events play a central role.

This book presents an extraordinary case of traditional enemies becoming close friends and forming the dynamic core of the European Community and the European Union, the Franco-German alliance. This emergent system, based on a voluntary association of democratic states, has made an exceptional contribution to peace in Western Europe for the first time in history.

This fresh experience not only conveys a strong message to the people and countries of Central and Eastern Europe, but it also affects regional integration elsewhere. It is a particularly concrete response to explosive

nationalist and ethnic movements, promoting a model that conciliates opposing trends: globalization as well as the quest for national, ethnic, regional, and local identity. Based on principles of democracy and federalism, the European Union aims to create synergy between those two powerful streams in a huge, pluralistic Europe. At the same time, the reemergence of a dynamic Europe signals its return to the world scene in close collaboration with the United States, in partnership with Russia, and in negotiations with Japan and China. In realizing its aims, the European Union will be capable of reassuming its role in world affairs.

This English translation is in some respects a new book. While initially based on the original work in French, first published by Presses Universitaires de France in 1992 and 1993, this new edition not only has been revised but contains three supplementary chapters. All in all, it aims to take account of the many changes that, at the regional or global level, have had an impact on Europe's future.

NOTES

1. FRUS, *Western European Security and Integration*, vol. 4 (1955–57), 399–400.
2. Lester Thurow, *Head to Head: The Coming Economic Battles among Japan, Europe, and America* (London: Nicholas Brealy Publishing), 251–53.

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I am especially grateful to my friends at the University of Michigan: Professors Harold Jacobson, Roland Inglehart, and Kenneth Organski, with whom I have enjoyed a long, fruitful, and friendly collaboration since 1970. During my first stay in Ann Arbor, I was introduced to quantitative methods while doing research at the prestigious Center for Political Studies of the Institute for Social Research. Since then our collaboration has resulted in several joint works and publications and has now led to the publication of this book by the University of Michigan Press. It is my pleasure to thank its director, Colin Day, his assistant Heather Lengyel, and copyediting coordinators Alja Kooistra and Jennifer Wisinski for their efficient cooperation.

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