

REGIONAL GOVERNMENT AND THE "NEW EUROPE"

by

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Regional government in contemporary western Europe corresponds to a type of society and economy variously labelled "post-industrial", "post-bourgeois" or merely "the New Europe."¹ This New Europe evolved historically from the interconnected strands of capitalism, industrialism and pluralistic democracy. It resembles in many respects the type of economy and society familiar to us in North America. Regional government in such a society is thus merely an adaptation on the scale of half a continent of forms of social and economic organization which evolved historically at the national level. Regional government in the New Europe is the institutional and political recognition that societies have changed dramatically since 19⁴⁵, so dramatically that they cannot be adequately described in the doctrines and ideologies made familiar by nineteenth and early twentieth century political thought. Hence the New Europe and its regional government is the future of that part of history which has also been aptly described as "the end of ideology."

I

Yet the news of the last few months seems at variance with this extreme view of things. Disintegration and nationalist immobilisme appear to dominate rather than the advance of regional government. France's veto of January 1963 stopped not only the entry of Britain into the European Community of the Six, but in effect postponed the merger of the Europe of Seven with the Community. EFTA, after appearing to be on the threshold of dissolution, acquired a new lease on life as a result. In agriculture, the Community has succeeded in translating the general policy adopted a year ago only to some commodities, such as wine, fruit, vegetables and eggs. But disagreement on target prices and levies continues with respect to pork and some cereals, while interest group representatives, parliamentarians and government experts continue to squabble about the proper compromise. In the

field of energy, the Council of Ministers is now considering the fourth "interim memorandum" of the Community Executives regarding the proper role and pricing of oil, coal, natural gas and hydroelectric power. Again, the interest groups press their claims and governments support or reject them in line with national perceptions of interest, thus far to the detriment of a coherent regional policy. During the summer, the special political agreement between Bonn and Paris went into effect, thus symbolizing to some Europeans that special Franco-German relationship which might institutionalize the hegemony of de Gaulle over the Community of the Six. The General's offer of a lilliputian French nuclear umbrella to his five partners has done nothing to dispel this impression. If the Fouchet Plan for a political confederation, an Europe des patries, superimposed on the existing regional government was turned down by four of the Six, its institutionalization among two of them is still perceived as disturbing.

Nor are things any better outside the framework of the Six. Long-standing efforts to refurbish NATO as a dynamic agency for working out common Atlantic defense and foreign policies have achieved little. The American proposal to share control of the safety catch on the nuclear deterrent by means of the NATO Multilateral Nuclear Force has been cold-shouldered by France and greeted with reserve by Britain. Only Germany seems fully committed to the idea. The Organization for Economic Cooperation and Development, for all its promising work on the sharing of aid to the non-western world, has done little to smooth the incipient United States-Common Market tariff war of which the chicken rather than rooster or the bald eagle is the symbol. Nor has it been used to advance the cause of coordinating Atlantic monetary and trade policy.

The unfortunate image of the dumbbell has been invoked to describe the desirable relationship between North America on the one hand and a united

western Europe on the other, an image more respectfully labelled "partnership" by President Kennedy as well as by President Hallstein of the EEC Commission. Partnership connotes close cooperation tied to mutually respectful distance; hence people affiliated with the Atlantic Council of the United States prefer to speak of "community, or of close institutional and quasi-federative ties, to take the place of the current Atlantic structure which merely perpetuates disarray. Yet the notions of partnership or community among two equal and allied blocs have begun to compete with rival images invoking a vision of concentric circles with the European Community at the core, or of an even looser system of polycentrism which both Britain and France would retain independent relations inside as well as outside the Atlantic world.

These events and the prescriptions for reform bespeak disintegration rather than a shiny New Europe or New Atlantis. Have they undermined the system of regional government which has developed in the Community of the Six, the system which goes under the label of "supranationality"? To answer this question the nature of supranationality must first be well understood.

General de Gaulle equates supranationality with a federalism which he detests; Jean Monnet identifies it with a federalism of which he is a leading partisan. Both gentlemen mistake the essence of the phenomenon even though Monnet is rightfully considered its founding father. British statesmen were repelled by the European Community for a long time because they could conceive only of federal or traditional inter-governmental international institutions and they held the Community to be almost federal. Supranationality, however, is neither federalism nor intimate intergovernmental cooperation even though the institutions it employs resemble those of a federation more than the United Nations or NATO. Supranationality is a unique style of making international decisions, unique because of the nature of the participants, the context in which decisions are made, and the quality of the decisions produced.

The participants in the supranational decision-making process include of course "governments"; indeed, they theoretically dominate it because their representatives constitute the Councils of Ministers which rule the three Communities. But these representatives are for the most part high civil servants meeting in almost continuous confrontation with their opposite numbers and working out common policies on the basis of their perception of the technical possibilities inherent in whatever is being discussed. Only exceptionally are decisions wholly made by the ministers themselves, and then only on the basis of suggestions and proposals prepared by the European Commission or the High Authority; that is, by experts whose job it is to find common ground among the six nations. Other participants include spokesmen for all major national and European interest groups who confer almost all the time with the specialists in the Community executives. Proposals by the executives to the ministers always take into account the demands of the major interest groups. Finally, the legislatures of the six countries participate in the form of the European Parliament which makes its wishes known and demands to be consulted by the Commission and the High Authority. If it is still true that the representatives of the six governments dispose, this is so only because the European executives in consultation with private and parliamentary groups propose. The alternative dispositions are defined and limited by the range of proposals stemming from extra-governmental sources.

The context of supranational decisions is economic, social and technical. But this should not lead us to conclude that just because expressly "political" and military issues are excluded supranational decisions are somehow secondary. The essence of supranationality lies in the tendency for economic and social decisions to "spill over" into the realm of the political, to arise from and further influence the political aspirations of the major groupings and parties in democratic societies. The supranational style stresses the indirect

penetration of the political by way of the economic because the "purely" economic decisions always acquire political significance in the minds of the participants. In short, the kind of economics and social questions here dealt with are those at the very core of the modern welfare state.

The quality of supranational decisions differs sharply from the federal and the inter-governmental norm. In intergovernmental negotiations differing initial positions are usually compromised on the level of the lowest common denominator. That is, the least cooperative participant defines the limits of the compromise. In federal systems simple majoritarianism decides in ultimate situations of conflict, even if this be the majority of one vote on a federal Supreme Court. In supranational systems, on the other hand, the compromise pattern often involves "splitting the difference" between the final bargaining positions of the participants. More significantly still, supranational systems feature a bargaining process which I call "upgrading common interests." It occurs when the participants have great difficulty in arriving at a common policy; yet they do agree that they should have some common stand in order to safeguard other aspects of interdependence among them. Hence they tend to swap concessions in related fields, but outside the specific contexts in which disagreement prevails. Further the swapping takes place on the basis of services rendered by an institutionalized conciliator with powers of his own, the European executives; that body is able to construct patterns of mutual concessions from various policy contexts and in so doing usually manages to upgrade its own powers at the expense of the member governments. Yet those governments do not feel as if they had been bullied: common interests are upgraded also in the sense that each feels that by conceding something it gained something else. The final compromise, far from somehow debasing the bargaining process, induces a feeling of commitment, of creativity and of gain in the participants.

Hence it is a mistake to argue, as spokesmen for the Communities usually do, that "the criteria by which policy decisions are made are no longer purely national criteria: there is also recognized to be a "Community" point of view which arises out of a consideration, from an objective standpoint, of the interest of the economic unit as a whole."² In an objective sense there is no demonstrable "Community view point", if by that we mean a voluntary national subordination to the general interest as defined by the executives. But there is a cumulative pattern of accommodation in which the participants refrain from unconditionally vetoing proposals and instead seek to attain agreement by means of compromises upgrading common interests.

Having defined the supranational style, we can now answer the question of the disintegrative effects of recent events. Clearly, General de Gaulle does not play the game according to these rules. Supranationality evolved gradually since the inception of the Coal and Steel Community in 1952 in a manner falling short of Monnet's federalism but exceeding British ideas of intergovernmental cooperation. De Gaulle is coming close to stopping that evolution. This is true despite the admitted fact that the Fifth Republic has honored its obligations under the treaties establishing the three Communities even though it deplors the surrender of sovereignty implicit in this. It is true even though the Fifth Republic has taken the initiative in proposing and executing several measures which involved the upgrading of common interests, as for example in the case of agriculture and the acceleration of tariff dismantling. The point is that such steps were taken only when the government felt these steps to be in the national--rather than the European--interest and that it has adamantly resisted other attempts to upgrade common interests when de Gaulle considered the surrender of further sovereignty undesirable.

The Gaullist vision of the New Europe is not supranational and not federal. It is confederal; it limits the participants to ministers, the contexts to the political in the grand sense and the quality of the decisions to unanimous agreement defined by the leading nations. In the words of former prime minister Debré:

In Europe, legitimate power is the power which comes from national sovereignty and against this power arbitrary outside tyrannies like the so-called 'supranational' institutions can do nothing. European unity is becoming, and will continue to become, a reality through the will of these who legitimately wield power in each of the countries which together make up Europe.³

The appeal is to a pre-modern notion of national sovereignty which exalts the political at the expense of the economic and social. The Fouchet Plan and the bilateral Treaty with Bonn exemplify the Gaullist conception of a European confederation. Will it successfully impede supranational integration which reverses the emphasis and thereby avoids the notion of sovereignty altogether?

This formulation contains the larger question of the ultimate future of Europe, the shape of European society and the manner of governing it. De Gaulle agrees with the European federalists in believing that the present structure is an impossible half-way house. The Federalist position disdains "mere" economics; or at best considers it a necessary area of joint action among nations before the ultimate political stage of constitutional federation is reached, with its panoply of directly elected European legislature, federal executive enjoying general powers and federal judiciary. Emphasis is on commitment, faith, vision and a certain method of politics. Little is said about the content of politics except to stress the mystical superiority of a "political" quality over the humdrum collection of social welfare measures. For de Gaulle the supreme element is belief in the immutable nature of "high politics", of Grosspolitik in the expressive Bismarckian phrase. Economics, military strategy, social welfare, agricultural prices, relations

with underdeveloped countries--all these are so many substantive sub-items in the pursuit of the supreme substance, the defense of the national interest. It so happens that this interest is held by de Gaulle to be closely tied to that of the other continental European nations. But a confederacy is all that is required to realize and assert it against others. In short, this argument asserts that the Europe of the three supranational Communities cannot last: it must either become a full-fledged federation or a confederacy under the hegemony of the most important constituent nations.⁴

Few people believe that the existing system of regional government, that supranational method now under French attack, has a claim to longevity. I believe that it does. Because it corresponds to the nature of the New Europe, the Europe of adaptative interest groups, bureaucracies, technocrats and other units with modest but pragmatic interests resembling the traditional nationalisms of Grosspolitik only very remotely, it may well be a real system of government rather than a mere temporary style. "There are more things in Heaven and Earth, General de Gaulle, than are dreamt of in your philosophy."

II

What are these characteristics of the New Europe? Its main economic component is neither capitalism nor socialism: it is industrialism. Industry, under whatever management, easily produces enough to make everybody comfortable. Minimum standards of consumption are assumed as given for the entire citizenry. If the market mechanism and freely negotiated wage levels fail to attain the minima the state intervenes with subsidies, family allowances, social security payments, educational scholarships and retraining funds. Rising production and rising consumption are brought into gear by more or less systematically pursued policies of full employment or income guarantees. The flow of investment necessary for this is assured by policies of central steering through tax laws, credit policy and direct consultation between government,

industry and organized labor. Foreign trade policy becomes particularly important in such a context because it tends to be manipulated to serve the ends of domestic production and consumption; this is as true at the regional as at the national level.

The New Europe has worked out a pragmatic synthesis of capitalism and socialism in the form of democratic planning. Nationalization of industries is sometimes, but not consistently, employed; the price system and the market remain the central regulatory agents. Planning takes place in the form of forecasts of demand for specific products in specific industrial sectors, which are then presented in the form of aggregate forecasts. Planning, unlike the communist variant, avoids fixed production targets. It "programs" desirable investment and production levels in line with predicted demand and interferes with the self-adjusting market only to that extent. For our purposes, the mechanism of this programming process is of central importance. It features the continuous participation of all major voluntary groups in European society through elaborate systems of committees and councils. The technical bureaucracies of trade unions, industrial associations, bankers and farmers sit down with the technocrats from the ministries of finance, labor and economics--or with central government planning offices--to shape the future. Statistics tend to replace ideology and dogma. Permanent negotiation and occasional conciliation tend to replace active confrontation, doctrinaire discussion and class warfare. The symbol is compulsory arbitration rather than the general strike.

These economic features clearly rest on a social substratum very different from that portrayed in the inherited western ideologies. Relative upward mobility now obtains. Relative social equality, at least as compared to the situation fifty years ago, is in the ascendency. The formerly alienated working class seems to have made its peace with the industrial system, perhaps

because stronger unions in large-scale enterprises give it more scope for participation than was true in the earlier period of small family-owned and managed plants. Ideology has lost its relevance in the relations between workers, industrial managers and middle class professionals. The groups which find it difficult to adjust to industrialism are the ones for whom ideologies remain important. The lower middle class shopkeepers, artisans and inefficient farmers who are hard pressed by the advent of massive industrialism and large-scale bureaucratized enterprises of all kinds are the main consumers of doctrinaire ideology today, whether this be communism or some form of organic, status-oriented fascism. But even here the advent of the regional logic is manifest: contemporary neo-fascist groups in Europe profess a species of pan-European nationalism directed against Russia, the United States and the Afro-Asian world, rather than the more familiar Germanic, Gallic or Roman varieties; it is a "white man's" nationalism directed against "inferior" extra-European races. The communists, for their part, are beginning to make their peace with the erstwhile "clerical-fascist conspiracy" by encouraging their trade unions to participate as just another interest group in the decision-making process of the Communities. Ideology, then, is still with us. But it manifests itself in religious, ethnic and educational policy confrontations rather than in the realm of the economy or the large issues of defense and foreign policy. Thus we find its continued role primarily in Belgium, Italy and France rather than in Scandinavia, Britain, Germany or Austria. Ideology is muted to the extent that cleavages in the national populations cut across contexts rather than clustering in firm groups united on a variety of issues. If a citizen can bestow his support--or his indifference--to differing groups for purposes of education, welfare measures, religion, defense, recreation and ethnic identity the logic of a pluralism based on cross-cutting cleavages will continue to mute ideology. Only if a citizen relies on his party or association for all of these aims will the

logic of pluralism be defeated. The communist poet Louis Aragon might have spoken for some socialists and some christian-democrats when he said

mon parti m'a rendu mes yeux et ma mémoire
mon parti m'a donné le sens de l'époque
mon parti, mon parti, merci pour tes leçons...

In the New Europe, however, this clustering of affections and expectations seems to be a thing of the past.

Indeed, when we turn to the political style of the New Europe, perhaps indifference is the key term. More formally we call the process of removing ideology from politics "depoliticization." Political parties remain intact; but they are no longer divided by glaring controversy because all the major social and economic issues of fifty years ago no longer plague the body politic. Campaigns tend to avoid the great principles and to stress efficiency in administration. As a Swedish commentator put it, "as the general standard of values is so commonly accepted, the functions of the state become so technical as to make politics appear as a kind of applied statistics.... Voting in our day is much less than in earlier times a proof of political interest; elections should rather be considered as a general census."⁵ In many European countries cabinets are now formed on the basis of more or less permanent coalitions among powerful parties united in a general consensus on the desirability to preserve and develop industrial society. Moreover, they agree on subordinating most other public questions to this desire. Industrial society is run by technocrats, inevitably. And so the technocrat has become the eminence grise of all government, public and private, local, national and regional. As the function of a parliamentary opposition has lost its sharpness the average citizen has lost much of his interest in politics. Politics in such a setting has been aptly described as the politics

of collective bargaining among groups, all of whom accept the legitimacy of representation of each participant. The argument among the groups, then, is merely over the slice of the pie to be given to each. At the European regional level this image need not undergo any qualitative restatement: the argument is no longer over the slice of the pie to go to each; it is increasingly over the means for increasing the overall size of the pastry. But otherwise the style of moderate accommodation, universal representation and mediation by technocrats remains as central at the regional as at the national level. Holland, Belgium, Austria and Sweden epitomize this trend. In Germany the reunification issue somewhat blurs the same phenomenon, while in Italy the relative immaturity of industrialism contributes to the continued presence of the older pattern of politics. In Britain the modal pattern prevails even though it is obscured by the dominance of the two-party system which normally makes coalition politics unnecessary. The major exception to the trend is France where the towering figure of General de Gaulle imposes an unnatural style on politics which would otherwise conform to the depoliticized trend, as indeed it did under the Fourth Republic.

In such a setting there is but little trace of a purely political dimension. Grosspolitik is merely a phrase left over from a pre-industrial setting, national grandeur and national destiny conceptions which the upward mobile citizen weighs distrustfully against the new Telly, Renault, or that trip to the blue Adriatic. In a sense, everything is political simply because the modern industrial system engenders public concern--if not control--over so many aspects of economic and social life. But by the same token there is no longer a distinctly political function, separate from economics, welfare or education, a function which finds its reason for being in the sublime heights of foreign policy, defense and constitution making.

It will have become clear by now that the supranational scheme of government at the regional level bears a very striking resemblance to the prevailing nature of government at the level of the industrial nation in everything but constitutional terminology. Supranationality, not federation, confederation or intergovernmental organization, seems to be the appropriate regional counterpart to the national state which no longer feels capable of realizing welfare aims within its own narrow borders, which has made its peace with the fact of interdependence in an industrial and egalitarian age. It represents the method adopted to secure maximum welfare, including military security, for a post-industrial state which no longer conceives of its interests in starkly political and nationalistic terms. The advent of supranationality symbolizes the victory of economics over politics, over that familiar ethnocentric nationalism which used to subordinate butter to guns, reason to passion, statistical bargaining to excited demands.

Recent history offers a number of instances in support of this conclusion. Britain's decision to forego its independent nuclear deterrent was motivated by considerations of cost, that is, by the decision not to sacrifice welfare. Her ill-fated decision to join the Community of the Six implied very serious soul-searching and ended with the actual abandonment of a nationalist mood and calculus which had long been taken for granted. Norway and Sweden have been known for their moderation in international affairs, but also for their fierce independence from entanglements and the passionate belief in the value of their national ways of life. Notwithstanding these facts Norway applied for full admission to the inner circle of the Six, with all its supranationality, and Sweden sought the less binding tie of economic association with the Community. Upon being rebuffed in the crisis of January 1962 neutral Sweden was in the forefront of those seeking to give EFTA a much more supranational scope than it had hitherto been permitted

to acquire. Even Switzerland, to whom neutrality and aloofness is the national way of life, anxiously discusses the alternatives open to her. Like many others, the Swiss would prefer a clearcut distinction between the constitutional and political dimension on the one hand, and the politics of economics on the other. If Europe opted for political unification they would stay aloof; but if a "mere" economic union were the final plan they could make their peace with it. "Only when that decision is made can we distinguish once more between the two plans whose confusion obstructs all discussion", complains Herbert Lüthy. "Customs officials will cease making policy and statesmen will cease building Europe by organizing a market for beasts."⁶ But it is the essence of the New Europe that the market for beasts and the discussion of ultimate political destinies can no longer be separated. In a welfare-oriented, industrial and technocratic order ultimate political concerns are ever more closely intertwined with these more mundane considerations.

III

Our argument, however, runs into the very obvious obstacle of active dislike for the supranational method on the part of some Europeans and of their practical resistance to continued integration, both among the Six and between the Six and the rest of Europe as well as North America. This resistance is explained by some scholars as a manifestation of the reassertion of the political function. Supranational integration may well take place on the basis of economic policies spilling over into more and more neighboring fields of activity, they suggest, until the economic potentialities of the process are exhausted. As long as we are merely dismantling tariffs, establishing fair pricing rules for steel, harmonizing social security rates and facilitating the free movement of manpower we remain within the logic of the economic spill-over. But once the limits of these tasks are reached, once these objectives are attained, we are up against the hard core of politics:

foreign policy coordination, defense arrangements and the ultimate relationship between national political planning and national economic welfare. When statesmen feel that this point has been reached--as de Gaulle clearly has--the spill-over will trickle away and integration will either stop or take on a purely political-constitutional hue. Supranationality will then be condemned to linger listlessly in the economic institutions already created but foreclosed from further development.⁷ The Europe of the Six may be at this point now.

This formulation mistakes the nature of the New Europe. It is not only the outer military shell of nations which has become very penetrable. Self-reliance equals the flirtation with suicide not only in the realm of defense. The outer shell of nations has become penetrable even more in terms of trade, travel, investment, values and welfare in proportion to the degree of industrial pluralism which prevails domestically. The image which characterizes the nation-state as a warm and self-contained community and juxtaposes it to the colder and more calculating world of nation-states labelled "international society" is over-simplified and misleading, at least in the North Atlantic area. The internal as well as the external network of relations of nations constitute a species of society; both increasingly function on the basis of calculated interest and adjustment among interests, on the part of voluntary groups as well as of governments. And the extent of the adjustment is deeply influenced by the degree of penetrability which the outer shell of the total national corpus permits.

Armed with this perspective let us have another look at the spill-over process. While it assumes the continued commitment of major participants to the process of integration, it does not presume passionate enthusiasm and takes for granted opposition to specific items in the catalog of integrative ventures. The support for given steps rests on the convergence of expectations of the participants; competing expectations and goals can be compromised on

the basis of swapping concessions from a variety of sectors, all under the generalized purview of supranational institutions and processes. Lack of agreement among governments can thus give rise to increased delegated powers on the part of these institutions. Dissatisfaction with the results of partial economic steps may lead labor and industry to demand new central action. Supranational institutions and national groups may create situations which can only be dealt with through central action, unless the nations are willing to suffer deprivations in welfare. The very penetrability of the national shell leaves the nation open to the lure of inter-sectorial bargains whereby one government is willing to take a loss in exchange for a gain in another sector. Nations outside the economic grouping but deeply intertwined with it through the activities of their citizens may experience problems which can only be solved--if welfare is not to be sacrificed--by joining the grouping and upgrading its central powers.⁸ No statesman, even if he deeply dislikes the process, can permanently isolate his nation from a commitment to unity which is already partially implemented, unless he is willing to pay the price in diminished welfare. De Gaulle may be willing to pay that price; but I doubt that French society is. Moreover, if de Gaulle expects Holland, Belgium, Italy and post-Adenauer Germany to endorse certain French goals he will be obliged to pay for this support by acquiescing to the goal expectations of his allies. And this involves him willy-nilly in more supranational integration.

What, then, is spilling over in the Europe of the Six despite current French policy? Where does the generalized post-national statistical mood manifest itself even though it does not fit the 19th century national sentiments of the General? Despite a snail's pace, but because of French insistence, the integrated agricultural marketing system is beginning to operate for certain commodities, even though no single interest group or

government seems to be completely happy with it. The harmonization of turnover taxes is making slow progress under the active mediation of the EEC Commission. The first regulations concerning a harmonized social security system have come into operation. Europe has its first modest common regulation governing competition, even though the appreciably different approaches of the Common Market and Coal/Steel Treaties are creating confusion in this realm. The relative inflexibility of the Coal/Steel Treaty, even though this was supposed to conduce to stronger supranational powers, also clashes with the more permissive approach of the Common Market Treaty in the fields of transport policy, aid to redundant industries and national subsidies, with the result that very little has been done in these areas. Lack of success in agreeing to a common energy policy is partially attributable to the same cause, even though the governments of France and Italy also have here shown that so far they are quite unwilling to subordinate the national to the European interest. Another reason for lack of success lies in the adamant opposition between private and public interests identified with coal and oil, respectively, in each nation. In these fields, then, the spill-over has turned into a trickle.

But this does not exhaust the picture. The Court of the Communities has recently pronounced its equivalent of *Marbury v. Madison* in the Van Gend Case, laying down clearly the supremacy of Community law and holding that it applies directly to the individual citizen. Several European governments were found guilty of violating portions of the Treaty of Rome; in all cases they faithfully carried out the Court's rulings. The Netherlands, in exchange for accepting the Community's association agreement with eighteen African states (an agreement which conduces primarily to the benefit of France), extracted a promise that in the future single vetoes could not validly hold up the

association of additional outside countries. Despite the exclusion of Britain numerous countries still feel sufficiently attracted to or threatened by the Community to demand the opening of negotiations for some form of economic association with it.⁹ All these manifestations imply a continuation of the spill-over process despite the preferences of the most active opponents of supranational integration. There are further such examples. It is the Community which decides the criteria of political respectability applied to candidates for association: Turkey proved respectable, Spain did not. Similarly, it tacitly decided that permanent neutrality was incompatible with the political goals of union. Because of United States pressure for a large cut in tariffs the Six were forced to accelerate their own schedule of tariff dismantling. In addition, they were obliged to work out a common economic and commercial position toward the United States, Latin America and Africa earlier than planned in order to be able to present a common front in GATT. The association agreement with the African nations compelled the preparation of a common policy on aid to underdeveloped countries even though France had been far more interested in development funds from her partners than in advice and consent on policy.

Still, the events of the year 1963 gave some justification to those who dispute the longevity of economic-supranational approaches to regional government. It is therefore natural that the Commission of EEC and the High Authority of ECSC should have fallen back on the very dynamic of the New Europe to advance their cause. And this they did do. The Coal and Steel Community was checked in its endeavor to work out a common energy policy. But, conscious of the implications of this problem with respect to upgrading common interests among governments, consumers, producers and workers, the High Authority proposed the amendment of its Treaty: "retrenchment" cartels

for collieries should be authorized, subsidies to permit the conversion of mines should be permitted, and the Community should be able to conduct its own commercial policy toward third countries. The administration of these plan-like activities, of course, would rest in the hands of the High Authority.¹⁰ The proposal was endorsed by all parties in the European Parliament and socialist trade unions, except the miners' unions. It was rejected as not sufficiently protective of coal by the European Committee of Coal Producers and opposed by some Dutch interests as too protective. French government and producer spokesmen rejected it because it would limit the ability of national governments to adjust the importation of oil in response to coal production needs. While nothing has been finally decided the High Authority has opened the door to a sweeping compromise conciliating a variety of attitudes.¹¹

Even the politics of national grandeur, even when equipped with Mirage IV nuclear-armed bombers, seems to find the expansion of supranational authority palatable in the New Europe when welfare planning is at stake. Such, at least, is the conclusion to be drawn from the favorable reception the French government gave to the EEC Commission's audacious program for "medium-term economic coordination." In October of 1962 the Commission presented a scheme for centralized monetary policy and intensified business-cycle research with a view toward the evolution of a central anti-recession and income policy. Free enterprise-oriented interests responded by denouncing central economic direction and deliberate economic "programming" of the type already practiced in France, Holland and Italy. But the governments cooperated in the first systematic comparison of their national budgets in terms of expected future economic performance; however, they were slow to initiate the advance planning of desirable anti-recession measures. The Commission, thereupon, scrapped the term "programming" and began to refer to "medium-term economic coordination", which is to involve aggregate demand and supply forecasts for a four-to-five

year period. Since governments were already responsible for spending one-third of the national income under medium-term conditions, efforts to coordinate government spending for cyclical and developmental purposes would in fact usher in Community-wide planning under a label found acceptable even by Mr. Erhard.¹² The almost uniformly favorable response of almost all interest groups and of the major governments presages the early implementation of this reaffirmation of the supranational style.

IV

To what extent is the future of Europe determined by this version of the past? It seems to me incontestable that the future is determined in the sense that the supremacy of welfare-dominated policies is assured. If supranational institutions already charged with further penetrating this field are firmly anchored in this supremacy they will survive and flourish. Determined is the role of the technocrat, the technical experts whose statistics and negotiations fashion welfare policies, whether this technocrat is on the payroll of a powerful interest group, a national government or a supranational executive. Determined is the citizen's distrust of simplistic nationalist slogans, the realization of which would involve him in sacrificing his peace or his standard of living. Determined, therefore, is indifference to militarism, adventurism and heroics. If by the term "americanization", which many European intellectuals consider a dirty word, we merely mean the progressive embourgeoisement of tastes and behavior patterns which goes along with industrial society in the West as well as in the East, then the americanization of the New Europe is equally determined.

What is far from determined by history, however, is the extent of the region so ruled, the degree of supranationality the rule will imply, and

its relationship with the rest of the western industrialized world. Let us consider each of these indeterminate points.

The Europe of the Outer Seven, of EFTA, corresponds to the profile of the New European society even more closely than does the European Community. In principle, and neglecting the current foreign policies of the Community, it would "fit in" perfectly. Indeed, the history of EFTA until February of 1963 was mainly one of waiting and watching for the best time and terms for disbanding and entering the EEC. With the French veto on this step it should not really come as a surprise that the supranational-integrative logic began to assert itself rapidly within EFTA. Even though the Outer Seven had foresworn any political plans, had shied away from a customs union and had kept the politically sensitive issue of agricultural trade out of their constituent agreement, all this began to change. Even though the very word "supranational" was taboo in their circle, the style of upgrading common interests by means of inter-sectorial bargains made its advent in 1963. EFTA became a success by default; it embraced supranationality as an unintended but inescapable consequence of exclusion from the Community, despite all earlier British, Swedish and Swiss disclaimers to the contrary.

In 1963 EFTA began the discussion of a common commercial policy against outsiders; it initiated studies and discussions of agricultural trade and concluded several agricultural and fisheries agreements; like EEC, it undertook a dramatic acceleration in the schedule of removing trade barriers among the members, keeping the schedule closely geared to its rival's. The developed EFTA nations began to study concerted policies of development aid to the underdeveloped members. On the institutional side this, of course, involved an increase in the powers of the expert; it also called into being the need for consulting private interest groups who are now represented in a consultative committee. And it gave rise to a nuclear parliamentary

gathering in the form of meetings of delegates of EFTA parliaments to the Council of Europe. As the spokesman for this group, Per Federspiel, remarked:

whereas EFTA has always been considered an economic association, and the EEC a political union, we found that the political approach by the EFTA countries to the problems concerning us was generally coherent and that EFTA in itself was capable of developing a political policy. ¹³

But how long will this last? Every protestation that EFTA now is here to stay is balanced with the assurance that no fight with EEC is intended and that all bridges to it must remain intact. While intra-EFTA trade took a marked swing upward in 1963, this had not been true previously and may not remain true indefinitely. And in the meantime the actual joint policies pursued in EFTA would facilitate an eventual merger with EEC by eliminating many national rules and practices and substituting therefor unified regional rules which resemble those adopted within EEC. Hence we cannot assume any kind of inevitable and continuous autonomous evolution of the Outer Seven since only Sweden seems to be certain that this would be desirable.

The continued uncertainty regarding the extent of the New European policy increases the doubts regarding the future of supranationality as a form of government. Simple federation remains excluded simply because there is no generalized enthusiasm for it; the constitutive federal act in the New Europe of mass politics would have to rest on a substratum of passion and devotion which would differ from the older nationalism in name only. If a genuine "European sentiment", a sense of vocation and spiritual uniqueness were actually in existence on a mass scale rather than being confined to the minds of a few intellectuals, such a feeling would be identical with a new nationalism writ large. But there is little trace of this sentiment. Without it, formal federation is inconceivable. But de Gaulle's confederal approach is equally irrelevant because it rests on false premises and enjoys few supporters apart from the aged Konrad Adenauer. Both federation and

confederation remain tied to the concept of sovereignty and the preeminence of the political. As long as political figures are more interested in concrete problems and specific administrative tasks these concepts are anachronisms of an earlier legal vocabulary. They remain irrelevant to the future of the New Europe.

A more relevant controversy, however, exists with respect to the degree to which existing supranational institutions perform satisfactorily. Many Europeans complain that they do not because they are not sufficiently powerful to carry out all the economic tasks wished on them, because they cannot formulate a strong policy *vis-a-vis* the outside world, and because they do not permit continuous democratic control over technocrats and ministers. All these charges are true enough but whether there is any sense in devising institutional devices for overcoming them is another question. The common formula proposed for perfecting supranationality among the Six involves a modest and pragmatic federalization.

First, the three executive bodies are to be merged into one European High Commission which would enjoy all the powers now wielded separately by the three organs. Second, the three councils of Ministers would be fused into one Council of the European Communities, but otherwise undergo no change in competence.¹⁴ Third, the economic competences of the Communities would be extended further, following the proposals of the Commissions and High Authority, and approaching gradually a competence over defense and foreign policy. Fourth, democratic control would be provided over the ever more powerful technocrats by strengthening the powers of the present European Parliament, whose competence now is confined to a posteriori review of executive action and dismissal of the executives. Under the new dispensation the Parliament would be elected directly by the European citizenry, thus for the first time enabling it to participate in regional government; further the

powers of the Parliament would be expanded by giving it the power of a priori review over all executive policy, but not the ability of legislating.

It may be doubted that the direct election of the Parliament, apart from giving the Communists representation for the first time, will result in a dramatic change in the personalities now inhabiting the Assembly, or in a change of the party balance. A priori review, in a setting of inevitable technocratic dominance, may delay the preparation of policy, but not change its content. Public participation may confuse rather/accelerate integration ^{than} by giving the victims of industrialism a European platform. Unification of the executives, apart from being opposed currently by France, might have considerable consequences, however. The point is, rather, as the EEC Commission's Action Program said, "what we call the economic integration of Europe is in essence a political phenomenon."¹⁵ In other words, even without formal constitutional change the present supranational institutions are likely to acquire the powers necessary to advance welfare.

In the meantime, the implementation of the reform program is apt to hinder the integration of the EFTA bloc into the New Europe. The outsiders are unlikely to advance as enthusiastically to all-European integration--once this becomes politically conceivable--if they are confronted with an already highly developed set of quasi-federal institutions. This, of course, is a reason for advocates of an "Inner Europe" to proceed with institutionalization as rapidly as possible. The supranational-integrative logic suggests the tightening of relations among the Six and among the Seven. It can teach us little about the tie between the two blocs, except to suggest that rapid federalization in one is likely to repel the other.

Even more indeterminate is the future relationship between the New Europe and the North American world. Neither the military ties of NATO nor the economic links of OECD have spawned the kinds of relationships on which a self-sustaining spill-over process could thrive. Short of inaugurating

a single Atlantic defense and arms production policy and an Atlantic customs union it is doubtful that the basis for such a process could be created. In the absence of any such trend the competing formulas of federation, partnership, centrism and polycentrism all remain equally plausible in terms of logic, though not in probability of implementation.

The sweeping and audacious institutional formula pressed in the famous Declaration of Atlantic Unity is the least probable.¹⁶ It places the need for an active federalizing impulse in the Atlantic world on the communist threat; but the example of the Community of Six suggests that an external threat is of secondary usefulness among the many stimuli pushing toward permanent unity. It indiscriminately lauds all strictly European efforts toward unity on the mistaken assumption that this must necessarily conduce to the greater benefit of North America as well. And it stresses the need for the immediate creation of new federal Atlantic institutions while saying next to nothing about the concrete tasks facing the Atlantic nations or the duties these institutions might be expected to perform. Atlantic federation substitutes institutional gimmickry for efforts at upgrading common interests in substantive and pivotal policy conflicts.

In the military field this conflict revolves around the active hegemonial role of the United States, especially in the field of nuclear strategy. The Nassau Agreement and its possible extension to France as well as the scheme for a multilateral nuclear fleet for NATO disguise but do not obliterate this hegemony. While these schemes multilateralize the control of the safety catch they merely perpetuate the American preponderance as concerns technology, arms procurement and strategic doctrine; the choice left to the European participants is so limited as to affront their own sense of purpose and competence. In the economic field, the conflict hinges around that the fact/the interests of the Atlantic nations are neither homogeneous nor

equally intense with respect to intra-Atlantic and world-wide trade and investment. Japan, Latin America and parts of South Asia are more important to the United States; Africa, the Middle East and the temperate-zone Commonwealth countries tend to preoccupy Europe. No amount of federalizing and invocation of communist dangers can gloss over the differences in interests regarding international monetary liquidity, price stability for agricultural commodities and economic development needs.

Those most impressed by these conflicts consider and sometimes accept the opposite of the federal formula: the path of western polycentrism, a sort of saue-qui-peut policy under which each major country or bloc would seek its own salvation as best it can in terms of heterogeneous and asymmetrical ties within and outside the Atlantic world. NATO might well survive here, but its tasks would remain confined to the narrow aspects of military policy on which interests converge.¹⁷ Both EFTA and EEC would prosper, the Commonwealth would remain identified with Britain, but Canada and the United States would have to make the best deal they can.

The concentric approach was devised to head off such tendencies but it despairs of a real meshing and upgrading of Atlantic interests. This approach grants that the West has a lot to gain by maximizing its contribution to economic development in the non-western world, through tighter planning and coordination in OECD. It grants further that the mess in agriculture could logically be solved only in terms of some joint Atlantic policy geared to that of the major one-crop exporting nations. Monetary matters also would have to be jointly discussed. But the concentric approach takes for granted that asymmetries between the United States, Britain and the EEC would continue just the same. Therefore it conceives of a series of concentric circles, with the Community at the center, and radiating outward in ever weaker ripples to take in the Atlantic world as well as Japan. Coordination

could not be expected to proceed beyond the pattern of discussion and confrontation concerning monetary, trade and aid policies now being carried on leisurely in OECD.¹⁸

That leaves us with the "partnership" formula. It should be noted from the outset that the soul-searching and planning associated with this approach is to be taken very seriously because, for the first time in the Atlantic setting, it proceeds from a concern with internal conflict rather than merely responding to a temporary and intermittent external threat as NATO always has. If partnership is to unite the West "there must be a genuine division of labor between the two halves of the alliance. The concept of 'interdependence' will not be satisfied by any formula that assumes that advanced technology is an American prerogative, and which attempts to apply a division of effort which is at variance with economic realities and capabilities."¹⁹ In short, it must involve a military policy of sharing not only weapons as end products and joint control over launching them, but also a common policy of research, production, **targeting and command**. Unless complete rather than fragmentary multilateralization takes place the Gaullist claim of a "special relationship" between the United States and Britain retains its plausibility. And de Gaulle's offers of a separate continental deterrent, perhaps linked to Britain's by way of Western European Union, will become increasingly attractive to Europe. It has already been partially endorsed by Western European Union. A mere coordination of national efforts, as now in NATO, will not advance Atlantic integration. A true integration under United States leadership will be resented and cause fragmentation. Only complete sharing can set the scene for the upgrading of common interests from which further integrative steps can spill over into other policy contexts.

And so it is in the economic realm. Short-run discussion concerning small steps for easing the United States gold outflow will not create a

spill-over. Neither will practices in OECD under which growth rates and economic aid measures are frankly discussed and criticized. Joint policies in the fields of commercial policy, agricultural marketing, fair competition and monetary stability are called for. The nature of the task must define the creation of appropriate institutions. These, since the task bears so much similarity to what has been done by the European Community, will approximate the supranational style no matter by what name they are called. The Atlantic Institute in Paris took the initiative in concentrating on these tasks first and devising fitting institutions thereafter. It bases its plan on a bipartite Atlantic Partnership which recognizes and projects the integrative lesson of the New Europe. It proposed a council of Wise Men, to advise a United States-British EEC Committee, and eventually a bipartite "Partnership Council." Once this recognition of need and task sinks into our minds the New Europe can be creatively linked with the older North America.

NOTES

- ¹The term "the New Europe" was made familiar by George Lichtheim, The New Europe--Today and Tomorrow (New York: Praeger, 1963), whose general view of things I share almost completely. The economic and sociological reasoning and analysis which underlies the concept is developed in the following publications: Ralf Dahrendorf, Class and Class Conflict in Industrial Society (Stanford: Stanford University Press, 1959); Raymond Aron, "Fin de l'age idéologique?" in Adorno and Dirks (eds.), Sociologica (Frankfurt: Europäische Verlagsanstalt, 1955); Daniel Bell, The End of Ideology (Glencoe: The Free Press, 1960); Gunnar Myrdal, Beyond the Welfare State (New Haven: Yale University Press, 1960); S.M. Lipset, "The Changing Class Structure and Contemporary European Politics", Daedalus (Winter, 1964)
- ²Roy Pryce, The Political Future of the European Community (London: Marshbank, 1962), p. 19.
- ³Press Conference, Paris, September 5, 1960. PEP, Occasional Papers, No. 11, p. 12. Nothing which has been said by de Gaulle since changes this view of things.
- ⁴These alternatives are convincingly and perceptively explored by Stanley Hoffmann, "Discord in Community: The North Atlantic Area as a Partial International System", International Organization, vol. XVII, no. 3 (Summer 1963), pp. 537-538. My understanding and rejection of the newly rehabilitated concept of "confederation" owes much to Max Beloff, "International Integration and the Modern State", Journal of Common Market Studies, vol. II, no. 1 (1963)
- ⁵Herbert Tingsten, "Stability and Vitality in Swedish Democracy", Political Quarterly, vol. 26 (1955), pp. 140-151.
- ⁶Herbert Lüthy, "La Suisse à contre-courant", Preuves (October 1963), p. 27.
- ⁷This argument is fully developed in Hoffmann, op. cit., pp. 526-531.
- ⁸These formulations are developed by Leon N. Lindberg, The Political Dynamics of European Economic Integration (Stanford: Stanford University Press, 1963), pp. 10-11.
- ⁹In January of 1963 all members of EFTA had applied either for full or associate membership. As of October, 1963, only Austria was conducting active negotiations for some kind of association, while France was obliged to accede to her partners' demand for continued contact with Britain by way of the Western European Union. Other nations with whom various types of association were being negotiated at the time of writing are: Turkey, Israel, Cyprus, Ireland, Algeria, Iran. Greece had become an associate member with the intention of becoming a full member in 1984; its economic ties and obligations to the Community were so defined as to amount to complete union by that date. The agreement of association with the eighteen African nations (all former French, Italian and Belgian possessions, except Guinea) provides for a preferential EEC tariff on some African exports and for a nil tariff on some others, but opens Africa to EEC exports on a preferential basis and confirms the right of establishment. It steps up and diversifies EEC financial aid to African development, creates a standing institutional mechanism and a system of compulsory arbitration for the settlement of trade and financial disputes. For an official summary of the Convention see Bulletin of the EEC, Vol. VI, no. 2 (Brussels, February 1963), pp. 21-25.

¹⁰ European Coal and Steel Community, High Authority, Résumé du Douzième Rapport Général(April 1963), pp. 29-31.

¹¹ The formulation and negotiation of the Commission's approach is under the direction of Robert Marjolin, who did much the same kind of job in France under the authority of the Commissariat au Plan between 1946 and 1948. The bundle of proposals was endorsed by a variety of French officials, including M. Bokanowski, Minister of Industries, several German industrial and CDU spokesmen, all socialist parties and socialist trade unions, and the Dutch employers. It was opposed by the German FDP and cautiously endorsed by Erhard. See European Community (No. 65, September 1963), p. 3. Bulletin of the EEC, vol. VI, no. 3 (March 1963), pp. 23-26.

¹² EFTA Reporter, (No. 82, Sept. 17, 1963), p.2.

¹³ This is the essence of a Dutch proposal for the fusion of the executives, presented to the Councils of Ministers on June 27, 1961. Text in Pryce, op. cit., pp. 100-102. For the text of the Draft Convention for direct elections to the European Parliament see ibid., p. 98.

¹⁴ For a full exposition of this line of thought in the mind of the EEC Commission see Walter Hallstein, United Europe, (Cambridge: Harvard University Press, 1962), pp. 62-66.

¹⁵ For a summary of the Declaration of Atlantic Unity and a variety of endorsements see The Atlantic Community Quarterly, vol. I, no. 2 (Summer 1963), pp. 275-276, and the bulk of the articles which appeared in the Spring 1963 issue of the same publication.

¹⁶ See Max Beloff, "Britain, Europe and the Atlantic Community", International Organization, vol. XVII, no. 3 (Summer 1963), pp. 587, 589-91.

¹⁷ The concentric formula is suggested by Livingston T. Merchant, "Evolving United States Relations with the Atlantic Community", ibid., pp. 626-627. The economic issues at stake are discussed by William Diebold, Jr., "Economic Aspects of an Atlantic Community", ibid., especially p. 671 ff.

¹⁸ Alastair Buchan, "Europe and the Atlantic Alliance: Two Strategies or One?" Journal of Common Market Studies, vol. I, no. 3 (1962), p.250.

¹⁹ Pierre Uri et al, Partnership for Progress: A Program for Transatlantic Action (New York, Harper & Row, 1963), especially pp. 96-107.