

# Europe without Economy

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Van Middelaar has written a thesis on the political aspects of the process of European integration, focussing on the Member States, the European institutions and the European Council. In doing so, he has ignored the most successful aspect of the process of integration: the economic aspect. This is a consequence of his philosophical point of departure. According to Van Middelaar, international policy is created at the highest political level, by prime ministers and presidents sitting together in the European Council, discussing power relations, war and peace. In Europe, however, low politics has often been more important than high politics; Van Middelaar's point of departure, however, makes him blind to some of the essential aspects of the process of integration. Big business, companies, organizations of farmers or consumers, trade unions and even individual citizens have international contacts and, in democratic states, try to protect their interests by influencing the foreign policies of their countries. These influences have been essential to the development of Europe. In Van Middelaar's thesis – which promises to give us the story of the passage to Europe – this is missed out along with the most successful aspect of Europe: the process of economic integration and the role played by factors other than the highest levels of politics.

## Introduction

In 1846, Prussia had strong objections against a further increase in import tariffs on textiles. Nonetheless, Berlin hesitated to use its veto against a proposal for such an increase by other members of the *Zollverein*, the German Customs Union. Although Prussia was by far the most powerful member of this customs union, in the end it accepted the increased tariffs because, as Prussian Minister of Trade Martin von Delbruck said,

1 C.P. Kindleberger, 'The Rise of Free Trade in Western Europe, 1820-1875', *Journal of Economic History* 35 (1975) 20-55 (there 44).

2 Luuk van Middelaar, *De passage naar Europa. Geschiedenis van een begin* (Dissertatie Universiteit van Amsterdam 2009; Groningen 2009).

a compromise was ‘more important than the rationally correct measures of this or that tariff’.<sup>1</sup> In his PhD thesis<sup>2</sup>, Van Middelaar describes the development of the European integration process from three different perspectives: the outer circle of the sovereign European states; the inner circle of European institutions, and the intermediate circle of the meetings of representatives of the Member States. In a long introduction (Prologue), he emphasizes that, for all members of the European Union and its predecessors, the importance of keeping the community going was reason enough to do almost anything possible to find a solution to any disagreement; if possible, without creating conflict by exercising a veto. It was not the outer circle of sovereign European states that was decisive in this attitude, nor the inner circle of European institutions, but the third circle, consisting of the meetings of representatives of the Member States, he argues. Motivated by a growing realization of shared interests and a feeling of necessity to join forces and go on together, this circle of national political leaders sitting together in regular meetings was in itself enough to keep the integration process going. Von Delbruck’s remark makes clear, however, that this was not a new phenomenon. By referring to it as the intermediate circle (*tussensfeer*), however, Van Middelaar suggests that he has made a new discovery, *sui generis* to the EU’s history. In fact, he has merely given a name to wider pattern that no one, either in the *Zollverein* or the European Community, wanted to risk breaching the community or in any event having to take responsibility for such a breach. Members were therefore inclined to resolve problems that would otherwise threaten the stability of the community. It became more important to reach a compromise than to achieve a particular outcome.

### High politics or economic interests

The introduction to Van Middelaar’s thesis is followed by Part 1, titled – as if it were part of a book by J.R.R. Tolkien – ‘The Secret of the Table’.<sup>3</sup> Here, Van Middelaar describes the intermediate circle and the role it plays. First, however, he raises the question of the origin of the state. In the sixteenth to the eighteenth centuries, philosophers thought a state was created by accepting the authority of a king, thereby leaving the natural situation of anarchy and violence behind. Van Middelaar sees this as important for Europe, where anarchy and violence were also the guiding principles in the

3 Chapters are titled ‘At the Table’, ‘The Ghost’, ‘The Empty Chair’ and even ‘The Magic Spell’. The language of Van Middelaar is often artificial and sometimes extremely bombastic.

relations between the nation states, until they accepted some form of union. Here, it is essential that every decision no longer is taken unanimously – as is the case in treaties between sovereign states – but rather that majority decisions are accepted. Only then can part of the sovereignty of states be handed over to the community. Anarchy, previously limited only by the balance of power between the states, can from then on be suppressed by the community.<sup>4</sup> By expressing matters in this way, Van Middelaar makes it clear that he believes that, for every state, high politics – the politics of war and peace – is essential, far more important than anything else. The world is anarchy, with aggressive states whose tendency to attack and destroy one another can only be held in check by counterbalancing the power of one state with the power of another, or a coalition of other states. The state suppresses anarchy and violence – the natural condition of human society – between its citizens, but can only do this within, not between, states.

But the question remains whether the European integration process, although it keeps its final aims hidden in clouds of words and memoranda, is not based on quite different political principles. After the failure of European political integration in the early 1950s, it was clear that the aim was no longer to suppress anarchy between the European states by means of political integration. This had been achieved by the Pax Americana, although more friendly relations between the peoples of Europe did of course help. However, it was not the ‘high’ politics of war and peace but the ‘low’ politics of protectionism, food prices, agricultural policy, trade destruction and currency dumping that was crucial, precisely the kind of politics ignored by Van Middelaar. This kind of politics was often more important for the daily life of the citizens, and that was regulated by European co-operation. The resulting process of economic integration also had enormous implications for the high politics Van Middelaar likes so much, but rather than focussing on Machiavelli, Hobbes, Locke or Rousseau – the philosophers of the state and its position among other states – he could better have turned to the Enlightenment philosopher Immanuel Kant and his *Zum ewigen Frieden* [*Perpetual Peace*] (1795) – but this book is not even mentioned.

Kant suggests that quite a different sphere plays a major role in international relations. When, as happened in Europe, free trade develops among a number of states, while they remain protectionist to the outside world, a strong economic block is created. New economic interests become important: those of companies profiting from the common market, or farmers getting a good price for their butter thanks to the agricultural

4 Van Middelaar uses a too literally translation of the term Balance of Power, *machtsbalans*. This should be *machtsevenwicht*.

policy, and those interested in external tariffs or in subsidies. These interest groups will lobby for friendly political relations between the members of the block, as keeping the block intact is in their interest. In democratic states – and only such states were welcome in the European community – these kinds of lobbies, from big business to farmers and trade unions, will result in interest groups with transnational relations and interwoven interests. According to Kant, some international laws and organizations, together with a republican state (a state in which the voices of the citizens are heard) and economic interdependence will at least promote peaceful international relations, if not guaranteeing these outright. According to him, low politics can influence high politics. This idea is one of the points of departure of the process of European integration, and many empirical studies prove that the idea that democracies, and particularly economic interdependence, promote peaceful relations among peoples, is more than just an over-optimistic utopian concept.<sup>5</sup>

### High ranked politicians and economic interests

As all members of the European Union and its predecessors are democracies, the citizens in these countries have a lobby, and are heard: if not in the European institutions, than at least by the governments of the Member States. It is a serious weakness in Van Middelaar's thesis that, with one exception, all the actors in his book are politicians at the highest national level, or high-ranking European officials. The one exception to this is fundamental, however, because it illustrates the weakness of his argument. In 1965, French President Charles de Gaulle – Van Middelaar refers to him as 'the General' – left the French seat in the European Council of Ministers empty after a conflict on a majority vote. As a consequence, he almost lost the French general elections because farmers – 20 percent of the electorate – as well as other economic interests made it clear that, to them, Europe was important (94). For Van Middelaar, this was a conflict of political interests between France and the other members, as well as the Community. But it could also be more trenchantly analysed as a conflict inside France between conservative elements emphasizing high politics and French sovereignty, and French economic interests, with all kinds of transnational economic interests. The French farmers and other economic interests did not want

5 See: Katherine Barbieri, 'Economic Interdependence: A Path to Peace or a Source of Interstate Conflict?', *Journal of Peace Research* 33 (1996) 29-49; Dale C. Copeland, 'Economic Interdependence and War: A Theory of Trade Expecta-

tion', *International Security* (20) 1996, 5-41; Paul Schroeder, 'Historical Reality'; Joseph Nye and Robert Keohane, *Power and Interdependence: World Politics in Transition* (New York 1997).

to lose their subsidies, the protection of the European market and the markets themselves, that European integration offered them. Europe had a direct link, if not to the hearts of the citizens, than at least to their purses. Interest groups did not want Europe because of any political ideal, but because it gave citizens of the Member States the freedom to develop cross-border economic contacts, to trade or found subsidiaries without great bureaucratic problems; or simply because it paid subsidies. In France, not only the idea that high politics was most important and should not be handed over to anyone else, but also the idea that international economic interdependence could prevent irresponsible politicians from entering into all kind of adventures, was an old one. As early as the early 1920s, Minister of Industrial Re-construction Louis Loucheur, a French businessman who became a minister in the cabinet of George Clemenceau during World War I, wanted to create international steel and coal cartels, not only (or even in the first place) for economic reasons, but to pass control of essential basic industries from emotional nationalist political warmongers to the rational, international business community.

The first part of Van Middelaar's thesis deals with discussions and conflicts concerning the political structure of Europe, and especially conflicts surrounding the handing over of competences to the Community through the acceptance of majority decisions, but he ignores what really happened – the fact that Europe became a major economic power, attractive to participate in, even without the associated political romanticism. The second part – titled 'Changes of Fortune' – is in fact a short political history of European integration, describing the failure to create a political union. The period in which a well-established economic organization developed is seen by him as a period of waiting. Van Middelaar only becomes interested again after the fall of the Berlin Wall, when Europe was confronted by new political problems. Thanks to his sources – apart from some standard works, memoirs of and interviews with politicians and officials active at the highest political levels – Van Middelaar is able to describe the most important years of European integration – the years 1958-1989 – when Europe reconstructed itself as the European Economic Community following the failure of the political union, as years of waiting. The term European Economic Community is not even used anywhere in the book. This is typical of Van Middelaar's blindness to all economic and economic-political developments.

### **Wisse Dekker and Europe 1992**

Already before the political status-quo of the cold war period collapsed, however, as early as 1985 – the year Mikhail Gorbachev became Secretary-General of the Communist Party of the USSR, although no-one could foresee

what would happen in the next few years – a conference of European industrialists agreed with a memorandum written by Wisse Dekker, CEO of the Dutch multinational Philips. This memo on further European economic integration, aimed at achieving more flexibility and creating new opportunities for European economies, which had been stagnating since the 1970s, and the lobby of the business community to implement these ideas, resulted in the reconstruction plan known as Europe 1992. This all happened before the political collapse of the Eastern part of the continent. Europe reacted in the first place to the economic stagnation, and this was done at the instigation of its business community, not of politicians or European bureaucrats. Once again, the Community proved successful in the economic sphere. Upon the political collapse of the Soviet empire, the Community reacted with new attempts at political integration; attempts that in fact failed. Although Van Middelaar fails to recognize this, it is clear that, notwithstanding the fact that Europe integrated substantial parts of the former Soviet satellite states – and even former Soviet republics – into its community, and the union now even formally co-ordinates the foreign policy of its members at essential moments (during the wars in the former Yugoslavia and when the USA wanted to start a second Gulf War), Europe was hopelessly divided. Symbolic acts of unity were the only possible response.

### Enthusiasm for Europe

In the third part, ‘The Quest for a Public’, Van Middelaar describes three ways in which any enthusiasm for Europe could be stimulated among the peoples of Europe (or the European people), and makes clear that this was hardly successful. In signalling failure, Van Middelaar shows that he is looking in the wrong places. Enthusiasm for Europe exists, but not for the Europe of obscure political structures; a parliament whose political colour is not reflected by any executive power and whose competence is unclear to almost everyone; nor for the endless discussions between Member States. Bringing undemocratic pressure to bear on countries and their populations who refused to ratify a new treaty, or just symbolically changing the treaty and then implementing it without a new consultation anyway, is the worst way to win any kind of popularity. Symbols such as the blue flag with yellow stars or the hymn from Beethoven’s ninth symphony with Friedrich von Schiller’s mystical text cannot motivate the public to ‘enter, drunk with fire’ into the European ‘sanctuary’.<sup>6</sup> The single currency the Euro, introduced in the first place for its symbolic value, but in fact a very dangerous economic

6 Wir betreten feuertrunken, Himmlische, dein Heiligtum!

experiment that had been warned against by some of the most important economists in the world, now even threatens the very aspect of Europe that the public *is* enthusiastic about: the economic aspect. It is of the greatest importance that trade flows free within Europe and that economic relations are possible with as little hindrance as possible. It is likely that such freedom stimulates economic activity within the Member States, although it is not quite clear how much trade is really created and how much is turned around from the outside world. Anyway, this least spectacular part, which ended all kinds of daily frustrations for the citizens of the European countries, which stimulates their welfare and increases their chances of living in peace on this continent, is what makes them enthusiastic. The public does not care that this is not the enthusiasm some national politicians or European bureaucrats would like to see.

## Conclusion

Van Middelaar has written a thesis on the political aspects of the process of European integration, focussing on the Member States, the European institutions and the European Council. In doing so, he has all but ignored the most successful aspect of the process of integration: the economic aspect. This is a consequence of the point of departure demanded by his political philosophy. According to Van Middelaar, international policy is created at the highest political level, by prime ministers and presidents, as a consequence of their process of integration, sitting together in the European Council. They discuss power relations, war and peace. In Europe, however, 'low' politics has often been more important than 'high' politics, but Van Middelaar's point of departure makes him blind to some of the essential aspects of the process of integration. Big business, companies, organizations of farmers or consumers, trade unions and even individual citizens have international contacts and, in democratic states, try to protect their interests by influencing the foreign policies of their countries. These influences have been essential to the development of Europe. In Van Middelaar's thesis, which promises to give us the story of the passage to Europe, this is simply missed, and with it, the most successful aspect of Europe, the process of economic integration and the role played by other factors than the highest political levels. ◀

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# Telling Another Story of Europe

## A Reply in Favour of Politics

LUUK VAN MIDDELAAR

All three discussants note the rich use of language in *De passage naar Europa*, but without linking it to the book's discourse analysis or its alleged scarcity of social science. Words are not innocent, however; in political battles, even theoretical concepts are constantly being co-opted. To escape from existing connotations, we can either examine a vocabulary's use (a well-known practice in intellectual history), or introduce new words (as I do with 'passage' or 'sphere'). For good reason, history, political philosophy and law are the disciplines chosen to tell this story of Europe. The focus is neither on the Brussels institutions, nor just on Member States and national interests. Rather, it is the story of the *ensemble* of European states trying to become the political expression of the continent: of its birth and metamorphoses, its efforts to fill a space and find a voice.

In a recent speech on European integration, German Finance Minister Wolfgang Schäuble maintained that speaking with clarity about the impact of European decisions is not a duty for politicians only: 'Jeder sollte sich fragen, wie er über Europa spricht und welche Auswirkungen dieses Sprechen auf die Meinungsbildung über Europa hat'.<sup>1</sup> For this veteran politician – he was Kohl's negotiator of German reunification in 1990 – it is self-evident that the way we use words not only moulds our thinking, but also shapes political reality. As Schäuble delivered this major address at the Sorbonne, it is quite possible that he wanted his point to impact the academic community as well.

The three distinguished readers whose comments on my *De passage naar Europa* [The Passage to Europe] I had the privilege to receive seem all surprised – pleasantly surprised, in two cases – by the book's style. 'A great read', says Gerrits; 'his writing is sensitive and inspired', Van Hecke concurs, whereas Klemann – in a footnote – characterizes it as 'artificial and

1 Rede des Bundesministers der Finanzen Dr. Wolfgang Schäuble an der Universität Paris-Sorbonne, 2 November 2010.