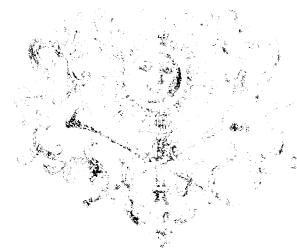


THE FEDERALIST

a political essay

By James Madison
John Jay
Alexander Hamilton

1788



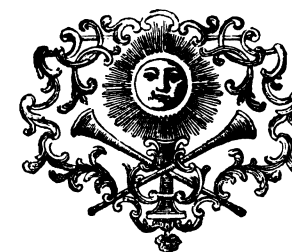
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THE FEDERALIST

a political review

Editor: Mario Albertini

The Federalist was founded in 1959 by a group of members of the Movimento federalista europeo and is now published in English and Italian. The review is based on the principles of federalism, on the rejection of any exclusive concept of the nation and on the hypothesis that the supranational era of the history of mankind has begun. The primary value *The Federalist* aims to serve is peace.



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The Timing of European Unification

The European unification process began after the second world war, and has developed over the following decades on the back of what Braudel would have called a movement of long duration: the strong intensification of economic, social and cultural interdependence among peoples above and beyond national borders. In recent decades this process has taken on planetary dimensions, but its most immediately visible form during this period has been in Western Europe.

The long wave of the progressive extension of interdependence in Europe has posed, and continues to pose, unavoidable problems of government. The history of the European unification process and of the institutional evolution that has marked its phases, from the foundation of the Council of Europe to the creation of the Union by the Maastricht Treaty, has been the history of the attempt of the states involved to ensure political control over the process. This attempt has until now been carried out by the states through intergovernmental cooperation, that is by facing the problems of a European scale jointly, but without renouncing individually their own sovereignty. Despite this, the Community was until recently able to maintain a sufficient degree of cohesion, and thereby to guarantee Western Europe almost half a century of peace and prosperity. But the process contained a profound internal contradiction. The maintenance of sovereignty, characteristic of the intergovernmental approach, implies as its logical consequence the progressive weakening of democracy in the European states, in as much as all essential decisions are taken at a level removed from the control of citizens (apart from the ineffective and flimsy checks provided by the European Parliament), while the mechanism of democratic control operates to no useful purpose in spheres where no important decisions are taken. This undermines the very basis of democratic consensus, which in democracy is inseparable from the awareness of citizens to be involved in the process of taking the decisions on which depend their security and quality of life. As a result there is a marked tendency toward the degeneration of political life, since

the European decisions concern only the member states' most senior politicians, while the vast majority of the political class, excluded from the process of preparing for, and taking, important decisions, has developed, with the passing of time, a concept of politics as purely a power struggle, lacking any idealistic perspective, and hence an activity which consists almost exclusively of the granting, in exchange for votes, of favours to vested interests, to the detriment of the general weal.

In this way, the Europe of the Community has for decades witnessed a contrast between two opposing trends: the one, superficial, that has been re-invigorating the states through the economic growth made possible by the European scale of the market; the other, profound, that has been weakening and impoverishing domestic political debate, through the degeneration of democratic life and the loss of the state's legitimacy.

* * *

It needs to be stressed that the outcome of this contradictory process has been delayed by a situation that, while having profoundly influenced the European unification process, was substantially independent of it. Namely, the cold war. The confrontation of power and ideology between the United States and the Soviet Union, led Western Europe into the orbit of the United States, and determined the compatibility of the European unification process with American interests. In this way European unification could begin and continue in the safe context of American hegemony. America's involvement guaranteed Europe's security and monetary stability, albeit in a precarious and temporary fashion, and it ensured the European states the survival of their democratic institutions thanks to the support of the great majority of their citizens, who took as their point of reference the role of their governments as allies of the United States in the common battle for democracy against the Soviet danger. In this framework European integration was able to proceed and it overcame with relative ease the difficulties that had obstructed its path. It was perceived by public opinion and by politicians in general as an irreversible trend because it was based on a real convergence of interests among the European states, and one that would have progressed, with slow but sure steps, toward a conclusion that no-one was excessively preoccupied to specify at what particular moment it would occur or what precise nature it would have.

* * *

The alteration of the world political situation following the events of 1989 has radically altered the context of the European unification process, and the way in which it is experienced by citizens and interpreted by politicians. It remains a fact that, on the one hand, interdependence continues to intensify, and has enlarged its scope to the whole of Europe, by prospectively including in this process the states of Eastern Europe. But on the other hand, the political framework guaranteed by American hegemony and the importance of European unification for US interests are lacking. Two closely linked, though contradictory, results have emerged from this: the need for Europe to assume first hand responsibility for dealing with foreign and monetary policy issues, and to give itself proper legitimacy; and the re-emergence of the logic of pursuing the national interest, freed from the constrictions imposed by the cold war. In parallel fashion, the intrinsic weakness of the institutions of European unification has been fully exposed, both as regards their lack of effectiveness and insufficient democratic legitimacy.

* * *

In light of this it is currently necessary to pose a question on which depends the federalists' strategy in the run-up to the 1996 intergovernmental conference and the immediately following deadlines for the creation of a single currency. This involves establishing what will happen if attempts to create in the near future a single European currency and a federal institutional core, and thereby a new European legitimacy, end in failure. Will the logic of economic interdependence and of the ever closer intertwining of economic interests be sufficient to support the process and to ensure its continuation, thus guaranteeing the federalists the chance to continue their strategy in a framework that is sufficiently long-term? Or will instead the European structure launch itself toward disintegration, with the inevitable result of the rebirth of nationalism and of a crisis of democracy?

In reality it is this second alternative that seems by far the most probable. It remains true that the slow evolution of economic and social relationships has been the basis and the motor of the European unification process. But the foundation and the commitment of federalist movements have their profound motivation in the awareness that the process can be made irreversible only by the creation of federal states that possess the institutional tools and legitimacy that are necessary for the democratic government of the economy and society. Moreover, it should not be

forgotten that, in the absence of a stable political framework, increased interdependence can be turned into a cause for conflict. The collapse of Yugoslavia demonstrates how the existence of a market that is closely integrated and a high degree of interconnecting economic interests are nevertheless not sufficient to guarantee the peaceful co-habitation of a people if there does not exist above them a power that citizens consider to be legitimate, in as much as it is able to establish itself as the guarantor of the defence of the general interest.

Yet if the above is true, then the process of European unification, if it is not rendered irreversible by monetary and political union, is destined, *sooner or later*, to come to an end; and in the presence of certain conditions, the interests and expectations of economic actors, however important they may be, will not be enough to guarantee its continuation. Without a European power endowed with real legitimacy that is separate from the national one, the interdependence of interests will prove less strong than the destructive tendencies that will originate from the temptation to return to a legitimacy based on the nation. This nation-based legitimacy has been overtaken by history, but it will retain a strong mobilising force, or at least the capacity to dull consciences, until it is substituted by a new European legitimacy, currently non-existent.

* * *

It is true that ultimately movements of long duration, which originate in the daily behaviour and concrete interests of men and women, prevail over all obstacles and impose their own logic on politics. But this is true only in the ultimate. History is the history of the emancipation of the human race, but it does not proceed along a straight line: its path is strewn with wars, violence and destruction. Hence it is clear that nobody will be able to stop the march of the world toward its unification. But it remains highly probable that if Europe loses the great opportunity it is being offered in the final part of the 20th century, many years of disorder and decline will pass before it can re-start down the road to its own unification. Nor can it be excluded that Europe will even have to leave to others the leadership of the process toward world unification, and thereby be confined to a decadent peripheral role, like that of Greece in the 4th B.C. century or Italy in the 15th A.C..

The rhythms of history are not the rhythms of politics. But the rhythms of politics are the rhythms of people's lives. And the deadlines on the European political calendar from 1996 to the end of the century will be

decisive for millions of Europeans. On the choices made will depend their quality of life in the decades to come. For this reason, the federalists must maintain the time horizon of history as the general context of their strategy, but know how to act with energy and timeliness in the time horizon of politics and in the framework of the existing balances of power, in the awareness that Europe is faced with a dramatic choice and that this historical opportunity may not re-present itself.

The Federalist

The Problem of Underdevelopment in the Era of World Unification

DOMENICO MORO

1. The problem of underdevelopment in the era of world unification.

Discussions of the problem of underdevelopment, in order to highlight the considerable imbalance of the global distribution of resources in favour of developed countries, often point to the fact that while developed countries represent 24% of the world's population, they possess 83% of world income, while the remainder of the world's population, 76%, possess the remaining 17% of world wealth.¹ Other commentators stress the dramatic nature of the problem by calling attention instead to per capita income levels, maintaining that these have increased the gap between the richest 20% of the world's population vis-à-vis the poorest 20%. Still others characterise the phenomenon geographically, maintaining that the disparity between the developed North and the underdeveloped South has widened, and emphasising the geographical contrast between two areas with supposedly homogeneous internal economic characteristics. Such assertions should nowadays be examined more critically, in the sense that they no longer correspond to the reality of economic development that the world has experienced in recent decades. In fact, it should be noted first of all that, evaluating world income on the basis of a common yardstick, the percentage of world income of less developed countries (LDCs) is 39% of the total.² Secondly, the poorest 20% are in fact geographically concentrated in one area of the world, and hence reveal a problem, as this article aims to demonstrate, that is broader than the single problem of underdevelopment itself. Finally, important policies have been developed in recent years that put the problem of the poverty of several areas of the world in a new light, in as much as we are currently witnessing, as the example of NAFTA (North American Free Trade Agreement) demonstrates, examples of regional integration, rather than opposition, between developed and underdeveloped countries.

The reality is that by now more than 50% of humanity has liberated

itself from the crisis of underdevelopment, or is rapidly doing so. Nevertheless, this result, however positive it may be, on the one hand can not be considered satisfying because almost half of humanity still remains in conditions of extreme poverty, while on the other hand nor can it be said that this achievement is irreversible. For that to happen, the European Union (EU) must seize the opportunity at the 1996 intergovernmental conference to further its transformation into a real, effective federation, with the aim of consolidating the results achieved within itself, and to contribute to defending the world's economic and monetary stability, which, despite the momentary upsets that have occurred, lies at the heart of post-Second World War economic growth. If the EU should be turned into a mere free trade zone, the necessary European pillar of world economic stability would be lacking, and the world would run the risk of sliding toward forms of protectionism that would endanger the levels of economic development achieved so far. The strengthening of the EU, on the other hand, will ensure that democracy will further assert itself even at the world level, by involving in this process the UN, and the countries and regional associations where it has not yet become established.

Bringing our understanding of underdevelopment problems up to date, albeit with the necessary caveats and qualifications that will from time to time be required, can therefore help us to appreciate which responsibilities belong to Europeans, and what initiatives the EU can undertake in order to resolve the problems of the poorest countries.

With the aim of identifying the areas that can be considered as having exited the economic crisis, and those on which to concentrate attention in order to identify specific initiatives, both political and economic evaluations will be employed, using various measures. As regards economic evaluations, the first that will be used is that proposed by Fuà, according to which, even though it is important not to confuse measures of economic growth with indicators of welfare, given the unreliability of evaluations based on income levels, it is necessary "to take note of the fact that historically there has existed a certain connection between the income levels of a country and the average life-span of its inhabitants," concluding that life-span "can be considered a significant indicator of the population's physiological welfare."³ Nevertheless, since average life-span can still be considered a partial measure of welfare, and since it is impossible to establish a close correlation between income levels and life expectancy at birth, a new measure the UN has developed in an effort to

establish a more relevant indicator of a country's standard of living will be used. This new measure is called the Human Development Index (HDI), and takes into account average life-span, and educational and per capita income levels. On the basis of this measure, the UN has categorised countries into three groups. In the first are grouped countries of high human development (i.e., all the industrialised countries, plus some in Latin America and Asia that are normally considered to be still developing); in the second are grouped those of medium human development; and in the third those with the lowest human development levels.⁴ Finally, the other indicators considered are the average annual GDP growth rate, so as to have an indication of the dynamics of the situation; and per capita income, so as to take into account to what extent economic growth is being frustrated by excessive demographic growth.⁵

Starting with political assessments, the first fact to note concerns the ratification of NAFTA by the parliaments of the countries involved, which happened at the end of 1993. For the first time, an important country with low per capita income, Mexico, which was however already an OECD member, joined a large free-trade area along with the United States and Canada. NAFTA is not yet the European Economic Community, nor even less the European Union. It does represent however a new approach to the problem of implementing active policies to confront underdevelopment, and has already led to requests for admission from other countries, such as Argentina, Chile and Venezuela. NAFTA (370 million people) has united countries with an average life expectancy, in 1992, of 74 years (Mexico 70 years), against a world average of 66 years; and with an HDI score that places it among the countries of high human development. The three countries that have asked to join (67 million people) have an average life expectancy of 71 years and a high HDI score, while nevertheless a per capita income that is much lower than North America's, and Chile and Argentina in particular are still consolidating their return to democracy. In fact, the recent pan-American summit promoted by President Clinton and held in Miami on 11-12th December 1994, by posing the premises for the creation of a single American market within the year 2005, is breathing new life into the region's economic communities, such as MERCOSUR for example. These regional economic communities, in the transition stage of the transformation of the pan-American market into a real and proper federation, will also be able to develop collaborative relations with the European Union and other areas, so as to offset the weight of the North American economy. In the

meantime, through NAFTA, Mexico has chosen its own path to liberation from underdevelopment by embracing a policy of ever closer integration with North America, while in other parts of the American continent regional integration processes that seemed for a long time to be dormant have regained new dynamism.

The other area of the world where a rapid change in standards of living is underway is Asia. The rapid economic development in recent years (GDP growth of over 9% p.a. between 1980-91) in the so-called "Asian tigers", South Korea, Hong Kong, and Taiwan, which together number 71 million inhabitants, is well-known. The UN categorises them among the countries of high human development. To these countries now need to be added also the ASEAN countries (334 million inhabitants), an association founded in 1967 by the Philippines, Indonesia, Malaysia, Thailand and Singapore, Brunei joining in 1976. From 1st January 1993 ASEAN began its gradual transformation into an effective free-trade area with a first stage of customs tariff reduction; and in July 1994 it launched negotiations for increasing collaboration on a range of matters from foreign to security policy. Despite the fact that the UN considers these countries to be of medium human development, the GDP growth of this group is important (5.2% p.a.) and the average life expectancy (64 years) is, even if by a small amount, superior to that of LDCs (61 years). ASEAN is exercising a powerful magnetic pull on neighbouring states, so much so that recently Cambodia and Vietnam have been admitted to the association as new members: the last, it is widely believed, will rapidly join the ranks of the area's most industrialised countries.⁶ All the same, this is not the real news regarding the state of underdevelopment in this part of the world. The decisive turning point along the road to economic development is taking place in China, a country in which GDP from 1980-92 grew at almost 10% p.a. (against, for example, 2.3% in the European Union) and whose economy, which already today is second in size only to that of the United States, will overtake it in the coming decade. Certainly this country has not been developed uniformly over the whole territory, in as much as the urban areas of the eastern coast have been the main beneficiaries of economic development.⁷ Nor has the progressive opening up of the market been followed by a parallel development toward the adoption of democratic institutions. All the same, standards of living in China, which numbers 1,150 million inhabitants, and which the UN considers to be of medium human development, have improved considerably since the end of World War II. It is enough to consider that life expectancy at birth has jumped spectacularly from 47

years in 1960, to almost 71 in 1992.

As regards Central and Eastern Europe, and the republics of the CIS, the necessary evaluations are both political and more strictly economic in nature. From the political viewpoint, the fact that the admission of Poland, Hungary, the Czech Republic and Slovakia into the European Union is expected, is not only consolidating their economic growth and democratic institutions, but has sparked off a process of imitation that has spread to the other countries of Central and Eastern Europe and to the Baltic republics. Secondly, if one goes beyond an examination of the flows of wealth produced, and income levels achieved, to look at also the stock of accumulated physical and intellectual capital in Central and Eastern Europe and the CIS, then this area must be included in the group of industrialised countries. The UN, with the exception of Romania and the Asiatic republics of the ex-Soviet Union, which are considered as being of medium human development, categorises Central and Eastern Europe and the CIS as countries of high human development.

If the above is true, it can reasonably be maintained that as regards the Americas, Asia (with the important exception, to cite the major countries, of Pakistan, Bangladesh and India, certain regions of which are however very developed and will sooner or later drag the whole Indian continent into development), Central and Eastern Europe and the CIS, it is wrong to talk of real and proper underdevelopment. The only continent where this represents the real problem both for the levels of economic backwardness, and above all because as of today there are no visible indications of its solution in the medium to long term, is Africa. Indeed, it can be argued that the part of the world where the strategic problem is to find out how to bring about development, is *solely* the African continent.⁸

The particular nature of this continent, compared to the other areas of the world, can be established through all the measures used above, and in others that indicate the extent of the difference. For example, life expectancy at birth, which for the developing countries as a whole is 61 years, is 52 years in the case of Africa. The most general measure used by the UN, that of human development, indicates once again that Africa scores lowest in the world, since 80% of the countries considered to be of the lowest human development are African. In addition, in sub-Saharan Africa, per capita GDP for the period 1980-91, given a rate of population growth above that of total GDP, was even negative. Hence, when it is argued that the distance between the wealthiest 20% of the world's population and the poorest 20% has grown, it needs to be pointed out that this last group is very concentrated geographically, in so far as

about half of them are Africans; in fact, this represents more than 3/4 of the entire continent's population.

2. *The theory of external exploitation, and the internal causes of underdevelopment.*

The argument that LDCs are exploited by industrialised countries is still used to explain the low per capita income levels found in these countries. This theory places the accent on the *external* economic causes of underdevelopment and undervalues instead the *internal* causes.

One of the arguments on which the exploitation theory is based is that of the excessively low prices for raw materials, and of their progressive reduction long term; the second is that of the worsening of the terms of trade. In both cases the conviction is expressed that the two phenomena concern only LDCs, which are held to be prevalently exporters of primary products. The third argument concerns the negative role played by multinational corporations, which are held to be responsible for pursuing a policy of the systematic pauperisation of the resources of LDCs.

As regards the prices of raw materials, it should be noted that their reduction over the long term affects *all* the producers and exporters of raw materials, and that it is not possible to imagine damage that is limited only to LDCs, given that these only supply a third of the world's raw material exports, against two-thirds for the industrialised countries (the USA, in particular, is the biggest world exporter of raw materials and food products). It seems more likely that the fall in prices can be imputed to a crisis of overproduction, and to a tendency to employ less raw materials in the productive cycle due to the greater efficiency of productive processes, and to the growing use of recycled raw materials.⁹ In addition, it should be kept in mind that raw materials are no longer the biggest share of LDCs' exports: in 1990 they represented 46.9% of LDCs' total exports, of which 24.9% was comprised of petrol and other combustibles.¹⁰

Even the argument that the LDCs' terms of trade (ratio between export and import prices) have systematically worsened is not sustainable. Between 1972-78, while the industrialised countries' terms of trade worsened by 1.9% p.a., the LDCs' terms of trade improved by 7% p.a. Subsequently, from 1982-91, the situation was reversed, with the industrialised countries' terms of trade improving at the rate of 1.6% p.a. while those of the LDCs worsened by 2.2% p.a.¹¹ However, even if the situation has recently worsened, by examining a wider time period, from the end

of the 1930s until today, the thesis of a structural decline to the disadvantage of the LDCs alone is not corroborated.¹² Once again the worsening of the terms of trade for these countries seems to be mainly due to the same reasons that, more generally, have determined a fall in the prices of raw materials. It should also be added that the fact of being for the most part exporters of raw materials does not mean automatically being harder hit than other countries, in as much as among raw material exporting countries there are both rich industrialised countries (e.g. Australia and New Zealand) and rich LDCs (e.g. Saudi Arabia and Kuwait). In general this latter group are in a relatively better position than other LDCs, and their problem is instead that of a greater degree of distributive justice internally. Certainly, however, the protectionist agricultural policies pursued by the industrialised countries, and in particular by the EU, do not help to support growth in LDCs.

As regards the role of multinational corporations in LDCs, even if it is accepted that an American multinational supported Chile's coup d'état, it is not possible to deduce from this that a systematic policy of economic exploitation has been put into operation, nor that a generalised direct exercise of political power has occurred, that could go as far as collapsing regimes that are not to their liking. Rather, the fact is that multinationals are concerned about long term political stability, since this allows them to profit from their investments; this explains why they tend to invest in industrialised countries instead of LDCs.¹³

Recently, the above arguments have been questioned from several angles, both in general terms¹⁴ and, in the case of a study produced by the World Bank, with specific reference to sub-Saharan Africa.¹⁵

In particular, the type of aid policy extended to LDCs has been criticised. In fact, according to certain commentators, the persistence of underdevelopment should be ascribed to *internal* causes. The reason for this is explained by the fact that aid policy is effected through payments made to the *governments* of LDCs, which, having an interest to guarantee a constant flow of aid, tend not to resolve the problem of underdevelopment, and instead tolerate considerable economic inequality, such as between the high standards of living of a restricted caste of bureaucrats and public managers linked to the local political class, and the low standards of living of the vast majority of the population. This thesis is shared also by Third World economists who attribute malpractice and inefficiencies to the role of the state in the economy, which is deemed to be excessive.¹⁶

Nevertheless, this criticism of aid policy, while containing many elements of truth which need to be taken into account, is overly simplistic in as much as it does not help us to understand under which conditions aid policy can be effective in launching the development process. The fact that aid policy, of itself, does not ensure the capital accumulation process in LDCs has always been clear. However, faced with the example of Africa, in which underdevelopment persists, it is useful to recall the fundamental elements of the criticism elaborated effectively by the Swedish economist Ragnar Nurske immediately after the Second World War.¹⁷ Nurske concluded his analysis on the process of capital formation in underdeveloped countries by arguing that the economic growth of LDCs depended ultimately on them alone, and hence on the existence of policies that were designed, or not, to maintain the process of accumulation. Neither aid policy, nor favourable terms of trade, nor other instruments can achieve significant effects if they are not accompanied by internal policies that are designed to achieve a strict policy of support for the accumulation process. Nurske justified his thesis on the basis of arguments that have been further refined over the years, and that can be reduced in substance to an emphasis of the fact that external aid, in the absence of active policy, does not add to available domestic savings, but substitutes them. This conclusion derives from the observation that the level of saving does not depend only on absolute income levels, but also on relative ones, and is based on the well-known "demonstration effect", introduced into economic debate at the end of the 1940s. Namely, in a situation in which two areas characterised by two different levels of income come into contact, the consumers of the area with the lower incomes will tend to imitate the consumers of the area with the higher incomes, thus reducing the propensity to save. In this situation, and in the presence of a large velocity of the circulation of information and of the diffusion of consumption models from the richer countries to all the world, "it is almost always possible, to a certain degree, that foreign funds substitute domestic saving in such a way that the consumption of that country is expanded and there is no notable increase in the rate of accumulation."¹⁸

The subsequent refinement of this argument took place with the generalisation of the substitution effect of foreign savings for domestic ones, and with the observation of the so-called "transfers paradox".¹⁹ In the former case, this analysis was extended to cover the effect that the flow of foreign savings has on the formation of the component of domestic savings represented by public savings. Since a large part of

Third World countries' international indebtedness is public debt that is often channelled through the state budget or public enterprises, as is the case in Africa, the contention is that when the public authorities observe a reduction of budget constraints, due to the impact of the supply of foreign capital, they tend to slacken budgetary discipline by reducing public saving. This argument is all the more valid, the more important the public component of a country's potential domestic saving. This is the situation in which African countries find themselves, where the inflow of public funds from abroad is greater than private funds, and for which, given the low levels of per capita income, it is possible to hypothesise that the share of public saving is required to fulfil a decisive role in the accumulation process. A second reason that can justify the hypothesis of substitution between foreign and domestic savings, concerns the displacement effect on private domestic savings through foreign capital flows into the local capital market. If, in any given moment, there are only a limited number of investment opportunities in a national economy, the fact that foreign capital is invested in this economy can reduce local savers' opportunities for profitable investment. In such circumstances, local savers are encouraged either to save less, since they have less opportunities for investment, or to look for opportunities abroad.

The "transfers paradox",²⁰ for its part, suggests that when an economy benefits from a foreign transfer, instead of this transfer causing an improvement in standards of well-being, in terms of the greater income available, these standards of well-being can in fact be impoverished. A transfer of real resources can have a negative impact on an economic system if it alters the evolution of the terms of trade unfavourably, and if it takes place within a context of distortions in the functioning of the market. The first case occurs when the transfer of resources modifies the terms of trade by altering the conditions of supply and demand for goods in international markets. In particular, the transfer will have a negative effect on the beneficiary country if it induces it to increase its demand for foreign produce more than the country that has transferred the resources reduces its demand for those same goods — because in this way an increase of import prices will result. The effect of the transfer will be positive in the opposite case. In the past, between 1970 and 1982, Third World countries benefited from growing net transfers. The fact remains that when the problem of their excessive indebtedness was posed, and reimbursement policies were put into action by transfers in the opposite direction, this policy was carried out simultaneously in all the countries involved. These countries, in order to generate the resources necessary

for reimbursement had both to reduce imports, and to push their exports during a cycle in which the industrialised countries' economies were encountering problems. Part of the origin of LDCs' deteriorating terms of trade derived from this phenomenon, starting from the second half of the 1980s.

The arguments relating to the distortions introduced into the competitive equilibrium of the market seem to be even more pertinent. An important example of these distortions concerns the commercial policies, often protectionist in nature, that are implemented by LDCs. It is possible that the costs generated by protectionist policies are increased by a net transfer from the rest of the world, as in the case when the transfer serves to increase demand for protected local goods. The increased production of these goods, already initially costly due to the effect of protection, can prove damaging for the economy as a whole. The damage will be caused when the debt is paid back, in as much as the initial beneficiary economy will not have been able to accumulate the resources needed, since they have been wasted by mistaken resource allocation that generates *de facto* irreversible costs. It should however also be stated that such a result is produced when the protection policy is an end in itself; that is to say, when it is not designed to achieve the temporary defence of a nascent industry, and when competition within the economy which receives the transfer is lacking. Finally there can be distortions connected to the transfer itself. This is the case for aid contributions or loans that are dependent on the acquisition of goods produced in the country which makes the transfer. In this case the advantage for the country receiving the transfer is reduced, because of the fact that the increased demand for imported goods can harm the terms of trade; in addition to the fact that the prerequisites for the subsequent reimbursement of the transfer are lacking. This situation seems particularly true for Africa's sub-Saharan countries, for which bilateral public credits, that is those for which the obligation to purchase goods from the donor country are more stringent, make up about 67% of total public credits, against an average of 58% for all developing countries taken together.

After about 50 years of aid policy to LDCs, it is important to re-evaluate these criticisms of such policies, taking note of the fact that in practice the majority of African governments have failed in their policy of supporting the accumulation process, and ask ourselves why this has happened and what new or different policies need to be implemented. In the meantime it should be pointed out that traditional aid policies have also been called into question at the World Bank. In a recent study, the

Bank argues that the economic growth of a country is directly proportional to the growth of the principal urban areas that compose it, and that therefore only by overcoming the constraints and limitations that hinder economic growth in the cities will it be possible to ensure rapid growth in the economic system as a whole.²¹ This new direction in aid policy, moreover, would have the great advantage of implementing projects that have the best guarantees of profitability, and that are most easily verifiable.

These considerations in combination are valid for all developing countries, and demand an examination of the internal reasons for underdevelopment, even though they do not as yet fully explain the reasons for Africa's greater backwardness. In addition, the limitation of this approach is that, as far as examining the external reasons is concerned, it only considers economic causes; while as regards the internal reasons, it analyses motivations that do not seem to be decisive.

3. Africa: a continent excluded from the process of world economic unification.

All continents, except Africa, are participating in the process of market unification at the world level. Examining more closely the reasons for underdevelopment, Africa's singularity is revealed through its involvement in the world market. The total exports of African countries, according to the GATT, equalled \$99 bn (U.S. dollars) in 1991, the same level as ten years earlier. African exports as a share of world trade, which in the meantime had increased considerably, were hence reduced from 5% in 1981 to 2.8% in 1991: in fact Africa, despite the fact that many of its countries export an important percentage of their GDP, is relatively closed compared to the rest of the world (for example, Taiwan's exports alone, that in 1981 were 23% of total African exports, represented 77% in 1991). But Africa's countries are also closed with respect to each other, as is demonstrated by comparisons of the various amounts of intra-regional trade in the world's principal areas. In fact, while in Europe, according to the GATT, intra-European trade in 1991 represented 72% of European countries' total exports, and intra-Asian trade 46%, intra-North American trade 33% and intra-South American trade 16%, intra-African trade represented only 6.6% of the continent's total exports.²² This last fact is particularly serious since, while on the one hand, the action of multinationals poses the problem of democratic control at the world level,

on the other, it is also true that they represent one of the tools for unifying markets. In fact, according to the UN, the so-called transnational corporations (TNC) generate more than 70% of the world's trade, and in particular it is estimated that 25% of world trade consists of exchanges between companies belonging to the same multinational group.²³ The obvious conclusion is that the African continent, to the extent that it has been unsuccessful in attracting investments from TNCs, remains excluded from the market globalisation process that is leading to the birth of a world economy.

Another UN research project, into foreign direct investment by TNCs, confirms that the African market is unattractive to foreign investors. During 1981-85 the flow of foreign direct investment by TNCs into Latin America equalled \$6 bn p.a., and by 1992 had risen to \$16 bn. In the same period, foreign direct investment into South-East Asia (excluding Japan) rose from \$5 bn p.a. to \$21 bn. In Africa instead, the 1992 investment figure of \$2 bn was the same as the annual average for the first half of the 1980s.²⁴ In fact it should be pointed out with reference to the problem of LDCs' foreign debt, that it is typical in Africa for debt to be contracted mainly with public institutions, as opposed to the situation in other areas of the world where foreign private loans are more common.²⁵

According to the above-mentioned World Bank study of Africa's economic situation, in order to understand the reasons for the continent's underdevelopment it is necessary to re-examine the situation of African states during the decolonisation process. Due to a lack of capital and domestic entrepreneurial skills, an unwillingness (having just gained independence) to resort to foreign capital and, as a corollary of the latter point, a distrust of the market, almost all African countries chose to enlist the state as the direct instrument of capital accumulation, and hence as the regulator of economic development. The other fundamental decision taken, as the World Bank stresses, was to aim immediately for industrialisation, which was seen as the cornerstone of rapid development, with the goal of containing a resort to importing manufactures, and also because agriculture was penalised by the declining prices for its products. On the basis of these choices, agriculture was taxed heavily from the outset with the aim of collecting public funds for the financing of industrialisation. The governments created public enterprises and approved measures for the control of prices, limitations on foreign trade, and discretionary intervention for the allocation of foreign exchange reserves in the pursuit of social objectives. In the meantime the bureaucratic and administrative structure necessary for the management of the

new states produced by the decolonisation process was created; structures that, given the orientation imposed by a national and public development model, further increased the weight of the state in the economy. According to the World Bank these choices are the fundamental reason behind the ineffective political economic policies adopted by the African states; choices that prevented their taking the necessary rigorous and unavoidable measures for the healthy development of the economic system. These considerations place in a new light the evaluations previously expressed by Kohlhammer, who argued that the causes of underdevelopment are not to be found outside the underdeveloped countries themselves, but, rather, on their inside.

As regards the argument about the declining prices for raw materials, it clearly needs to be highlighted that the dependence of Africa's economy on the export of primary products is higher than for other LDCs, and is hence more sensitive to the performance of their prices. In fact, toward the mid-1980s, primary products equalled 80% of total exports, as in the 1960s. This means, as the World Bank argues, that, despite such a long time period, and contrary to what has taken place in other parts of the world, Africa has proved incapable of diversifying its productive base and hence the composition of its exports.²⁶ In fact, a comparison of two African countries, Ghana and Nigeria, with two Asian countries, Indonesia and Thailand, reveals that in 1965 the per capita income of the latter pair was lower than the former's. However, in 1990 Indonesia's per capita GDP was three times Nigeria's, even though both were petroleum exporters; and Thailand's per capita GDP was almost four times Ghana's, despite the fact that both countries were initially predominantly agricultural.²⁷

As regards the argument concerning the terms of trade, Africa represents once again a case apart. From 1975-84 they improved by only 0.4% for the continent as a whole and decreased by 1% for sub-Saharan Africa, while from 1985-92 they decreased, by 3.9% and 3.6% p.a. respectively.²⁸ Nevertheless, according to the World Bank, this is still not sufficient to explain sub-Saharan Africa's economic decline. The reduction of net income from abroad, due to the impact of sub-Saharan Africa's (Nigeria excluded) worsening terms of trade, represented 5.4% of GDP between 1971-73 and 1981-86. Now, taking into account that a drop in earnings from abroad equal to 1% of GDP, due to the impact of the decline in the terms of trade, reduces GDP growth on average by 0.8% p.a., for the case under examination this meant a lower annual GDP growth rate of 0.4%, in other words a relatively small negative impact. It is however

necessary to recall that net transfers from abroad during the '70s and '80s were increased to compensate in part for the lower income inflows due to the terms of trade. According to the World Bank, sub-Saharan Africa received from 1971-86 more aid than any other area of the world. In particular, net foreign transfers as a share of GDP were between 2-5% for the period 1971-73, 4.3% between 1974-80, and 3.6% between 1981-86. If Nigeria is excluded from the group of sub-Saharan countries, the figures become 3.7%, 7% and 6.4% respectively. Even if the economic effects of the two phenomena (worsening of the terms of trade and increased transfers) are not equal, the net transfers from abroad as a share of GDP were greater than the negative impact annually of the decline in the terms of trade. It should also be added that the countries that instead benefited from a positive trend in the terms of trade proved unable to capitalise on this advantage, but rather nullified it by increasing current public spending, and by financing both unprofitable projects and flights of capital. In particular, African investment policies have been very different from those in South-East Asia. For example, from 1965-72 Nigerian investment as a percentage of GDP equalled 16.6%, while in Indonesia it represented 12.8%; but from 1987-90 it decreased to 15.4% of GDP in Nigeria, and grew to 33.9% in Indonesia.

To turn our attention for a moment to the internal reasons, the debate has focused primarily on the development model that has led to a growing role of the state in the economy, and to which has been added insufficient investment in infrastructures. The solution proposed by the World Bank is a criticism of the development model used by African countries. It calls for privatisation of the banks, public services and enterprises, lower taxes on agriculture, the abandonment of policies to control prices and exchange rates, and so on. This means, then, adopting the liberal development model. Nevertheless, the weak point of the proposal, which in general is reasonable, lies precisely in limiting itself to proposing the adoption of a policy of openness to the private market. This is unacceptable in as much as the liberalist economic model is still compatible with an authoritarian political system, which is considered increasingly less acceptable by the international community that instead is calling for greater democracy, even when dealing with LDCs. Democracy, moreover, is the indispensable institutional mechanism for the achievement of more advanced standards of living. On this point, the American Secretary of Labour, Robert Reich, commenting on sanctions that were discussed in the framework of the GATT, to be implemented against those countries that do not make provision for social and environmental legislation which

is similar to that in Western democracies (hence the accusation of social and environmental dumping), maintained that such legislation can not be introduced into a poor country by decree, or by an act of external force, since it is a consequence of economic growth.²⁹ The problem, according to Reich, is rather that of the mechanisms that can guarantee the parallel development of economic growth, and social and environmental legislation. The conclusion is that only democracy, that is free elections and political pluralism, introduces into the economic system the institutional mechanism by which the advantages of development are fairly distributed between the present generation (through higher salaries) and those generations still to come (through safeguarding the environment).³⁰

4. The constraint on Africa's development: security.

In conclusion, then, the above analysis serves to highlight the particular situation of Africa compared to the other areas of the world generally classified as LDCs. However, it should also be noted that the European Community has elaborated an innovative policy toward the African countries since the 1970s. In 1974, as is well-known, the first Lomé convention was signed. This accord, for the first time in the history of relationships between industrialised countries and LDCs, provided measures for facilitating the export of LDC products to the European Community (today the European Union), without reciprocity for European exports to Africa. All the same, the most innovative measure concerns the institutions that were introduced to manage the convention. In fact, this latter feature (and it is this that makes the Lomé Convention different from other aid policies launched in different parts of the world) has created a joint parliamentary Assembly whose task is to supervise the implementation of the accords; this also represents the forum for discussing any necessary improvements. The importance of the Lomé Convention has been repeatedly stressed by the federalists, who have moreover criticised Europe's excessively indifferent attitude to the internal political system of the African states, in as much as the Community has even ended up financing anti-democratic and authoritarian regimes.³¹ Beyond such political limitations, the agreement's economic limitations should also be remembered, given that it has not fulfilled all the objectives expected of it. In effect, EEC imports from the African, Caribbean and Pacific (ACP) countries that adhered to the agreement have been reduced compared to the total number of imports from LDCs; nor has the

Convention served to diversify the composition of their exports, about 80% of which still consist of raw materials (this fact represents the most significant difference of these countries compared to other LDCs).³²

Clearly, however, notwithstanding the fact that the Lomé Convention has prevented a worsening in African LDCs' standards of living at a time when the rest of the world was establishing the foundations for the emergence of new areas of development, the fact remains that in Africa the symptoms of a development process are not visible, as is the case elsewhere. In fact, the Lomé Convention does not meet the strategic problem of the African continent, that of security and political stability.

Africa is an unstable continent. In the space of forty years, thirty-five important conflicts have caused about ten million deaths in sub-Saharan Africa alone, and at the beginning of the 1990s thirteen conflicts were still underway. In 1990, the President of the European Commission, Jacques Delors, argued that Africa in the 1990s would become an area of fundamental instability. The division of the continent into 53 states, making it the most fragmented area in the world, together with the arbitrary delimitation of borders inherited from the colonial period, as well as the unitary and centralised nation-state model that was inherited from Europe, are now identified as the causes of permanent tension. From 19th-21st May 1991, at Kampala, Uganda, one month before the Council of the heads of state and government of the Organisation for African Unity (OAU) met, and on the initiative of the Africa Leadership Forum, with the support of the OAU and UN, an important meeting of African and non-African political figures and representatives of pacifist and regional integration movements was held on the subject, "Towards a Conference on Security, Stability, Development and Cooperation in Africa."³³ The document approved at Kampala recognised that "The erosion of security and stability in Africa is one of the major causes of its continuing crises and one of the principal impediments to the creation of a sound economy and effective intra- and inter-African cooperation." Moreover it recognised that the interdependence of the African states and the links between their security, stability and development require a collective African response. In addition, it proposed the creation of a conference on security, development and cooperation in Africa (CSDCA), in the awareness that internal and external security must derive from a structure of common and collective continental security. According to this document, security must be the first responsibility of the CSDCA, due to the organic links between the security of African states as a whole and the security of each of them individually. Africa should create a

continental peace-keeping structure through the CSDCA, that, should it be necessary, would not exclude UN intervention. The document furthermore maintains the need to create an African economic community that will encourage the creation of institutions with continent-wide competences, even if it notes the need for a leading state to emerge in the cooperation process. All those states whose actions have an impact on stability, security, development and cooperation in Africa will be invited to become founder-members of this convention. Even if the document has not yet had practical results, it is nevertheless significant to recall that the summit of the heads of state and government of OAU member countries that took place the month after the Kampala meeting, recognised in its final communiqué that until such time as the African countries do not collectively assume the burden of continental security and stability, there will be no hope for the socio-economic development of Africa.³⁴

The European colonial powers exited from the African scene during the decolonisation process, but this fact did not make the continent immune from the policy of confrontation between the US and USSR, which manifested itself through the military assistance given to the states, or factions, that allied themselves with one or other of the superpowers. A partial responsibility for maintaining peace in Africa fell on France, as far as the ex-French colonies were concerned. This role was carried out with many difficulties, and the recent devaluation of the CFA franc, followed by the conflict in Rwanda, has marked the eclipse of even this limited responsibility for the security of the African continent.

By analysing the African countries' military costs, and comparing them with those of industrialised countries, it is possible to measure how internal and external tensions lie at the heart of an enormous waste of resources. In fact, while industrialised countries as a whole spend about 3.4% of their GDP (1990-91) on military spending, countries like Egypt, the Gabon and Morocco spend 4-5%, Libya and Zimbabwe 8-9%, and Mozambique, Ethiopia and Angola 13-20%.

If the problem that lies at the root of all Africa's difficulties is that of *security* (and the conflicts in Eritrea, Angola, Mozambique, Somalia, and Rwanda are examples of this), the European Union has a great responsibility to contribute to guaranteeing it, and some action is being taken to this end. In the course of the meeting held at the beginning of October, at Libreville, the joint Assembly of Lomé Convention IV, adopting John Corrie's report on the revisions to be made half-way through the convention's life, asked that article 5,³⁵ regulating the rights of man, be reinforced by introducing a commitment to implement democratic values.³⁶

However the definition according to which democracy is represented by universal suffrage, multiple parties and freedom of the press was rejected, and instead a formula according to which "there does not exist a pre-set model of democracy" was adopted. All the same it should be remembered that approval was given to the passage of the report that maintained that the Assembly must meet more frequently and, above all, that it must have more legislative powers; this is very significant since it opens the way to the institutionalisation of relations between the European Union and Africa.³⁷ If, as far as democracy is concerned, the process is slowly gathering momentum, the contents of article 3 of the convention (according to which the ACP countries have sovereign power to determine the principles, strategies and models of their economic and social development) highlight the persistence of obstacles and impediments on the economic and social front. This text should be revised also, by establishing the idea that the market economy, albeit to be achieved gradually and with all the necessary correctives, is the prerequisite for the African economic system's integration into the world economy.

In addition, the by now undelayable problem of conflict prevention, perhaps for the first time in such explicit terms, has emerged during the course of the joint Assembly's work. In a resolution sponsored by certain European parliamentarians (among which Kouchner, Bertens, Hory, and Maij-Weggen) and by the ACP group, the Assembly, after recalling the conflicts in Liberia, Angola, the Sudan and above all Rwanda, has called on the international community to examine the possibility of creating a permanent army for the protection of human rights. In addition, it is regrettable that Africa's regional organisations, and in particular the OAU, have not yet created structures capable of acting effectively to prevent conflicts breaking out; to this end it is necessary that the ACP-EU Council studies seriously the possibilities for creating a framework for political cooperation.³⁸

5. A world and European policy for the security and development of Africa: proposals for discussion.

Willy Brandt, in his report on North-South relations, highlighted that we are now faced with problems that concern the whole of humanity, and that therefore they will have to be solved at the world level.³⁹ Underdevelopment, according to Brandt, is one of these problems, and to defeat it he proposed the establishment of automatic transfers of money to

underdeveloped areas, to be financed by international taxation. "It will be pointed out that it is difficult to imagine applying international taxes in the absence of an international government. However, we believe that the unavoidable nature of certain aspects of what could be termed 'international government' has already been shown to be inevitable for the solution of collective and national problems, and that by the end of the century the world in all probability will not be able to function without some acceptable form of international taxation, and without the means for taking decisions that are considerably more elaborate than the current procedures."⁴⁰ With this passage, Brandt outlined the general framework within which an effective anti-underdevelopment policy must be set up, indicated the way to implement it, and posed the problem of strengthening the current world institutions' powers. In light of the foregoing, for less than half of the world's population this would represent managing their exit from the crisis of underdevelopment; for the rest of the world's population it would instead concern the implementation of better income distribution, both domestically, and in favour of the world's poor. In an initial stage, the international government talked about by Brandt will presumably have the power only to concern itself with the first problem, given the fact that the fall of the Berlin Wall, among other things, has meant an end to the opposition of two antithetical models of economic development, and has provoked a debate about which development model mankind should adopt. Moreover, the recently established World Trade Organisation, that will have to manage trade and competition policy for the accord's member countries, is heading in this direction and will pose sooner or later the more general problem of a redistributive policy at the world level. It is nevertheless possible that a certain amount of time will still pass before this awareness, having produced the necessary institutional transformations, is translated into concrete facts. In the meantime it is possible to identify some steps in this direction, above all regarding the most marginalised areas, such as the African continent. As far as Africa is concerned, the EU, for geographical and commercial reasons, has a specific responsibility to guarantee its security. All the same it will not be able to assume this responsibility directly and autonomously, in as much as it would be politically unacceptable for the African countries themselves. Moreover with the end of the military confrontation between the US and USSR, even operations by the US beyond its own borders must have the guarantee of the UN, as was demonstrated by the instances of intervention in ex-Yugoslavia and Somalia. In Africa, then, the EU will be able to contribute, even if

decisively, to fulfilling a political stabilisation role only if it operates alongside the OAU, and only if it acts in the framework of a UN policy aimed toward ensuring peace in the African continent, and as the regional articulation of the UN's actions to this end. A return to stability in the African continent could be brought about on the basis of two stages of development: the first of a more general character to create the minimum framework for developing the second stage, consisting of the more challenging objectives of creating economic communities similar to the EC, destined to becoming real, effective regional federations.

The CSDCA, discussed at the Kampala summit, represents the general institutional framework in which the process of security cooperation could be launched, and the joint Assembly of the Lomé Convention, which has already asked that the creation of a permanent army for conflict prevention be studied, is the institution in which it could be proposed. The joint Assembly could therefore adopt the Kampala meeting proposal, and support the promotion of a conference under the aegis of the UN and OAU for African security, development and cooperation, with the aim of discussing the conditions for launching a process of general and controlled disarmament in the continent. With the aim of making the joint Assembly more representative, the European Union should ask for the extension of the Lomé Convention to South Africa, where democracy and multi-party politics have been affirmed and need to be consolidated, as well as to the countries of north Africa. Once the CSDCA has been established, an initial measure that the European Union could take would be that of ending the international trade in arms to African countries. In fact, it is notable that 86% of the international arms trade is supplied by Russia, China, the US, France and Great Britain, all of which are permanent members of the UN's Security Council, while the last two are also members of the European Union.⁴¹ A second initiative that the EU could promote would be the launching of a debate on the formation of an economic development plan that, following the model of the Marshall Plan, would provide for the same strict economic and institutional conditions.⁴²

The second stage, which would constitute the most advanced stage, can only be set in motion if regional integration processes are begun that can subsequently lead to a broader African federation.⁴³ On the basis of European experience, the presence of the EU will be able to facilitate the process, above all if it applies considerable pressure in this direction, but success will ultimately require that a local leader of the unification process emerge on the continent, that is an African leadership, like France

and Germany provide for European unification. Since this leadership can not be the result of discretionary intervention by the EU or the UN, but will tend to emerge of its own accord, it is only possible to speculate about which African states, and which African leaders, will be able to fulfil this role. Once they have been identified, however, it will be important to establish collaborative relationships with them to support African federalism.

The vast size and the nature of Africa encourage ideas of a continent divided up into three large zones along the lines of the classifications currently used by international bodies: southern Africa, tropical Africa and north Africa. In the former case, it would seem that South Africa may provide, after a stabilisation period that must follow the affirmation of democracy, the first signs of a willingness to achieve regional integration. A factor favouring this outcome should derive from the fact that South Africa, aside from being the most advanced economically, is also the state where the most important multi-ethnic elections of recent decades have been held. In addition, being also the most integrated into the world economy, it should prove more willing than other southern African countries to stimulate processes of economic cooperation in the area.

As regards north Africa, identifying the African state that will be able to assume a leading role in regional political unification is not easy. Nevertheless, even on the basis of the first timid policies of integration that have been developed in the area, the unification of the Maghreb countries could represent an excellent starting point. An important role can nevertheless be played by the European Union. In effect, with the enlargement of the EU to the countries of the north, the need to implement a security and development policy for the African continent risks being undervalued. However, Europe possesses a historical responsibility: to return the Mediterranean sea from being a barrier that divides the European continent from the African one, to being rather the internal lake of the Euro-African community, as it was in the past before the confrontation with the Islamic world. This reference to Islam is also important from another point of view: the path to cooperation (and in a subsequent stage to political unification) between the two coasts of the Mediterranean requires the development of a common concept of the role of the state, just as a sharing of common universal values is necessary. This means the overcoming of all religious fundamentalism, which can be helped by beginning to promote a debate on multiculturalism.

Tropical Africa is the area with the biggest problems connected to poverty and political instability. However, it is also the area where

African federalist thought was born,⁴⁴ and where therefore the most fertile terrain for the resumption of the policy of continental federal unification should exist. The pre-condition remains, however, that, through the assistance of the UN and the EU, peace and democracy must be returned to the area, in such a way that within the countries of this African region the movements that are most moderate and most in favour of the elaboration of regional integration policies emerge from the process with renewed vigour.

NOTES

¹ E. Dal Bosco, *L'economia mondiale in trasformazione*, Bologna, Il Mulino, 1993, p. 69.

² This is the result of the UN's evaluations that assessed per capita income on the basis of purchasing power parity. Cf. UNDP, *Human Development Report*, Oxford University Press, 1994.

³ G. Fuà, *Crescita economica*, Bologna, Il Mulino, 1993, pp. 47-62.

⁴ UNDP, *Op. cit.*, pp. 139-41.

⁵ All GDP growth data used in the text, unless otherwise indicated, are taken from: *Stato del mondo 1994*, Milano, Il Saggiatore, 1993.

⁶ A. Corneli, "Orfani del bipolarismo", in *Il Sole-24 Ore*, 25th August 1994. As regards Vietnam, note that the forecasts for GDP growth, in real terms, for 1994 and 1995 are ranged between 9 and 10% p.a.. Cf. on this subject A. Nicoli, "Asia set in economic fast lane", in *Financial Times*, 13th April 1994.

⁷ J.L. Martin, *Le décollage de l'économie chinoise*, Banque Indosuez, August 1993.

⁸ A. Jozzo, C. Magherini, "Europe in a Changing World Economy", in *The Federalist*, XXXVI (1994), pp. 33-39.

⁹ From the end of 1993, raw material prices have begun to increase significantly. Cf. J.-P. Tuquo, "Le cours des principales matières premières se redressent", in *Le Monde*, 15th July 1994.

¹⁰ J. Généreux, *Chiffres clés de l'économie mondiale*, Paris, Seuil, 1993.

¹¹ E. Dal Bosco, *op. cit.*, p. 71.

¹² S. Wickham, *L'économie mondiale*, Paris, P.U.F., 1991.

¹³ S. Kohlhammer, "Viviamo a spese del Terzo mondo?", in *Il Mulino*, n. 5, Bologna, 1992, p. 780.

¹⁴ S. Kohlhammer, *ibid.*, pp. 773-796.

¹⁵ World Bank, *Adjustment in Africa (Reforms, Results, and the Road Ahead)*, New York, Oxford University Press, 1994.

¹⁶ G. Corm, *Le nouveau désordre économique mondial. Aux racines des échecs du développement*, Ed. La Découverte, Paris, 1993.

¹⁷ R. Nurske, *Problems of Capital Formation in Underdeveloped Countries*, Blackwell and Mott Ltd, Oxford, 1968.

¹⁸ R. Nurske, *op. cit.*, p. 109.

¹⁹ J.-C. Berthélemy, *L'endettement du Tiers Monde*, Paris, P.U.F., 1994.

²⁰ The net transfers of funds are equal to the balance between the gross flow of long-

term capital and the cost of debt in the form of principal to be repaid and interest payments.

²¹ World Bank, *Urban Policy and Economic Development (An Agenda for the 1990s)*, Washington, The World Bank, 1991. Remarkably, this policy agrees with Jane Jacobs' argument (*The Economy of Cities*, New York-Toronto, 1969), according to which the engine of a territory's economic development is the city, as well as with what Nurske himself asserted (*op. cit.*, pp. 15-18) when he argued that to overcome the difficulties of private individuals' investment, due to the restricted nature of the market in LDCs, investments should be maintained over a broad range of different industries so as to create self-sustaining complementary markets. According to Jacobs, the best place for the development of these complementary markets is precisely the city. It is probable however that in the case of LDCs this policy alone is insufficient, if it does not change the attitude of people involved in city life. In fact, an African federalist has recently pointed out how there are no cemeteries in African cities, since people who go to cities from villages know that they will return to their villages to be buried. Perhaps it is necessary that, albeit gradually, new forms of identification in connection with urban life are developed alongside the traditional ones of the village.

²² GATT, *International Trade 91-92*, Geneva, 1993.

²³ UNDP, *op. cit.*, p. 97.

²⁴ United Nations, *World Investment Report 1993 (Transnational Corporations and Integrated International Production)*, New York, United Nations Publication, 1993.

²⁵ International Settlements Bank, *Evoluzione dell'attività bancaria internazionale e del mercato finanziario internazionale*, Basle, 1994.

²⁶ World Bank, *op. cit.*, p. 18.

²⁷ World Bank, *op. cit.*, p. 17.

²⁸ J. Génèreux, *op. cit.*, p. 79.

²⁹ R.B. Reich, "Il commercio libera il lavoro", in *Il Sole-24 Ore*, 21st June 1994.

³⁰ These considerations, that are certainly valid for African countries, should be extended also to China, which so far has experienced undoubted economic success, but at the expense of democracy. In the current international situation, characterised by the ending of the confrontation between the US and USSR, ideological arguments supporting centralised and authoritarian governmental structures, that typified the period of opposition between the blocs, no longer exist. Moreover, China's admission to the APEC accord, of which the US and Japan are members, if it corresponds, as would seem to be the case, to a desire for integration into the world market, makes no sense, and will not be sustainable, if it is not accompanied by the introduction of democracy domestically.

³¹ L'Afrique, l'Europe et la démocratie internationale, Lyon, Fédérop, 1991; G. Montani, *Unione europea, sviluppo economico e democrazia internazionale*, Pavia, ISDAF, 1992.

³² F. Praussello, "E' possibile un commercio 'equo e solidale'?", in *Il Mulino*, n. 1, Bologna, 1994.

³³ Africa Leadership Forum, *The Kampala Document*, Abeokuta, 1991.

³⁴ See also: The Report of the South Commission, *The Challenge to the South*, Oxford University Press, 1990.

³⁵ Le Courrier ACP-CE, *Convention de Lomé IV*, n. 120, March/April 1990.

³⁶ M. Scotto, "L'Union européenne accroît ses exigences en matière de démocratisation", in *Le Monde*, 8th October 1994.

³⁷ Europe, *Sessione plenaria dell'Assemblea paritetica ACP-UE*, 8th October 1994.

³⁸ Europe, *Sessione plenaria dell'Assemblea paritetica ACP-UE*, 10-11th October 1994.

³⁹ W. Brandt, *North-South: a Program for Survival*, Ed. Independent Commission on

International Development Issues, 1980.

⁴⁰ W. Brandt, *op. cit.*, p. 29.

⁴¹ UNDP, *op. cit.*, p. 64. On the need to establish a world authority for the control of armaments, see: R. Etchegaray, M. Diarmuid, *Il commercio internazionale delle armi*, Pontificio Consiglio per la giustizia e la pace, Città del Vaticano, 1994.

⁴² Generally, the memory of the Marshall Plan evokes solely the generous quantities of abundant aid from the Americans for the reconstruction of Europe's economies. The stringent institutional conditions the Americans posed for the granting of aid are instead forgotten. These were, on the one hand, the common management by European states of the aid obtained, which led to the establishment of a body for that specific purpose (the OEEC, later becoming the OECD), and the removal of protectionist barriers that blocked commerce between Europe's states. On the other hand, the type of aid was organised in such a way to accelerate as much as possible the capital accumulation process, and to avoid that aid was used to finance current spending. In fact, the US gave investment goods to Europe's governments, which arranged for their sale in the market, thereby gaining resources that could be used for the financing of further public investments. The US exercised control over the positive outcome of the aid that was granted, checking the progress of the overall financial situation of European governments' budgets, and preventing the financing of consumption alone. In effect, then, this was a similar outlook to the Maastricht Treaty, introduced 50 years early!

⁴³ Support for African unification through the Lomé Convention should instead lead to the progressive exclusion of the ACP countries that do not belong to the African continent, and which can be included in the processes of regional unification led by the US, as concerns the American continent, or by Japan or Australia, as regards the Pacific.

⁴⁴ G. Montani, *Il Terzo Mondo e l'unità europea*, Napoli, Guida, 1979.

Notes

THE IDENTITY OF THE INDIVIDUAL BETWEEN IDEOLOGY AND REASON

The identity of the individual and membership of a group.

One of the claims linked to the rebirth of nationalism in Europe is that of the defence of identity, which can refer both to whole peoples or to individuals. In reality this double meaning is not completely separable, since the danger of losing one's individual identity is ascribed to the danger of losing the collective identity of the community to which an individual belongs, or wants to belong — the so-called national community, either existing or potentially existing.

Above and beyond the psychological, metaphysical or existential characteristics, that do nevertheless play a role in defining individual identity, this concept has in fact had, and continues to have, a strong ideological link to national identity, of which the nation-state is (or should be) the protector. To the extent that individuals are social beings, they belong (or seek to belong) to a community, and their identity is defined within it. The so-called "roots" (whose lack, or loss, is presented as a lack or loss of one's own identity) nearly always refer to national subjects (language, culture, customs, etc.) and to the nation-state as an exclusive community with which to identify. Even revolts against the centralised, homogenising, state that call for the affirmation and re-evaluation of the "diversity" and peculiarities of various regional communities that exist within nation-states, do not escape the same tendency to maximise the exclusivity of the membership of a community — in this case of smaller dimensions, but still in its turn exclusive (it is not a coincidence that regionalism often manifests itself as separatism). It would seem then that the word "roots" does little but recall etymologically the concept of a stable bond that is fixed, almost inevitable, from which liberation is impossible once it has been established, once it has been "rooted" in people's minds and souls.

The identification with the national community coincides with the

obligation to feel bound to numerous individuals without names and without faces,¹ that is to a fictitious community, but one that safeguards, along with the collective destiny, the destiny of the individual. It removes individuals from a life of monadism and gives them common roots, fictitious in their turn, and often established by means of the real and comprehensive falsification of history, geography, literature, and so on.

As a result, the individual identity of men as social beings in the context of a fictitious and exclusive community is subordinated to the community itself. The bonds that tie an individual to other individuals become the tool for subjecting individuals to models and values that they did not create, and people's behaviour is in good measure determined by the membership of the group, of whom the individuals are simply dependent fragments of the "we".² In fact, this means the renunciation of an individuality that participates *by choice* in a communal life with other individualities and shares a sense of solidarity with them. By reducing individuals and their identity to the state of a simple passive product of dominating political and social determinants, the ideology of the nation-state, in short, deprives individuals of their identity and leads them toward self-negation.

Nevertheless, there does exist a different context in which the feeling of belonging to a community as a means to support an individual's identity is revealed. This is the context of places where important moments of our lives are spent, such as periods of education, places both physical (roads, neighbourhoods, landscape) and social (school, friends or even simply acquaintances that are met daily). In this case the "roots" lose their ideological character and take on a more strictly emotional meaning, involving feelings that are experienced *in common* with others, but not *collectively*. In other words, all people have personal points of reference, and live the relationship with the physical environment and the community as a private experience. If they leave these places, they do not experience the departure as a loss of their own identity, which nevertheless the places contributed to creating, but rather they experience it as nostalgia. In essence, the dimension of remembrance is sufficient for them.

The difference between the two meanings of the word "roots", whether it refers to the national collectivity or to the local community, emerges with clarity precisely when a separation of the individual or groups of individuals from them takes place. It is no accident that the theme of individual identity has often been linked to that of emigration to a new state or a new continent, and to the problems connected with integration and assimilation. In this case the remembrance of the places

of origin does not belong to the private sphere, but becomes collective remembrance, historic memory, and that as such should be built up, cultivated and kept alive with the traditional tools that have been, and continue to be, used to create the national consciousness, in other words by referring to ethnicity, national history, and so on.

An interesting example of this defensive and supporting action of the historic memory by a community of emigrants is provided by a group of people from the valleys of Senegal. Some members of society in the land of origin are true professionals of the memory, visiting from time to time the communities of emigrants in other countries to "narrate" from house to house the history of their people from its origins, with the purpose of keeping the memory alive.³

There are different interpretations of the centrifugal function, or otherwise, of the historic memory in societies involved in a very broad way with the phenomenon of emigration. And moreover there exist different interpretations of the need or otherwise for the assimilation and integration of immigrants into the so-called host society. But if we seek to link these problems to the identity of the individual we must evaluate the phenomenon of the defence of emigrants' "roots" by the same standards as the defence of collective identity in the national community, in as much as the individual identity of emigrants is anchored to a community that is *homogeneous* over time within itself (or that maintains that it is) and consistently *different* with respect to the world around it. In this case there are no real or effective instruments of power that induce individuals to feel themselves part of an exclusive national community, and that means that there are ever greater difficulties for the generations of emigrants born in the host country to recognise themselves in the traditions of their land of origin. Nevertheless, the mechanism that binds individual identity to the collective identity is the same.

The "status of citizen".

As stated above, the search for individual identity in the context of a fictitious and exclusive community coincides with its negation. Hence the point is to find an alternative that does not deny the need for individuals to recognise themselves as part of a collectivity in order to build or preserve their own identity, and which at the same time is not based solely on ideology or on emotion. The framework in which it becomes conceivable to escape both ideology and pure sentimentality is the concrete one where daily social relations take place, where these are

spontaneous and not dreamed up by the powers-that-be, nor manipulated. This is the local community where one lives, and in which participation and responsibility can begin to take place.

The search for one's own identity can be likened to what Hannah Arendt has defined as the search for "public happiness", namely the pleasure of participating in public affairs. Referring to the period of the American revolution, and citing John Adams, Arendt writes that "the people went to the town assemblies... neither exclusively because of duty nor, and even less, to serve their own interests but most of all because they enjoyed the discussions, the deliberations, and the making of decisions... Every individual is seen to be strongly actuated by a desire to be seen, heard, talked of, approved and respected by the people about him, and within his knowledge. The virtue of this passion [can be called] 'emulation', the 'desire to excel another', and its vice... 'ambition' because it 'aims at power as a means of distinction' ... It is the desire to excel which makes men love the world... and drives them into public business."⁴

Similar considerations can be found in Tocqueville when, describing the institutions of the American union, he writes, "Yet municipal institutions constitute the strength of free nations. Town meetings are to liberty what primary schools are to science; they bring it within the people's reach, they teach men how to use and how to enjoy it." And furthermore, "The New Englander is attached to his township not so much because he was born in it, but because it is a free and strong community, of which he is a member, and which deserves the care spent in managing it... The native of New England is attached to his township because it is independent and free: his co-operation in its affairs ensures his attachment to its interests; the well-being it affords him secures his affection; and its welfare is the aim of his ambition and of his future exertions. He takes a part in every occurrence in the place; he practices the art of government in the small sphere within his reach; he accustoms himself to those forms without which liberty can only advance by revolutions; he imbibes their spirit; he acquires a taste for order, comprehends the balance of powers, and collects clear practical notions on the nature of his duties and the extent of his rights." And finally, "How can a populace unaccustomed to freedom in small concerns learn to use it temperately in great affairs? What resistance can be offered to tyranny in a country where each individual is weak and where the citizens are not united by any common interest? Those who dread the license of the mob and those who fear absolute power ought alike to desire the gradual development of provincial liberties."⁵

The individual identity of men as social beings, then, is not based on passive integration into a closed and homogeneous group (a guarantee of security maybe, but, as stated above, the negation of one's individuality), nor on an emotive identification with the community in which one is born, but on a more rational attitude, on the feeling oneself to be a participant in the life of the community, among whose members spontaneous bonds are created daily by means of the exercise of rights and duties.

As Paul Veyne has written, with reference to the city-states of ancient Greece, "all cities, large and small, had origins and were able to praise them..." but "these eulogies were not designed so much to exalt a city above all the others, but to recognise the city's individual dignity. These eulogies were aimed more at individuals than at the group... Eulogising the city did not make citizens feel driven by a collective force, but rather to possess, above and beyond their own merits, a greater personal dignity, namely the *status of citizen*. The exaltation of the group was the exaltation of individuals... It was not patriotic pride; the individual was not proud of belonging to one city as opposed to another, but proud to be a citizen rather than not being one. Citizenship in fact was not considered to be a universal characteristic, in the way that we are French or Italian on the basis that we can not avoid being something... The city was not a 'people'...."⁶

Using Veyne's terminology, we can say that the basis of individual identity, which is also the basis of individuals' dignity, is the "status of citizen", de-coupling however the term "citizen" from the connotation of exclusive membership of a specific political community, the nation-state, that turns citizenship into a fossilised concept, and linking it instead to the possibility and to the will for effective and democratic participation in the life of society.

Mobility and interdependence.

The adoption of this perspective becomes even more significant and objectively useful to us nowadays, the more the type of society toward which we are evolving becomes characterised through various features by the increased mobility of people. One aspect of this mobility concerns, as mentioned above, the phenomena of mass emigration/immigration; this will, sooner or later, slow down, but the effects will be present for a long time to come. Another aspect concerns the progressive interdependence and integration of markets at the continental and world levels, and the consequent interdependence and integration of the labour market,

which will make it increasingly easy, also from a psychological point of view, for those seeking jobs to move about and settle down in a new community.

However, there remains the fact that, notwithstanding this gradual enlargement of the sphere of relationships among individuals, it would seem that this is not sufficient to overcome the problem of the "natural" and exclusive roots of individual identity.

How can we explain this discrepancy between a reality characterised by an ever greater interdependence among people, and the still existent need to identify and isolate a privileged and exclusive sphere within which we can feel ourselves safe and on which we can base our individual identity? One explanation is to consider the fact that we are living through a transition phase, through one of those turning-points of history that are characterised by the emergence of a new means of production, the so-called post-industrial mode of production. In transition phases, the old categories with which people perceive themselves and the reality that surrounds them maintain their vitality, and the new categories find it difficult to make headway because they are as yet still unexplored and hence are bereft of proven validity. Society always advances at a snail's pace, and the comprehensive understanding by its individuals of the changes underway is reached after a long and slow process of maturation. The wonderful passages by Tocqueville on the long process leading up to the French revolution provide a clear example of this.⁷

Moreover it should be pointed out that in transition phases, the "new" that is making headway is still imprisoned within an unsuitable institutional framework; one that hinders and is opposed to the potential that has emerged, and hence conditions people's actions and thoughts. To affirm today the inconsistency and contradictions of the national principle in a society that is ever more interdependent is the fruit of rational analysis. But despite the fact that this affirmation is taken for granted by most people, it remains a fact that people continue to act and think above all within the national institutional contexts with which they must reckon — to the detriment of rationality.

In a fluid and unstable world, as is the case during transition periods, reason often tends to become an obstacle and not a source of identity. As Ernest Gellner has written concerning the dialectic between reason and culture, "In a world over which socially underwritten and enforced Authority presided, identity was conferred and ascribed. It came in a package with the entire structure and generation of both nature and society: we had our place in the system, and this told us just who we

were... In a world made uncertain and unpredictable, and in a society no longer endowed with stable and sanctioned statutes, there was nothing any longer to confer a role and self-image on each man. The old world had ranked and numbered seats; the new one only provided a free-for-all chaos. The old world was like a dinner with placement, which tells you pretty unambiguously who you are, whilst the present one allows and imposes an undignified or unstable scramble for places and identities.”⁸

It seems then that people may “know” but that they do not yet “understand”; they are able to describe the new emerging reality but lack as yet the conceptual tools for evaluating it and hence for modifying their behaviour: “custom and example”⁹ prevail to the detriment of reason.

The status of citizen and institutions.

How can we separate the identity of the individual from ideology or custom; how can we respond to the problem of “roots” without being simply emotive; how can we create the conditions such that all individuals feel recognised and recognise themselves as members of a community, without their identities being overwhelmed?

The answer to these questions lies in the above discussion, but it is worth giving some order to the argument and making some final qualifications.

The central concept is that of the “status of citizen”, a concept that defines individual identity not in a static sense of purely passive belonging, but in a dynamic one: all individuals must construct their own identity, feeling themselves to be an active part of a common human project, of human co-habitation, regardless of where or how long they reside in a specific community.

The territorial framework within which individual identity can be more immediately constructed is the local community, the city (and within this the neighbourhood), “in which individuals themselves determine together their common needs, and the most suitable action to satisfy them. It is at this level that individuals can re-gain control over their own lives, over their way of life, over the content and range of their desires and needs, and over the amount of commitment they are willing to undertake. It is in the practical experience of social activities at the micro level... that social bonds of solidarity and co-operation that are directly experienced can be interwoven, and that I can live the experience of that perfect reciprocity of rights and duties that represents belonging to a collectivity....”¹⁰

But the local community is no longer a mediaeval walled city. The local community bases its vitality on the fact of participating, directly or indirectly, in the life of communities of varying sizes — from regional, to state-wide, to continental, to global. As Lewis Mumford repeatedly emphasised, the world as a whole is the setting for every human activity, even if this activity is limited and localised in its application.¹¹ This real fact, which Mumford defines as a “declaration of interdependence”, in polemic with the “declarations of independence” that have marked the history of politically organised human collectivities, by now renders individuals potentially free from the tyranny of exclusive communities. There is however one condition to satisfy, namely that of seeing the status of citizen recognised in every one of the contexts in which problems arise, or needs and instances emerge that demand democratic decisions. In other words, this concerns translating the existent fact of interdependence into a suitable political structure, based on a territorial articulation of government levels, and hence of participation. This will abolish those barriers that lie at the heart of a fictitious collective identity and will allow all individuals to base their identity on rational bases.

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NOTES

¹ Anthony D. Smith, *The Ethnic Origins of Nations*, Oxford, Basil Blackwell, 1986.

² Cf. Alain Laurent, *Histoire de l'individualisme*, Paris, Presses Universitaires de France, “Que sais-je?”, 1993.

³ *Mémoire et intégration*, Paris, Syros, 1993, pp. 27 ff.

⁴ Hannah Arendt, *On Revolution*, The Viking Press, 1965, pp. 119-20.

⁵ Alexis de Tocqueville, *Democracy in America* (2 volumes), New York, Alfred A. Knopf, 1948, vol. 1, pp. 61, 66, 68, 95.

⁶ Paul Veyne, *Les Grecs ont-ils cru à leurs mythes?*, Paris, Editions du Seuil, 1983, chapter VII.

⁷ Alexis de Tocqueville, *The Ancien Régime and the Revolution*, Garden City, Doubleday, 1965.

⁸ Ernest Gellner, *Reason and Culture. The Historic Role of Rationality and Rationalism*, Oxford, Blackwell, 1992, p. 70.

⁹ Cf. René Descartes, *Discours de la méthode* (1637).

¹⁰ André Gorz, *Métamorphoses du travail. Quête du sens critique de la raison économique*, Paris, Éditions Galilée, 1991, p. 199.

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BOUTROS BOUTROS-GHALI'S "AGENDA FOR DEVELOPMENT"

Since the end of the cold war, the UN has been called on increasingly frequently to resolve local conflicts, co-ordinate humanitarian missions, and try to find global answers to world problems such as the environmental emergency and economic development. The UN has without fail displayed its limitations, revealing itself to be powerless in the face of the arrogance of local warlords, incapable of enforcing respect for human rights, and inadequate for the promotion of effective development policies. Debate about the UN's contradictions is not of itself new. Rather, the new feature is the frequency with which these contradictions are being manifested, and the international disdain that they are arousing. Indeed, such contradictions were already pointed out by the UN's secretary general Dag Hammarskjöld immediately following the UN's creation in the 1950s. "It is difficult to see how a leap from today's chaotic and disjointed world to something approaching a world federation is to come about... we must serve our apprenticeship and at every stage try to develop forms of international coexistence as far as is possible at the moment" (1958). Nowadays, in a profoundly altered international order, the current secretary general of the UN, Boutros Boutros-Ghali, is able to isolate more explicitly the reasons for the impasse: "Respect for the State's fundamental sovereignty and integrity are crucial to any common international progress. The time of absolute and exclusive sovereignty, however, has passed by... It is the task of leaders of States today to understand this and to find a balance between the needs of good internal governance and the requirements of an ever more interdependent world" (1992). Nevertheless, this balance is very far from being achieved. At the financial level, the UN disposes of resources that are inferior even to those that some large cities (for example New York) employ annually for maintaining their police and fire services, and has a number of employees barely equal to those of a medium-sized capital city (for example Stockholm).¹ As regards the institutional sphere, power remains concentrated primarily at the national level. Hence it can not surprise us that Boutros-Ghali sums up the limitations of his power thus: "I have no army, no land, no police."

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As is demonstrated by the difficult ratification by the states for the new GATT agreements, on which also depends the re-constitution of the International Trade Organisation, now called the World Trade Organisation (WTO), the clash between national and international interests increasingly dominates the political life of nations. In the US, for example, the Clinton administration has had to accept a face-saving compromise over the safeguarding of US sovereignty in order to obtain ratification of the GATT accords from the House and Senate. On the basis of this compromise, a commission of five federal judges will verify every five years whether the WTO has acted properly. If at least three negative cases are found, a two-thirds majority in the Congress and Senate will be able to demand that the US withdraw from the WTO. This compromise, even according to the opponents of ratification themselves, is no more than a face-saver, in as much as Congress previously possessed the right, though it never exercised it, to re-assess every five years the functioning of the GATT and to denounce it. As regards the future relationship between the UN and WTO, there also exists the problem of a different interpretation of the link between democracy, respect for human rights and economic development: the US and EU have emphasised the existence of this link, while countries such as China or Singapore tend to deny it. For example, the preparatory commission of the WTO has rejected Boutros-Ghali's request that provision be made for the UN to supervise the WTO's actions as regards respect for human rights. Singapore's ambassador to the GATT, K. Kesavapany, who is the current holder of the rotating presidency of GATT's institutional commission, justified this decision by denying the need to establish an institutional agreement between the UN and WTO.

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This is the context in which Boutros-Ghali has presented his "Agenda for Development".

The Agenda proposes that the General Assembly of the United Nations holds a world conference on "Currency and financing economic development" before the end of 1996. Pointing out that the vital problems for promoting economic development are the scarcity of financial resources at the UN's disposal and the lack of co-ordination among the UN, the Bretton Woods institutions (World Bank and International Monetary Fund) and the nascent WTO, Boutros-Ghali raises some crucial points in

the debate about the UN's future. After proposing the creation of an international committee of advisers, to be charged with formulating recommendations for UN development policies, the report warns against the illusion of maintaining over the long term the present ambiguity and lack of co-ordination between the UN and the Bretton Woods institutions. The aid volunteered by states is in reality not sufficient either for fulfilling peace-keeping duties or for promoting economic development projects. Only four countries (Denmark, the Netherlands, Norway and Sweden) dedicate 0.7% of their GNP to development policies, as was decided by the UN in 1970. For this reason Boutros-Ghali proposes the introduction of a series of international taxes: a tax on the consumption of fossil fuels (which could generate revenue of at least US\$ 500 billion a year according to the United Nations Development Programme); a tax on international financial transactions (that could generate revenue of US\$ 1,500 billion a year); a tax on international travel and travel documents. In addition to these taxes, according to Boutros-Ghali, there could be a transfer of part of the peace dividend obtained by the reduction of military spending by developed and developing countries, which between 1987 and 1994 totalled around US\$ 935 billion. Apart from an environmental tax, whose introduction has been discussed for some time in Europe, as well as in the US and Japan, the other taxes would appear in the present situation to be difficult to apply, and their inclusion in the Agenda seems to be more for propaganda purposes than as a realistic objective to aim for.

But the crucial point raised by Boutros-Ghali is not so much the scarcity of resources at the UN's disposal, but rather, as mentioned above, the institutional inadequacy of the current system for governing the world economy. Raising the issue of a revision of the relationship between the UN and the Bretton Woods institutions, Boutros-Ghali poses the problem of re-visiting the 1945 process that led to the creation of that system of world government. On this subject it is worth recalling briefly the presuppositions on which that project was founded.

The entire plan elaborated in the post-war period was founded on the reflections of Americans and Englishmen, most notably Keynes, in the 1930s. The concept of a world economic conference sponsored by the League of Nations went back in fact to 1930. That conference should have dealt with the problems of financing development programmes and currency stabilisation in the wake of the 1929 crisis.² But the conference of 1933 failed because the Americans, and particularly Roosevelt, were afraid of seeing national policies sacrificed on the altar of stabilising the dollar exchange rate vis-à-vis the franc and sterling (with a +/-3% margin

of fluctuation); because the British wanted to defend the primacy of their imperial interests; and because the French hoped to reinforce the gold bloc (which included France, Belgium, Holland, Switzerland and, nominally, Italy).

The problem of reorganising the international economic order was raised again however with overwhelming force at the end of the second world war, when it became clear that it would be necessary to reconstruct the economies destroyed by the war on the basis of different criteria from those adopted following the first world war, so as to avoid the risk of a new disaster. The principle adopted at the Bretton Woods conference of 1944, and later adopted by the UN as well, was that of abandoning the concept of compensation through heavy war reparations imposed on the defeated countries, as well as passing from policies of assistance to policies of reconstituting stocks of raw materials, and subsequently to real and effective reconstruction. However this approach imposed new undertakings and new institutions. It was in fact clear that it would have been impossible to draw up a code for trade, to provide the necessary financing to cover trade imbalances, and to re-start the flow of capital from developed countries to poorer ones, on the basis of national organs. Hence to fulfil these undertakings four institutions were established in that period: the World Bank, which had the task of overseeing reconstruction; the International Monetary Fund, charged with elaborating and managing the framework of world exchange rates; the United Nations Relief and Rehabilitation Administration (UNRRA), which was an administrative agency, financed by the US (72%), Great Britain (12%), Canada (6%), and the USSR (2%); and the WTO.

The management of UNRRA immediately provoked conflicts between the US, which was the biggest contributor, and the other members. Great Britain began to propose the reduction of its contribution, by including also Italy (previously a beneficiary) into UNRRA; the other members wanted to exercise control over the agency through the "one country, one vote" rule, without assuming greater financial burdens. Within the space of three years the US reached the conclusion that it was unable to finance a global commitment in the context of growing military confrontation with the USSR and the great degree of fragmentation in the global situation. It was in this context that the Marshall Plan for Europe was conceived — a plan that privileged regional objectives over world ones, that affirmed full American leadership over the management of resources and the implementation of the plans, and that forced the beneficiary countries of Europe to co-ordinate their demands in an

international framework. In turn, the WTO, at the moment in which global economic objectives were given secondary importance behind those of a regional character, was replaced by a less binding agreement, the General Agreement on Tariffs and Trade (GATT). On the basis of article 57 of the UN Charter, all these institutions were to enter gradually “into relationship” with the UN itself. But the Bretton Woods institutions did so by benefiting from special agreements: the World Bank and IMF kept a representative system for their member countries that was weighted on the basis of economic and financial criteria, and not, as was the case for the UN, organised on the basis of the “one country, one vote” rule. The Bretton Woods institutions proclaimed their complete independence from the UN, reserved the right not to supply information to other UN agencies, and limited the presence of UN representatives in their respective management bodies, while however maintaining the right to be permanently informed of everything that was decided by the other international agencies.

The anti-democratic and heavily pro-American nature of these agreements was clear, but difficult to challenge in as much as the greatest contributor was a single country, the US. Moreover, neither the opposition of the USSR and Norway to these agreements, manifested as early as 1947, nor that of third world countries, which surfaced at the Arusha conference of 1980, offered a credible alternative to this system of governing the international economy and international trade that centred on the US.

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Only the end of the cold war, that is the fall of the Soviet empire and the weakening of the military and economic supremacy of the American superpower, allowed the debate on the new world order to return to the issues outlined at the end of the second world war. The situation, 50 years on, is profoundly altered: the member countries of the European Union have become the world’s greatest trading force; and Russia no longer counters American power, but is asking to re-join the organs of world financial management. In Asia, inter-regional trade has overtaken that with the US, and China is in a position to ask to join the WTO.

But faced with these phenomena, the illusion seems to be gaining ground that to establish a more just and democratic world order it is enough to coordinate the currently-existing international institutions. This is undoubtedly a necessary condition, but not sufficient to cope with

the global challenges which mankind now faces.

In fact it is necessary to overcome the stumbling block of a radical reform of the UN that will allow the linkage of the problem of promoting sustainable development throughout the planet with the diffusion of democratic principles to the world’s government. This is not a new problem, given that the British foreign minister, Ernest Bevin, could assert as far back as 1945 that “We need a new study for the purpose of creating a world assembly elected directly from the people of the world as a whole, to whom the governments who form the United Nations are responsible.”

From this viewpoint the Europeans have an urgent responsibility. The EU could in fact play a decisive role in reforming the Bretton Woods institutions, and revising the relationships between them and the UN. The creation of a European currency, which is a possibility as early as 1997 for a restricted nucleus of the Union’s member countries, would, of itself, raise the issue of a radical revision of the management and operational mechanisms of the IMF, the World Bank, and the WTO itself. In such a context it would become inevitable to pose the question of a different relationship between these institutions and the UN. In similar fashion, the implementation of a real common European foreign and defence policy, as foreseen in the Maastricht Treaty, would raise the issue of the representation of the EU as such on the UN’s Security Council, as has moreover already been requested in a resolution adopted by the European Parliament. And this process should go hand in hand with a more general reform of the UN’s institutions, starting with the issues emerging from Bevin’s reflections.

All this does no more than confirm how the foreign policies of the various countries no longer make sense if they are not conceived of in a global framework. In this perspective the action of the federalists who work in various countries to further the creation of a parliamentary assembly to operate alongside the General Assembly, must set itself the goal of influencing in a global sense the foreign policies of their respective countries. In Europe this means battling until a European federal core is born, one that is capable of exercising a good European foreign policy. In light of this, the deadline for the federal reform of the EU before the end of 1996 represents an important landmark also for the reform of the UN.

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NOTES

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Federalist Action

1996: EUROPE BETWEEN FEDERALISM AND NATIONALISM *

There are moments in history when the most important problems that were brewing in a previous period come together in a single great conundrum, whose resolution determines the future of a people, of a continent or of the whole of mankind. Today, there are signs that lead to the conclusion that we are approaching one of these moments, and that what will be at stake in the 1996 intergovernmental conference is of incalculable importance. Hence this XVI congress of the UEF is being held at a crucial point of the European unification process: a time in which the federalists can play a decisive role.

The European unification process began after the end of the second world war. It was launched and driven forward by the widespread perception among the majority of European politicians and public opinion that the nation-state had been overtaken by history, that it no longer represented a structure that could guarantee the security and well-being of its citizens, and that its entrance into crisis had generated the monsters of fascism and of two world wars, leading Europe to ruin. Therefore, the unification process went beyond the narrow concept of national interest as the basis of politics, to replace it with a more open conception of the common good, one that would be able to ensure a solid foundation for democratic institutions and to drive out the spectre of war by affirming solidarity among peoples through concrete actions.

This awareness lay behind the establishment of the Atlantic Alliance

*Report of the President of the Union of European Federalists Francesco Rossolillo at the 16th Congress held in Bocholt on October 21-23, 1994

and the European Community. The birth and evolution of the latter was motivated by the conviction (sometimes unexpressed, but always present) that it represented the first step of a process whose inevitable conclusion was the union of European peoples within a single grand federation that would be free and democratic, and which would be able to provide the world with an example of rendering war obsolete through the overcoming of national sovereignty.

This idea has not yet been realised because the reasons in favour of union have come up against those for conserving national sovereignties and against the vested interests that are linked to them. That such a conflict has emerged is entirely natural. What needs to be explained, however, is why it has not yet been resolved by one side winning through against the other, why the process of European integration has been able to continue for about 50 years, regaining its momentum after every one of the crises it has undergone, without being consolidated and made irreversible by political unity; and why Europe enjoyed a period of peace and prosperity without precedent in its history without freeing itself of the burden of national sovereignties.

The success of the first phase of the European integration process has confounded the predictions of those federalists who, based on historical experience, argued that the Common Market would be short-lived. The federalists knew that a market can function only if it is supported by a political framework that guarantees its external security, places at its disposal the tool of a single currency (which is indispensable for its functioning), and imposes on participants the observance of precise rules that apply equally to all. This framework could be none other than a European federal state, whose creation would therefore have had to be simultaneous with the establishment of the Common Market.

The fact that European economic integration was able to proceed (albeit imperfectly) in the absence of a state framework can be ascribed to the cold war. The truth is that in the first part of its development, the process of European integration *was* supported by a political framework; and that this was guaranteed by America's leadership. The United States guaranteed Europe's security through NATO and the nuclear umbrella, and provided the Common Market with the dollar, a *de facto* pan-European currency. Hence their leadership substituted for a non-existent European state framework by supplying Europeans, through defence and the single currency, with the essential tools of sovereignty. Even more important, the US gave the governments of the states of Western Europe a sort of legitimacy by proxy, involving them in the great ideological

confrontation between democracy and communism, through their status as allies, albeit subordinate, in a grand common project. The prior call to the nation had in effect been deprived of its credibility, or at the very least seriously weakened, by the horrors of fascism and the war that the nation had been responsible for. On the other hand, the idea of a new legitimacy, to be identified with federal solidarity and with the championing of diversity through unity, made headway only slowly. Thus the common struggle against communism served in Western Europe in this period as ideological glue for civil co-habitation, and as a basis for citizen's attachment to democratic institutions.

The end of the cold war and the collapse of the Soviet empire marked a sharp break in this process. In reality, the leadership of the United States had for some time been losing its vitality. This was particularly evident regarding the role of the dollar which, due to the relative weakening of the American economy, had lost, from the middle of the 70s onward, the stability that had previously enabled it to perform satisfactorily its function as an international currency (even if no other currency has since been able to substitute it). Now, with the disappearance of the Soviet enemy, even the function of the US as guarantor of European security has lost its justification. Since then, the Americans have begun to withdraw from Europe. And with the end of the confrontation between democracy and communism, the states of Western Europe (as indeed those of Eastern Europe) have been deprived of the semblance of legitimacy that they received from the role they played in the cold war.

The member states of the European Union now find themselves faced with the need to make the choices and to shoulder the responsibilities that in the previous period the Community had been able to pass on to the Americans. They must decide in particular if their monetary and security policy can be managed in future within the national framework or whether it will have to be managed in a European one, and they will have to face the institutional implications of this decision in light of the fact that American hegemony can no longer replace a non-existent European power. Simultaneously, they must face the problem of giving themselves a new legitimacy. This problem, that has existed from the end of the second world war, and whose solution was able to be delayed for almost 50 years thanks to a situation that no longer exists, represents by now an ultimatum. If the European governments and parties do not appreciate that the only way out of the crisis of legitimacy that is presently investing them is the federal union of European peoples, the only available alternative is to collapse back into nationalism and anarchy, tempered by

a weak German hegemony over the Central and Western part of the continent.

The end of the cold war has therefore laid bare the real nature, and the dramatic urgency, of the historic choice which will determine Europe's destiny, and that of all humanity: that between nationalism and federalism. It is certainly true that nationalism has its roots in a form of state that by now belongs to the past, and that therefore it has been *ideologically* overtaken: but that notwithstanding, it is destined to remain active until a new principle of legitimacy that supersedes it in terms of *actions* is established. The European Union, heir to that Community which in the preceding period could afford to advance slowly, wasting important opportunities, in the certainty that the political framework that supported the process of integration would nevertheless not prove lacking, therefore finds itself faced with the need to enact quickly the change to federalism, or to be dissolved by the centrifugal pressure of resurgent nationalisms.

Nationalism has already sown death and destruction in ex-Yugoslavia and the ex-Soviet Union, but it exists everywhere, and is again emerging in Western Europe. This represents a serious threat to democratic institutions. Moreover, what is happening in Italy, where an insistent reference to the "national interest" as the guiding star of the government's actions has coincided with the entrance into the government of a neo-fascist party, must provide food for thought. On another occasion in history Italy opened up the way to a tragic sequence of events that overtook the whole of Europe. It should be added that with the passage of Italy into the Eurosceptic camp (which one hopes will not prove permanent), European unification has lost one of its main supporters: an actor that was certainly ineffective in the daily business of Community politics, but which has never failed to make its voice heard on the occasion of great decisions that have advanced the integration process. The current European framework will, therefore, be unable to withstand the attack of nationalism for long, if the European governments that are most aware of the importance of what is at stake are incapable of taking courageous decisions without delay.

Moreover, the prediction that over the coming years Europe must face decisive choices for the survival of its unification project has been confirmed by two further circumstances.

First is the irreversibility of the Union's enlargement process. The European Union's vocation is to expand to the western borders of the ex-Soviet Union. If it were to seal itself within a narrow area made up of the rich countries of Western Europe, it would lose its idealistic momentum

and the capacity to make its message of peace and solidarity universal. It would betray the hopes that Eastern European countries, having freed themselves from Soviet oppression, have placed in it. For this reason its enlargement must be heralded as a positive process.

Yet at the same time it is impossible not to observe that the Union's enlargement presupposes a radical transformation of its institutions. If that does not occur, the Union will be unable to avoid dissolving into a great free-trade area, politically weak because deprived of the democratic support of citizens and paralysed by a decision-making mechanism based essentially on the principle of unanimity; for this precise reason, it will be incapable of evolving toward better forms of union.

This transformation of the Union's institutions can but signify the creation of a federal union. Moreover the proposals advanced in the CDU-CSU parliamentary group document of 1st September (the creation of monetary union and of a real foreign and common security policy, the extension of the European Parliament's legislative powers over all matters under the Union's competence, the transformation of the Council into a Chamber of the states and of the Commission into a real and effective government; all with full respect for the principle of subsidiarity) represent purely and simply the creation of the United States of Europe. The federalists must not feel embarrassed to say this out loud; they must not whisper to each other that the word "federalism" enjoys a bad press in many European countries, and that hence it would be opportune to replace it with euphemisms. The truth is that by avoiding the word, the understanding of the phenomenon becomes confused, and hence an awareness of the objective to reach is obscured. In fact federalism is by now out in the open. Everyone is discussing it, even if the enemies of Europe try to emasculate it by giving inaccurate meanings to the term. We, on the other hand, must proudly re-assert in political debate the correct use of the word that defines our identity and the profound motivations of our commitment.

Secondly, the process of European unification can not find an equilibrium point prior either to having reached its federal outcome, or to having been overwhelmed by the dissolution of the Union. It is condemned to advance so as not to go backwards. Following the Maastricht Treaty the process has reached a decisive point, beyond which there are no more intermediate objectives to achieve. Advancement with respect to Maastricht can only mean deciding in favour of the effective implementation of monetary union and the federal transformation of the Union's institutions. The process, then, has reached to the heart of

sovereignty.

The 1996 intergovernmental conference is the historic opportunity we are presented with. In 1996 the governments of the Union will have the opportunity to found the European federation. If they are incapable of so doing, the opportunity could be lost for ever.

The 1996 conference must therefore become in the months to come, the focal point of the federalists' action.

For some time now the federalists have indicated the minimum essential contents that a federal constitution of the Union must possess. A further important contribution will be given by the first commission of this congress. Hence it is not appropriate to go into the details of a problem that has already been widely debated, about which there exists a considerable degree of consensus, and that will furthermore be more closely examined on other occasions.

Rather, there are two points that it would be useful to raise here. First is the observation, banal but crucial, that in 1996 the power to decide the political order and the destiny of Europe (and with Europe of the whole world) for the coming decades will belong to the heads of state and government. We may not like this, but it is a matter of fact. And hence our action must be aimed first at the heads of state and government rather than at any other actor. They need to be reminded primarily of the crushing weight of the historic responsibility towards Europeans that they are about to assume. Yet this is not to say that the other actors in the process will disappear from the scene. They will play an important role. But their action will be significant only in as much as it will be able to condition and influence the decisions of the heads of state and government; and in this sense our pressure will be directed toward the European Parliament, the national parliaments and the political parties.

Second, is the awareness that the willingness to enact the decisive step toward transforming the Union from its current form into a real and effective federation is not equal in all the Union's member states, and in those that are about to join or that will join in the future. It remains true that the governments that will take the initiative will have to address primarily all the members of the Union. But it is equally true that some governments, among which in addition to Great Britain should be numbered even Italy for the moment, do not *want* to make the federal change and consciously seek to dilute the Union into a free-trade area. Furthermore, other states have economic structures and political traditions that are so heterogeneous compared to those of the core of the Community's founding countries as to make it basically impossible for

them to unite immediately in a federal bond with states that have more than forty years of integration behind them. Hence it is easy to predict that the 1996 intergovernmental conference will be unable to form a federal structure that includes the twelve current members of the Union (or its 16 future members, if the ratification process for the membership treaties of Austria, Sweden, Norway and Finland succeed).

But Europe can not wait for awareness to develop and economies to converge until the conditions are created such that, in an uncertain future and unspecified length of time, a federal structure may be created by the unanimous decision of all the Union's members. Time is working against Europe and in favour of the strengthening of nationalism. Enlargement, within an institutional framework in which all deliberation of any importance is undertaken unanimously, will make any reform of the Union's institutions increasingly difficult. It is therefore vital for Europe that the countries that have the will and the possibility to enact the federal change do so without being impeded by those that do not wish to, or are unable to. This plan was first proposed by the federalists ten years ago, and is today at the centre of debate. It is essential that the countries that wish and are able to decide to realise monetary union, create the structures of a real foreign and common security policy, extend the powers of the European parliament over all the Union's competences, transform the Council of Ministers into a Chamber of the states and the Commission into a real government, responsible to the Parliament (that is, found the initial core of the European federation), do so in 1996, without waiting for the others.

It must also be hoped that this solution can win through with the agreement of the states that wish, or will initially have, to remain outside, in such a way that the initial federal core can co-habit with the Union in its current form, or in forms that it will adopt in the future, and participate with it on equal terms with the other member states. In any event, if this agreement can not be achieved it must not be allowed to block the process. Moreover, whatever procedure the circumstances permit, the foundation of the European federation will nevertheless not happen without a substantial break in legal continuity with respect to the current situation. Federation will be the result of hard-fought negotiations, that will require a strong political will. If the result can not be obtained with the consensus of all, it will have to be pursued against the will of those that are opposed, *even at the cost of denouncing the treaties currently in place*, in the name of a legitimacy that these treaties are no longer able to express.

It is important to reject decisively the objection that the proposal of

a federal core would divide Europe. The truth is that it represents the only possible way to turn back the trend toward ever greater division that the rebirth of nationalism is provoking. The only effective answer to this trend is to give an initial realisation to federalism: and this result can not be reached in the framework of the Twelve and even less so within the framework of a Sixteen. The proposal of the federal core, then, indicates the path of unity against division, and its realisation would represent the first step along this path. It is clear that the initial federal core can not avoid being open from the moment of its creation to the states that will remain excluded of their own volition, so long as they unambiguously renounce their position. They will inevitably be attracted within a short space of time, as the entire history of the relationship between Great Britain and the Community demonstrates. At the same time, the initial federal core will exert a magnetic pull over the states that remain excluded for objective reasons, primarily of an economic and financial nature. Its very existence will allow their governments to avail themselves of the most convincing of arguments to obtain the support of public opinion for the unpopular policies that are needed to create the conditions for membership. Hence, the proposal of the federal core indicates the only way that will be able to lead to the creation of a European federation that stretches from the Atlantic to the western borders of the ex-Soviet Union within a reasonable space of time.

Yet for this dynamic to manifest itself, the real obstacle to overcome is that of the political will of the governments destined to make up the federal core, and in particular of France and Germany. If they are capable of agreeing to an unambiguously federal and democratic plan and to hold this firm against all pressures and against the temptation to give in to compromises, the others will follow. But to do this they must find the strength to overcome the inertia of the bureaucratic structures linked to the national states, to win through against nationalistic prejudices and rhetoric that exist within themselves, in the parties and in a part of public opinion, and resist the vested interests that draw advantage from maintaining national sovereignty.

Since the proposal for a Europe of concentric circles, revolving round a federal core, began to circulate, so started the defensive barrage of the experts; and they have competed with each other in denouncing the technical difficulties that would make it impossible to realise the project. We should answer them that the duty of experts is to resolve problems, not to hide behind them so as to obstruct the decisions of politicians. The proposal of the "federal core" is not an intellectual game, the elaboration

of a theoretical scenario from among many possible outcomes, but a desperately needed political initiative, deriving from the awareness of the historic choice facing Europe and of the immediate danger of collapse that threatens Europe if it is incapable of taking rapidly in hand its own future. And the necessary choices are always also feasible ones. The real problem to resolve is not technical, it is political. Once the political decision has been taken, the experts will set to work not to decide if the creation of a federal core is or is not possible, but to find the ways to achieve it and to make it compatible with the maintenance of the Union.

The federalists must therefore struggle to reinforce as much as possible the political will of governments, where it exists, and to elicit it where it does not exist. They will have to commit themselves in all countries presenting the right conditions to persuading the governments to choose to enter the initial core, accepting the rules without reservations, and in those not presenting the conditions to encourage the others to go forward, in the awareness that only in this way will they be able, in the medium term, to become full members of a great European federation.

Yet to do this effectively they must be aware of the dramatic significance of the 1996 deadline. They must know that on this occasion the outcome of the confrontation between nationalism and federalism will be played out, perhaps irreversibly, and that losing the opportunity could mean leaving Europe prey to disorder and instability, and endangering democratic institutions themselves.

Furthermore, they must be aware of being the interpreters of the will of the European people, a people that is not closed and monolithic as the national peoples are, but open and pluralistic. It is only with their support that it will be possible to make the political will of the governments take root. It is not yet a *Staatsvolk*, as has been pointed out by the Karlsruhe Court, since a European federal state does not yet exist. But it is an entity that is in the process of coming about, and that has been recognised by the governments through the introduction in the Maastricht treaty of the institution of European citizenship. The European people remain apathetic when they are called on to express themselves on confused and insignificant choices and objectives, but they are ready to activate themselves when faced with clear choices on which their destiny will depend, as will be the choice facing the governments in 1996.

The existence of the European people is the basis of the very existence of the federalists as a political group, since without a European people the European federation would be an unachievable objective. Hence it will be our task in the coming months to dedicate all our efforts toward the

mobilisation of the European will of citizens.

The size of the task we face may seem out of proportion to the modesty of the means at our disposal. This apparent inadequacy is however the destiny of all political groups that propose radical changes which involve the replacement of an old legitimacy with a new one. These transformations are prepared in the subsoil, and are almost completely hidden from the light of day. Power retains to the very last its external majesty, supported by vested interests, by the inertia of the bureaucracy, by the servility of culture and by the short-sightedness of the media, and the presence of the bearers of change passes almost unobserved. But when the moment for decisive choices is reached, ones that the old order is no longer able to make, history undergoes a sudden acceleration and the emergence of the new order can not be resisted, so long as someone has previously worked patiently in obscurity to prepare the turning point, pointing to the path to go down in order to achieve the change.

Let us then not undervalue our capacity to influence events. We possess great force. We are the only ones able to elaborate a project based on the profound aspirations of the European people. We will succeed if we are capable of taking our struggle forward with determination, while maintaining our unity and our independence.

Federalism in the History of Thought

ABBE DE SAINT-PIERRE

Charles-Irenée Castel, Abbé de Saint-Pierre, was born in 1658, in the castle of Saint-Pierre Eglise, near Barfleur in Normandy. In 1695 he became a member of the French Academy and in 1712, as a member of the Abbé de Polignac's suite, he was present at the Congress of Utrecht, which gave him the idea of writing the *Project for Settling an Everlasting Peace in Europe*.¹ In 1718 he was expelled from the Academy for having dared, for the first time since its foundation, to protest publicly against the posthumous adoration of the Sun King. He was reinstated only after his death, in 1743, in an address to the Academy by D'Alembert.

In the course of his long life the Abbé de Saint-Pierre worked tirelessly to spread the idea of peace in an age of absolutism, when to refuse to magnify one's own king could cost, as indeed it cost the Abbé, marginalisation and isolation. His perseverance and free spirit brought him more criticism than honour from most of his contemporaries. His *Project for Settling an Everlasting Peace in Europe* was criticised and derided by Rousseau, Voltaire, Leibniz and Herder.² Only Kant, after the outbreak of the French Revolution, continued the work of the Abbé, rationalising it and incorporating it into a universal political project in which the equality of citizens within the State went hand-in-hand with the affirmation of cosmopolitan law.³

The watershed of the French Revolution is evident in the different terminology, as well as in the different content of the two projects for perpetual peace. While Kant addresses princes and citizens, the Abbé addresses princes and subjects. This terminology from the *ancien régime* certainly did not help make the Abbé de Saint-Pierre's work popular. Even today his reputation remains tied to an image of well-meaning, utopian and over-ambitious pacifism, even though historical studies into the origins of the League of Nations and the United Nations make reference to his project, and although the terminology introduced by him concerning the need to establish the European Union is highly relevant

today. Nor was the Abbé any more fortunate in the nineteenth century: pacifists at that time were referred to with a certain condescension as “the disciples of the good Abbé de Saint-Pierre,” and peace was considered to be “the utopia of the Abbé de Saint-Pierre.”⁴ The consolidation of this reputation is not unconnected to the way in which his works were diffused immediately after his death. In fact Rousseau, charged by the Abbé’s followers with the task of editing his works to make them accessible to a wider public, made no secret of his critical attitude to the *Project for Settling an Everlasting Peace in Europe*. This is how he described the task he had recently been given in his *Confessions* (book IX, 1756-1757): “These works contained excellent things, but so badly told that the reading of them was almost insupportable, and it is astonishing that the Abbé de Saint-Pierre, who looked on his readers as schoolboys, should nevertheless have spoken to them as men, by the little care he took to induce them to give him a hearing. ... Besides, not being confined to the function of a translator, I was at liberty sometimes to think for myself; and I had it in my power to give such a form to my work, that many important truths would pass in it under the name of the Abbé de Saint-Pierre, much more safely than under mine.”

What is the value of re-reading the Abbé de Saint-Pierre’s *Project* today? It does not share with the Kantian *Project* the virtues of synthesis and clarity, nor did the Abbé clarify the institutional make-up of a federation of States, though openly criticising the limits of confederations.⁵ However, the Abbé introduced into the history of political thought the idea of overcoming the absolute sovereignty of States (which at the beginning of the eighteenth century coincided with the absolute sovereignty of kings and princes), over half a century before the American and French Revolutions. The problem which the Abbé set himself was not simply theoretical: it was not by chance that he emphasised in his preface how his intention was to propose the means to render perpetual peace and not to propose a disquisition on peace. He was conscious of attracting the criticism of conventional thinkers, who would find his project naive and impracticable. Proof of this is in the note to readers written in 1715, in which he warned: “Changes can be seen every day in Europe. What is more uncertain than the fortune of Sovereigns while they are at war, and what is less solid than their peace treaties, as long as these Princes remain in their present unhappy state of anarchy? The intelligent Reader will find it easy to make such changes as prove necessary and to correct after each event what I myself could have corrected if I had written after all these revolutions.” Thus the Abbé is not to be considered a classical exponent

of the *ancien régime*, but rather as the first man who was tried to propose peace as the supreme objective of politics. It is in this light that his practical plan to convince the holders of absolute power, the kings and princes, to establish a peaceful society, should be read. It is in this sense that his attempt to draw up a Treaty of European Union which provided for the submission of kings, and hence of the States, to a superior law, should be considered no less than revolutionary. But in an epoch dominated by the problem of freeing oneself from absolutism and of affirming the fundamental rights of the individual, such a project could not but arouse perplexity and criticism. And of criticism, as already noted, there was no shortage. Rousseau continued in his *Confessions*: “after a careful examination of his political works, I discerned nothing but superficial notions, and projects that were useful but impracticable, in consequence of the idea from which the author never could depart, that men were guided by their reason rather than by their passions. This extraordinary man, an honour to the age in which he lived and to the human species, and perhaps the only person since mankind has existed whose sole passion was that of reason, nevertheless wandered in all his systems from one error to another, by attempting to make men like himself, instead of taking them as they were, are, and will continue to be. He laboured for imaginary beings, while believing himself employed for the benefit of his contemporaries.” In his *Criticism of the Abbé de Saint-Pierre’s Project of Perpetual Peace*, which is appended to the abridged work, Rousseau directly attacks the feasibility of the *Project*: “In politics therefore, as in morals, let us distinguish between real and apparent interests. The first would be found in perpetual peace; that is demonstrated in the project; the second is to be found in the state of absolute independence which removes sovereigns from the reign of law and submits them to that of chance, like a vain and headstrong pilot who, to show off his empty skill and authority over his sailors, would rather drift among the rocks during a storm, than let his vessel lie at anchor... As to the quarrels between princes, can one hope to compel men to submit to a superior tribunal, who dare to boast that they hold their power by the sword alone, and refer to God Himself only because he is in heaven? A private gentleman with a grievance disdains to carry it before a Court of the Marshals of France, and you want a king to take his before a Diet of Europe? Again there is this difference, that the former is breaking the law and so risking his life twice, while the latter risks only the life of his subjects; and in taking up arms he is availing himself of a right recognised by all the human race, and one for which he claims to be responsible to God alone. We are not to assume with the Abbé

de Saint-Pierre, even given the goodwill that we shall never find, either in the prince or in his ministers, that it would be easy to find a favourable moment to put this scheme into operation; for this would require that the sum of private interests should not outweigh the common interest, and that everyone should believe he sees in the good of all the greatest good which he can hope for himself. Now this requires a concurrence of wisdom in so many heads and a fortuitous concurrence of so many interests, such as chance could hardly be expected to bring about. Yet without such an agreement, there is nothing left but force, and then it is no longer a question of persuading but of compelling, and not of writing books, but of raising troops. Thus, although the project was very wise, the means proposed for its execution betray the artlessness of its author. He fondly imagined that it was enough to assemble a congress, propose his articles to it, have them signed and all would be settled. It must be admitted that, in all his projects, this worthy man saw clearly enough what their effect would be when they were once established, but that he judged like a child the means for establishing them. Let no one say then if his system has not been adopted that it was not a good one; let us say on the contrary that it was too good to be adopted. For the wrongs and abuses by which so many profit come about of themselves, while what is of benefit to the public is scarcely ever brought about except by force, seeing that private interests are almost always opposed to it. Without doubt perpetual peace is an absurd project today; but let another Henri IV and a Sully appear, and perpetual peace will once more be a reasonable project. Or rather, while we admire so fair a scheme, let us console ourselves for the fact that it was not carried into execution, with the reflection that it could only have been done by violent means to be feared by mankind. There is no prospect of federative leagues being established otherwise than by revolutions; and, on this basis, who among us would venture to say whether this European League is more to be desired or feared? It might perhaps do more harm in one blow than it could prevent for centuries." Rousseau's criticisms reflect the analysis which the federalists have developed with regard to the difficulty of uniting States in the absence of a growing context of interdependence. It is only in this kind of context in fact that state interest tends to coincide with the necessity of uniting together. The Abbé understood that it was necessary to institute a new State to channel the passions and weaknesses of sovereigns and men, but the historical conditions were not yet ripe to realise the convergence between the interests and the duty of sovereigns. He also foresaw that this new State would need to have the characteristics of a republic, the

Republic of the European Union. But only with Kant, after the French Revolution, would the consciousness be arrived at that one of the premises for the achievement of perpetual peace is the realisation of a republican constitution in every State. As regards the relationship between ethics and politics, Kant in the appendix to *For Perpetual Peace*, "On the discordance between ethics and politics with regard to perpetual peace," demolishes Rousseau's theory of the practical man, who bases his renunciation of hope for peace on the pretext of foreseeing that man will never want to pursue the aim of perpetual peace rationally, thus rendering homage to the "utopia" of the Abbé.

In the preface to the *Project for Settling an Everlasting Peace in Europe*, which we publish here, the Abbé de Saint-Pierre presents his design, which he then develops meticulously in seven sections divided up into theses, in which he compares the advantages and disadvantages of the project of Union, and refutes the most common objections regarding the impossibility of establishing peace. In the final part he expounds the Articles of the Treaty of European Union. Conceived and written in an epoch in which the evils and misfortunes produced by frequent wars were very tangible, the Abbé's project identifies the maintenance of the absolute sovereignty of sovereigns as the real obstacle in the way of peace. In the first section the Abbé is explicit: the means employed so far to guarantee peace, namely struggles to maintain the balance between the major powers and international treaties, have shown themselves to be completely ineffectual. The balance cannot in fact be preserved for long, and in any case has prohibitive costs, while treaties can easily be disregarded. Because of this, according to the Abbé, it would be easier to maintain a Union than the balance of power. Only through a Union in fact could the development of commerce, and of the sciences and the arts be guaranteed, hunger be eliminated, border revenue increased, military expenditure reduced and the education of the subjects be raised. It was therefore necessary to draw up a Treaty of a different nature to those signed before, a Treaty which proposed to establish not a short period of truce but perpetual European Union, and which provided for the minimum institutions to render both sufficient and permanent the security of all against external dangers (at that time the Moslems) and against the dangers of civil war. To arrive at this it was necessary to convince the sovereigns that it was in their interest, and in that of future generations,

to accept a judge who was superior them, a tribunal. The Union should moreover provide for the creation of a Congress of Deputies or Senators nominated by the kings, which should meet to deliberate in assembly in the City of Peace, a city removed from the sovereignty of all member states of the Union, and protected by its own army. But since the objective of the Union was more ambitious, that of indicating the way to universal peace, the Union signed among a limited nucleus of European sovereigns should remain open to forms of association with other States on its borders (above all with Turkey) and should favour the birth of other Unions, above all in Asia. The Union proposed by the Abbé, as we can see, prefigures in form and substance many of the problems faced today by the European Union which was created by the Treaty of Maastricht signed by the Heads of State and Government of the European Community in December 1991. Certainly many changes and revolutions have taken place in the meantime, as the Abbé had warned. But it is surprising to see how the Abbé, with the eyes of reason, succeeded in perceiving many of the main themes which the recent evolution of the process of European integration has introduced *de facto* into the continent's political debate. Today the absolute power of the king no longer exists, the subjects have become citizens and our States are now all, in substance, republics. But the symbols of the sovereignty of States, currency and national foreign policy, are still holding out. The European Union has taken the place of the European Community, but it is very far from having acquired that capacity to act which would legitimise it in the eyes of the European citizens and of the world. In fact, as the Abbé had warned, only when the Union, the new permanent society of peace, has become a sufficiently powerful actor in the eyes of princes and subjects will it have become irreversible.⁶ At a distance of almost three centuries, after two destructive world wars and with the emergence of new threats to the planet, these problems have become highly relevant not only for Europe, but for all mankind, which is now compelled, as Kant had foreseen, "to do what reason, even without such sad experience, might have suggested."⁷

NOTES

¹ The *Project for Settling Perpetual Peace in Europe* in its original form consists of three parts. The first two were published in Utrecht in 1713, by Antoine Schouten; the third, entitled *Project of a Treaty to Render Perpetual Peace among Christian Sovereigns*, was

published by the same printer in 1717.

² Daniele Archibugi and Franco Voltaggio (eds.), *Filosofi per la pace*, Rome, Editori Riuniti, 1991.

³ Immanuel Kant, *Perpetual Peace*.

⁴ On this subject it is worth reading the biography edited by a Belgian intellectual, close to the international pacifist movement, Maurice Gustave de Molinari, who made reference to the pacifist tradition of Saint-Simon (M.G. de Molinari, *L'Abbé de Saint-Pierre, membre exclu de l'Académie Française, sa vie et ses œuvres*, Paris, Guillaumin et C., 1857).

⁵ See in the first section the chapter entitled *Treaty of Confederation: Absence of Power and of Will*.

⁶ See the response given by the Abbé to objection no. XXIV: *How Can One Hope to Make a Human Construction Irreversible?*

⁷ See the seventh thesis of the *Idea for a Universal History from a Cosmopolitan Viewpoint*.

THE AUTOR'S PREFACE *

Giving a General Idea of the Project.

My Design is to propose Means for settling an Everlasting Peace amongst all the Christian states. Let not any Body ask me, what Capacity I have acquired to handle a Subject of so very high a Nature. 'Tis a Question I can make no Answer to; for tho' for above these three and twenty Years I have done all I could to Instruct my self thoroughly in Matters of political Government; because 'tis my Opinion, that Such chiefly deserve the Attention of a good Citizen; yet, perhaps, I have attain'd none of the Qualities necessary to make a Man serviceable to his Country. But, to judge of the Value of a Work, does the Reader stand in need of any thing besides the Work itself?

About four Years ago, after having finish'd an Essay useful for the interior Commerce of the Kingdom, being both an Eyewitness of the

*From "Project for Settling an Everlasting Peace in Europe", printed in English for J. Wats, London 1714.

extreme Misery to which the People were reduc'd by the heavy Taxes, and also inform'd, by divers particular Relations, of the excessive Contributions, the Forragings, the Destructions, the Violences, the Cruelties, and the Murthers which the unhappy Inhabitants of the Frontiers of Christian States daily suffer; in short, being sensibly touch'd with the Evils which War causes to the Princes of *Europe*, and their Subjects, I took a Resolution to penetrate into the first Sources of this Evil, and to find out by my own Reflections, whether it was so inseparable from the Nature of Sovereignties, and Sovereigns, as to be absolutely without Remedy; I applied myself to examine this Affair, in order to discover whether it was not possible to find out some practicable Means to terminate their future Differences *without war*; and so to render the Peace perpetual among them.

I bestow'd formerly, at different times, some Thoughts upon this Matter, as the most useful that great Genius's could employ themselves upon; but those Thoughts were always without any Success: the Difficulties which arose one from t'other and even from the Nature of Mankind itself, always discouraged me: it is true, I thought of it only in Places, where, though my Mornings were wholly spent in reading or in meditating upon Subjects of this Nature, yet my Mind was a little too much taken off, either by Duties or Amusements; whereas in the Country, being assisted by the Strength which the Mind receives from the calmness and leisure of Solitude, I thought I might, by an obstinate and continued Meditation, exhaust a Subject, which 'till then had not perhaps ever been examin'd with so much Attention, as in self it deserved to be.

I thought it necessary to begin, by making some Reflections upon the Happiness it would be, as well to the Sovereigns of *Europe*, as to private Men, to live in Peace, united by some permanent Society; and upon the Necessity they are at present in to have continual Wars with each other, about the Possession or Division of some Advantages; and finally upon the Means which they have hitherto used, either to avoid entering upon those Wars, or not to sink under them, when once they have entered upon them.

I found that all those Means consisted in making mutual Promises, either in Treaties of Commerce, of Truce, of Peace, wherein Limits of Dominion, and other reciprocal Pretensions are regulated; or else in Treaties of Guarantie, or of League offensive and defensive, to establish, to maintain, or to re-establish the *Equilibrium* of Power between the Principal Houses; a System which hitherto seems to be the highest Degree of Prudence, that the Sovereign of *Europe*, or their Ministers ever carried

their Policy to.

I soon perceived, that so long as they contented themselves with such Methods, they would never have any *sufficient Security* for the Execution of Treaties, nor sufficient Means for terminating equitably, and above all *without War*, their future Differences; and that unless they could find out some better Ways, the Christian Princes must never expect any thing but an almost continual War, which can never be interrupted but by some Treaties of Peace, or rather by Truces, which are the necessary Productions of Equality of Forces, and of the Weariness and Exhaustion of the Combatants, and which in the End must be the total Ruin of the Vanquished. 'Tis these Reflections that are the Subject of the first Discourse. I have reduced them all into two Heads, or two Propositions, which I propose to my self to demonstrate.

1st. *The present Constitution of Europe can never produce any thing else but almost continual Wars, because it can never procure any sufficient Security for the Execution of Treaties.*

2nd. *The Equilibrium of Power between the House of France, and the House of Austria, cannot procure any sufficient Security either against Foreign Wars, or against Civil Wars, and consequently cannot procure any sufficient Security either for the Preservation of Territory, or for the Preservation of Commerce.*

The first Step necessary to the obtaining a Cure for a Disease great, or inveterate, and for which alone nothing but ineffectual Medicines have hitherto been used, is to endeavour, on the one Side, to find out the different Causes of the Disease; and, on the other, the Disproportion of those Medicines with the Disease it self.

I afterwards consider'd, whether Sovereigns might not find some *sufficient Security* for the Execution of mutual Promises, by establishing a perpetual Arbitration; and I find, that if the eighteen Principal Sovereignties of *Europe*, in order to maintain the present Government, to avoid War, and to procure the Advantages of an uninterrupted Commerce between Nation and Nation, would make a Treaty of Union, and a perpetual Congress, much after the Model, either of the seven Sovereignties of *Holland*, the thirteen Sovereignties of the *Swisses*, or the Sovereignties of *Germany*, and form an *European Union*, from what is best in those Unions, and especially in the *Germanic Union*, which consists of above two hundred Sovereignties: I found, I say, that the weakest would

have a *sufficient Security*, that the great Power of the strongest could not hurt them; that every one would exactly keep their reciprocal Promises; that Commerce would never be interrupted, and that all future Differences would be terminated *without War*, by means of Umpires, a Blessing which can never be obtain'd any other Way.

These are the eighteen Principal Christian Sovereignities, which should each of them have a Voice in the general Diet of *Europe*: 1. *France*, 2. *Spain*, 3. *England*, 4. *Holland*, 5. *Portugal*, 6. *Switzerland*, and the Associates, 7. *Florence*, and the Associates, 8. *Genoa*, and the Associates, 9. the Ecclesiastick State, 10. *Venice*, 11. *Savoy*, 12. *Lorraine*, 13. *Denmark*, 14. *Courland* and *Dantzick*, & c., 15. the Emperor and Empire, 16. *Poland*, 17. *Sweden*, 18. *Muscovy*. I set down the Empire only as one Sovereignty, because it is but one Body; *Holland* too is mention'd but for one Sovereignty, because that Republick, tho' it consists of seven Sovereign Republicks, is but one Body; the same of *Switzerland*.

In examining the Government of the Sovereigns of *Germany*, I did not find that there would be more Difficulty in forming the *European Body* now, than formerly there was in forming the *Germanick Body*, in executing *in great* that which has been already executed *in little*; on the contrary, I found that there would be fewer Obstacles, and more Facility, in forming the *European Body*; and what greatly perswaded me that this Project was no Chimera, was the Information I received from one of my Friends, soon after I had shewn him the first Sketch of this Work: he told me that *Henry IV* had form'd a Project, which, in the main, was much the same; and so I found in the Memoires of the Duke of *Sully*, his Prime Minister; and in Monsieur *de Perefices*'s History of his Reign; Nay more, I found that this Project had been even agreed to by a great many Princes, in the Beginning of the last Century: This gave me Occasion from thence to draw some Inferences, to prove that the Thing was far from being impracticable: And this is the Subject of the Second Discourse.

1st. *The same Motives and the same Means that formerly sufficed to form a permanent Society of all the Sovereignities of Germany, are within the Reach and Power of the present Sovereigns, and may suffice to form a permanent Society of all the Christian Sovereignities of Europe.*

2nd. *The Approbation which most of the Sovereigns of Europe gave to the Project for an European Society, which Henry the Great proposed to them, proves that it may be hoped such a Project will be approved of by their Successors.*

These Models of permanent Societies, the Approbation that was given, an hundred Years ago, to the Project of *Henry the Great*, are sufficient to produce two very great Prepossessions in favour of the Possibility of this: I know the Weight of Prepossessions and that they make more Impressions upon the Generality of Minds, than true Arguments, fetch'd from the very Bottom of the Subject, and from necessary Consequences of the first Principles; but I plainly foresee they will never be sufficient entirely to determine Spirits of the first Order; that They will be continually finding out Differences and Inequalities between the *European Society*, which I propose, and the Societies I quote as Models; that *Henry IV*, might after all be deceived in thinking That *possible*, which was in reality *impossible*. Thus I find my self obliged to demonstrate every Thing strictly, and am resolved to use my utmost Endeavours, to trace back those very Motives, which induced the Ancient Sovereigns of *Germany*, and those of the last Century, to desire an unalterable Peace; and shall try to find out Methods, better than theirs, to form a more important Establishment.

As for *sufficient Motives*, I believe that if any one could propose a Treaty which might render the Union solid and unalterable, and so give every one a *sufficient Security* for the Perpetuity of Peace, the Princes would find therein much fewer Inconveniencies, and those much less great, a greater Number of Advantages, and those much more great, than in the present System of War; that a great many Sovereigns especially the least powerful, would begin by Signing it, and afterwards would present it to others to Sign; and that even the most powerful, if they examined it thoroughly, would soon find they could never embrace any Resolution, nor sign any Treaty, near so Advantageous as this would be.

As for *practicable and sufficient Means*, which consist in the Articles of a Treaty of Union, made to be to every one a *sufficient Security* for the Perpetuity of the Peace, I have spared no Pains to invent them, and I believe I have done it.

Now, as on the one side, those who have read the first Sketches of the fourth Discourse agree, that a Treaty which should be composed of such Articles, would form that *sufficient Security*, so sought after by Politicians; and as, on the other side, the signing of those Articles depends solely upon the Will of the Sovereigns, and all those Princes would be so much the more inclined to be *willing* to sign them, and to procure the Execution of them, the more evidently they shall have seen the Greatness of the Advantages they may reap from them: We may conclude, that on their side there will be no Impossibility found in the Execution of the

Project; and that the more they shall be convinc'd of this Security, and these Advantages, the more easily they will be brought to execute it. The whole Project then is contain'd in this single Argument.

If the European Society, which is propos'd, can procure for all the Christian Princes a sufficient Security for the Perpetuity of the Peace, both without and within their Dominions, there is none of them that will not find it more advantageous to sign the Treaty for the Establishment of that Society, than not to sign it.

Now the European Society, which is propos'd, can procure, for all the Christian Princes, a sufficient Security for Perpetuity of the Peace both within and without their Dominions.

Therefore there will be none of them but what will find it much more advantageous to sign the Treaty for the Establishment of the Society, than not to sign it.

The Major or the first Proposition, contains *the Motives*, and the Proof of it may be found in the third Discourse after the Preliminary Discourses, which I thought necessary, in order to dispose the Mind of the Reader to conceive the Force of the Demonstration. The Minor, or the second Proposition, contains the Means; the Proof of it may be found in the fourth Discourse. As for the last Proposition, of the Conclusion, that is the End that I propos'd to my self in this Work.

As this Project may begin to be known in the Courts of *Europe*, either in the middle, or towards the end of a War, or in the Conferences, or after the Conclusion of a Peace, or even in the midst of a profound Peace, it was necessary to shew compendiously in the fifth Discourse, that upon any of those Occasions it would produce both a great Facility in concluding the Peace, and a great Desire to render it perpetual, if it was concluded.

Having observ'd that several were of Opinion, that even though the Sovereigns of *Europe* should one by one have sign'd the Treaty of Union, yet there would, in all appearance, remain some Difficulties, almost insurmountable, in the Formation of the Congress, and in *the Means* how to begin and maintain such an Establishment: I was oblig'd, in order to remove this Doubt, to propose, in the sixth Discourse, several Articles, to which the Sovereigns *may agree*: Not that I thought there could be none propos'd more useful, for the rendering the Establishment more solid in it self, and more convenient for each Member. All I pretend to prove is, that those feign'd Difficulties, which Men may form to themselves, with respect to the Execution of the Establishment, are very far from being insurmountable, since even the Articles, that I propose are *sufficient* for that execution, and that nothing hinders the Sovereigns from agreeing to

them.

Such is the Analysis, such the Order I have follow'd in this Work; this is the Fruit I have gather'd from my Meditations for above four Years; this is the Use I have made of the judicious Criticisms of my Friends; and now, if ever any Body propos'd a Subject worthy to be attentively examin'd by the most excellent Wits, and especially by the wisest Ministers and the best Princes, it may be said, that this is it; since it treats of no less than of the Means how to procure to all the Sovereigns and Nations of *Europe*, the greatest Felicity that a new Establishment can possibly ever procure them.

It is easie to comprehend, that the more Methods this Project shall carry in it, for rendring the Peace of *Europe* unalterable, the more it may contribute to facilitate the Conclusion of that which is now treating at Utrecht: For the Allies of the House of *Austria* desire Peace as much as we do; but they do not care for it, without *sufficient Security* for its Duration. And indeed, if we were to examin the Interest of those Allies in the present War, we should find, that it all turns upon two principal Heads: The first is a *sufficient Security* for the Preservation of their Dominions against the great Power of the House of *France*, which may, in time, find specious Pretences and favourable Opportunities to make Conquests upon them, and to introduce into their Country a Religion and Government for which they have a very great Aversion. The other Head is, a *sufficient Security* for Liberty of Commerce; whether that of *America*, or that of the *Mediterranean*; in those two Commerces consists above half the Revenue of *England* and *Holland*.

But what *sufficient Securities* can be found for the Weakest against the Strongest? There are but two Systems for this; the first is, if it can be done, *sufficiently* to weaken the Strongest; which is either impossible, or ruinous; though it is that which the Allies follow in the present War, to arrive at their Chimerical *Equilibrium*. The second is, *sufficiently* to fortifie the Weaker, and to give him a Force sufficiently superior, without depriving the Stronger of any of his Force; which is what I propose to do by a Treaty of Society, that might give to the Weaker a new Augmentation of very strong Allies, and who would be so much the Stronger, as they would be much more closely united; not to deprive the Stronger of any thing he possesses, but to take from him the Power of ever disturbing the others, either in their Possessions at home, or in their Commerce abroad.

In my second Draught I took in all the Kingdom of the World; but my Friends observ'd to me, that even though in following Ages most of the Sovereigns of *Asia* and *Africa* might desire to be receiv'd into the Union,

yet this Prospect would seem so remote and so full of Difficulties, that it would cast an Air of Impossibility upon the whole Project, which would disgust all the Readers, and make some believe, that tho' it were even restrain'd only to the Christian part of *Europe*, the Execution of it would be still impossible; therefore I subscribed to their Opinion, and that the more willingly, considering, that the Union of *Europe* would suffice to preserve *Europe* always in Peace; and that it would be powerful enough to maintain its Frontiers and Commerce, in spite of those who should endeavour to disturb it. The General Council it might establish in the *Indies*, would soon become the Arbiter of the Sovereigns of that Cuntry, and, by its Authority, hinder them from taking up Arms; the Credit of the Union would be much the greater amongst them, as they would be assur'd, that it only desired Securities for its Commerce; that that Commerce cannot but be very advantageous to them; that it does not aim at any Conquests; and that it will never look upon any as Enemies, but those who were Enemies to Peace.

If the Reader is willing to form a sound Judgment of the Work, it is, in my Opinion, necessary that he should make a stop at the end of every Discourse, and ask himself what Effect the Proofs I bring have upon him. If he thinks them sufficient, he may go on; but if he does not think them so, That may proceed, either from his still meeting with Difficulties, or from his not having read some Passages with Attention enough; and nothing is more common, even with the most thoughtful Readers, than sometimes to want Attention. In the first Case he need only make a Note of his Doubts, and observe, whether they be not sufficiently clear'd up in the following part of the Work. In the second Case, the only Remedy is, to read over again the Passages he did not well understand; otherwise he would act like a Judge, that should report and make a Judgment after a superficial Reading, and without having given sufficient Attention to the principal Evidences of the Cause. I have endeavour'd to make a Concatenation between the Thoughts, that the Mind might the more easily comprehend them. Now those who are no attentive enough to perceive this Concatenation, can never be sensible of the Force of particular Arguments, and much less of the Force of a Demonstration, which results from the Assemblage of those Arguments.

I own the Title gives a Prejudice to the Work; but as I am persuaded, that it is not impossible to find out Means sufficient and practicable to settle an Everlasting Peace among Christians; and even believe, that the Means which I have thought of are of that Nature; I imagin'd, that if I myself first seem'd to be uncertain, as to the Solidity of those Means, and

doubtful of the Possibility of executing them, the Readers, tho' never so well dispos'd in favour of the System, might really doubt of it too, and that their real Doubtfulness might, perhaps, go further than my affected Doubtfulness. It is not with things, in which the Design is to persuade Men to Action, as it is with things of pure Speculation; the Pilot who himself seems uncertain of the Success of his Voyage, is not likely to persuade the Passenger to embark; the Undertaker who himself seems to doubt of the Solidity of an important Work which he proposed to undertake, is not at all likely to persuade others to join in the Enterprize. Therefore I chose rather to venture being thought ridiculous in assuming an affirmative Stile, and promising in the Title all that I hope to make good in the Body of the Work, than to run the risque, by a false Air of Modesty and Uncertainty, of doing the least wrong to the Public, by making Men of Sense look upon this Project as whimsical and impossible to be put in execution, when I, myself, form'd it, in full Expectation to see it one Day executed.

(Prefaced and edited by Franco Spoltore)

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