THE FEDERALIST

a political review

To look for a continuation of harmony between a number of independent unconnected sovereignties situated in the same neighbourhood, would be to disregard the uniform course of human events and to set at defiance the accumulated experience of ages.

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The Federalist was founded in 1959 by Mario Albertini together with 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 Significance of the Battle for a European Federal State

Every profound transformation in the needs of society, if it is to drive the progress of civilisation, must be met by an effective political and cultural response. When such a response is lacking, there emerge contradictions and crises, often dramatic, that will go on recurring until it can be found.

Globalisation seems to be one such transformation. Mankind, in the face of an unprecedented level of interdependence, is struggling to identify and establish the instruments through which to govern the processes this interdependence has triggered. And the reason for this is that while the political culture that is today's theoretical point of reference is able to describe the limitations and inadequacies of the current power order, set within the framework of the nation-states, it is incapable of pinpointing their root causes and thus of offering alternatives.

In actual fact, many observers can see that the fundamental challenge of our times is related to the possibility of transferring decision-making processes to international level. But, because reason is trapped by the limits of internationalism, it continues to be unable to grasp the concept of a state whose sphere extends beyond national boundaries, and thus to *envisage* the creation of a global government as a real future prospect: this is why the responses are always inadequate. Hence, the crisis of the state and of democracy is approached either by trying to free politics from the state framework, or by hypothesising an alternative way of organising international relations that instead of trying to rid politics of the national dimension, tries to compensate for its inadequacies.

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These two approaches are present — albeit in an ambiguous and confused way — both in conservative and in progressive camps. For example, the strongly pro-economy character of so-called neoliberal thought induces neoliberalism to embrace a vision in which, in abstract

terms, the overcoming of the state is seen as a victory for mankind. Underpinning this vision is a belief in a self-regulating free market that, through a free coming together of the forces that measure success in terms of economic competitiveness, eliminates the need for a structured, political decision-making process. In this context, civil society, in part through the methods of self-organisation it manages to implement, undermines political society completely, while citizenship becomes a requisite for the enjoyment of rights and civil liberties, and no longer a political bond with territorially defined institutions (which instead implies strictly *political* rights, correlated with specific *duties*). In the more conservative version of this so-called *post-modern* vision, the drastic relegation of politics to the narrow role of guarantor of non-intervention in free market processes is classed as a success, while in the more progressive version, it is presented as an indisputable fact. This vision is shared by both neocons and "new democrats."

The United States is where this vision was born and nurtured. Ever since the Reagan era, the USA has pursued a model based on the idea that a gradual reduction of state intervention in the economy and a drastic reduction of the role played by the welfare state would stimulate an increase in collective wealth. These choices have been reflected in a substantial dismantling of the country's welfare system and a growing trend towards deregulation. The collapse of the Soviet Union, giving rise to the idea that the free market model had overcome its historical enemy (i.e., the ideology of economic planning and public ownership of the means of production), together with America's new position as the sole superpower in a suddenly reunited world, induced the USA to impose its model wherever it possibly could, reaping enormous benefits in the process. However, the illusion (cultivated by the Clinton administration) that this type of policy could go hand in hand with a greater level of social justice was quickly dispelled. At the same time, many countries, reduced to ruin by the contradictions generated by implementation of the Washington Consensus, found themselves paying heavily for this situation. Indeed, while on the one hand this approach galvanised the economy, allowing it, as a whole, to record unprecedented growth rates, on the other it led to a distribution of wealth that has dramatically increased the gap between rich and poor. Gradually, it became apparent that the "success" of this model was actually very flimsy, and by the start of the new century, its limits, together with its risks and uncertainties, were beginning to manifest themselves. The alarming financial and economic crisis we are currently going through, from which it is difficult to see a way out, is a

direct result of it. Consequently, the proposition that there is no longer a role for politics and the state, an idea that until just a few months ago appealed to both right and left, has now begun to lose favour; however, this loss of support has yet to prompt a deep reflection on what the alternatives may be.

* * *

If birthplace of this cultural and political model was the USA, then its prototype was Europe, or rather the European Union, an organisation that embodies the prevalence of the market over politics and in which the idea of overcoming the old concept of state took shape. The decision, in the mid-1950s, to launch economic integration *before* political unification, which meant moving gradually towards a single market without having first created the supranational political institutions necessary to govern it, has in some ways shaped Europe's destiny. Added to this, the fact that the phase in which the single market came into being coincided with the collapse of the Soviet bloc and all that was associated with that — including the affirmation of the new laissez-faire political creed — presented the opponents of the political unification project with the perfect opportunity to remove it as an option. It is easy to piece together what happened: Europe's enlargement, accomplished in the absence of a deepening of the European institutions (even though the single currency raised, as an urgent question, the need to create a European state to guarantee effective government of the competence that many of the member states were relinquishing), was the lever that the British in particular were able to exploit in order to bring about a radical change of the whole Community structure. Until that time, Europe's choices and partial advances in the institutional sphere had always been guided by the ultimate prospect of a federal outcome, but as the European Union became watered down into a body of heterogeneous members (heterogeneous particularly in terms of what they expected to get from their participation in the European project), this prospect disappeared. Today, most EU countries *do not want* to go as far as the creation of a federation. Once an isolated resistor of the unification project (a project that the founding member states of the European community, with all their limitations, nevertheless deemed inevitable), Great Britain can now simply go with the flow, given that the prevailing trend is towards a weakening of Europe's political cohesion. The *substantial* strengthening of the intergovernmental method seen since the end of the 1990s (even though, formally at least, some of the reforms contained in the post-

Maastricht Treaties were meant to increase the powers of the European institutions) has been, at once, both the inevitable consequence of poorly managed enlargement and the indispensable means of overcoming the inadequacy of the EU's muddled decision-making mechanisms.

Great Britain's victory has been made even easier by the fact that, for the Europeans, the time has come to make the definitive leap and form a European federal state. Now that the single market is complete and the single currency has been created, there are no more intermediate steps that can be taken while avoiding the question of the transfer of sovereignty. The inertia of organised power at national level is currently the real obstacle to completion of the process of European unification, and opponents of this process are easily able to impose choices that perpetuate this inertia. The EU has thus ceased to see itself as a stage in the process of the political unification of Europe and has instead begun to regard itself as the absolute epitome of post-modern organisation of international relations between closely integrated and interdependent countries, believing that it stands before the world as a model of how cooperation between states wanting to create a single market should be organised and institutionalised: by transferring the necessary competences to common bodies, yet without letting go of sovereignty. Indeed, sovereignty — i.e., the power to decide in the last instance — albeit now emptied of much of its substance, remains in the hands of the nation-states, as indeed do the democratic decision-making mechanisms (i.e., the mechanisms that produce decisions legitimated by the consensus and direct participation of the citizens). In this way, the model does not make provision for a true single economic policy (which would imply transfer of competence for fiscal policy) or for a single foreign and security policy, all these being areas in which it is impossible to transfer competence without also transferring sovereignty. Post-modern ideology celebrates the end of Europe's post-Westphalian system of nation-states and hails the start of a new era in which the impossibility of war (deriving from the reciprocal bonds of interdependence) does away with the need for *hard power* and exalts the role of so-called *soft power*.

All this is nothing other than the application, albeit highly simplistic, of the liberal internationalist idea that enlargement of the market, and the states' sharing of this objective, pacifies international relations. From this perspective, peace is merely the consequence of the economic interdependence and increasingly close commercial relations between liberal states, which implies that the only conditions necessary for its affirmation are the states' sharing of liberal-democratic standards and the removal of

barriers to the free movement of goods, capital and persons. The states retain their sovereignty in the areas for which they have political competence, while international relations are based on the collaboration that, in this framework, derives from the natural convergence of interests.

Thus, on the one hand, the European Union has lent weight to the theory that the radical reduction of a state's powers — it must be remembered that the state, in the liberal view, has always represented, above all, the power that has to be contained in the name of the freedom of civil society and of the individuals of which it is comprised —, even to the point at which the state loses some of its classic characteristics (in particular relating to its relationship with the territory and its exercising of sovereignty), is a good thing for development and "progress." From this perspective, the fact that this throws into crisis the very concept of democracy, given that the states, stripped of many of their effective powers of government, become "dust without substance" (to quote Luigi Einaudi, a classic liberal) and lose the capacity to fulfil the expectations of their own citizens, is seen not as a problem, but only a by-product — probably absorbable eventually — of a new and freer reality.

On the other hand, since, in this overturning of the classical categories of modern politics, *demos* seems to be the only concept destined to remain eternally bound to that of nation, both moreover being emptied of all meaning, the European Union becomes the demonstration that it is pointless, as well as impossible, to overcome the national framework of politics, given that mankind's division into nation-states is unavoidable (precisely because it is considered "natural"). In this way, the EU, claiming to prefigure the organisation of the new international order, shows the world how it is possible to achieve cooperation between states pacified by economic interdependence, and also to harmonise the interests, inevitably different and often opposing, that each country expresses (in fact, the existence of these different interests, in itself, undermines the idea that their convergence is "natural").

In truth, the European Union's weaknesses and frailties, which no amount of rhetoric can hide, are indicative of the contradictions inherent in this theory, which lacks the instruments to respond effectively to the problem of how to revitalise democracy and how to extend it internationally. They show that what really drives this vision is not the need to *understand* reality (a prerequisite for finding adequate solutions to the problems it raises), but rather the need to *justify* it. It is not, therefore, an expression of thought, only the expression of an ideology, a reflection of the will to preserve the status quo as regards current relations of force in

the world and the crisis of the European nation-state in the globalisation era.

* * *

If neoliberalism is an ideology that merely reflects the mechanisms of globalisation, without offering useful keys for understanding and tackling it, it is in some ways paradoxical that many of the movements that, in recent years, have sought to oppose the contradictions generated by the globalisation phenomenon actually employ categories of thought very similar to those of neoliberalism. Despite the wide variety of positions that can be found in the cosmopolitanism of the so-called *no-global* movement, these positions all seem to reflect a common theme: the rebellion of civil society, which sees itself as the only genuine expression of democracy vis-à-vis a political power accused of complicity with the interests that profit from the globalisation of the markets. This "rebellion" is waged in the name of an anti-coercive vision of politics, ultimately in the liberal mould, in which democracy is interpreted as a civic culture of associationalism, participation and mobilisation, rather than as a state's political decision-making process. Taking this stance to its extreme, civil society, being the legitimate sphere of participation and freedom, can be seen as the alternative to organised (particularly state) power.

So, once again, we encounter a *post-state* vision of politics (in this case, of democracy) where the solutions that are advanced for a new, more balanced and more just international order demand not a renewal and strengthening of politics, but rather an affirmation of the culture of rights, primarily an affirmation of the priority of natural, individual rights. From this perspective, politics is seen as an arbitrary exercising of power which, as such, must be checked by and submitted to the application of moral and legal principles, while justice constitutes the proper sphere for the affirmation of these rights. In this context, then, the natural arbiters are the courts, not the governments or parliaments (unless, as often happens with the European Parliament, they are regarded not as state institutions, but as assemblies there to defend the rights of the citizens *against* the state powers). Cosmopolitan civil rights, indeed, refer to the legal sphere; they affect politics only inasmuch as they establish the limits of politics and the boundaries where state jurisdiction ends, so that individuals are guaranteed their freedom. In this way, since all the states transform individual rights into positive legal provisions, it becomes possible, by appealing to justice, to demand that these rights be respected even outside the state of which one is a citizen.

This vision is also applied to social policy, a sphere in which, once again, what is demanded is recognition of, and thus respect for, *rights*. In this case, too, the attitude towards the political power is antagonistic and the demand, with its universal and abstract character, fails to take into account the context in which the government operates in practice. Given that they believe that politics has the resources necessary to come up with (should it want to) adequate responses, and that its problem, rather, is that it uses wrongly the instruments it possesses, and acts arbitrarily and unjustly, the aim of those who support this vision is not to work out how politics can be strengthened and enabled to tackle the problems that afflict society, but rather to force politics to respect the rights of everyone.

Thus, this great opposition movement, which has widespread support in public opinion, and which tends to set itself up as the main opponent of the current power framework, is in actual fact trapped by the same old categories that sustain the existing system. And even though this is not usually spelled out, the condition underpinning the alternative international order it envisages is, once again, the maintenance of the current division of the world into nation-states, given that it is held that the only thing needing to be changed is the organisation of the reciprocal relations between them. Indeed, it is still the states, albeit conceived of as institutions with extremely limited powers, both internally and externally, that *govern*; moreover, even within this vision, "the people" exists, as such, only within the confines of the nation-state, which, for this reason, remains the only subject that can legitimately make *political* decisions.

Thus, it is believed that the problems of global proportions that exist at world level and affect the whole of the earth's population should be solved through recourse to specific *policies*; in other words, not through the creation of a political power equal to the scale of the problems, but through forms of *governance*. People (not *citizens*) and populations (not *peoples*) should associate with one another and organise their efforts on the basis of the global problems they share (which may, for example, be linked to the environment, to the phenomenon of emigration, to the exploitation of natural resources), and to get answers it is not to governments that they should turn, applying forms of direct pressure, but rather to international institutions that, as *super partes* bodies, can assert their rights.

In accordance with this vision, then, the answer to the contradictions generated by the current international power order lies in reform of the international organisations (in order to bolster the framework of cooperation between the states, mainly through the introduction of forms of

popular participation and consultation) and in the creation of international courts with the capacity to control the actions of the states. In this way, however, the states would be operating not in the ambit of a balance of powers defined by the fundamental law of a political community upheld by popular sovereignty, but rather in a self-referential framework whose legitimacy is linked to the idea of the abstract existence of universal laws that the courts themselves must incarnate and interpret. This, together with the idea that rights would be guaranteed simply by the spontaneous organisation of a civil society that regards power as extraneous and hostile (rather than by the creation of a democratic decision-making mechanism capable of establishing laws to govern the life of the global community, which would presuppose the existence of global state institutions), makes this kind of approach extremely dangerous for the future of democracy. Indeed, it would create the conditions for a further dwindling of the already poor level of participation in democratic political life in the existing states and for the emergence of oligarchies (political, economic or even springing from the spontaneous associationalism of civil society or from the judicial power), which, being self-legitimising and subject to no democratic control, would exercise enormous, and ultimately arbitrary, power.

This danger is now highlighted also by those — their view is a minority one in the global political scenario, but it is important because it raises the question of the need to create supranational institutions capable of submitting global processes to democratic control — who want to see the political sphere adapted to the scale of today's economic processes, and thus view the situation not from a liberal perspective (the desire to contain power), but from a democratic one (the desire to extend the mechanisms of political participation).

* * *

Democracy is a system of rules and procedures which ensures that those required to obey laws are included, directly or indirectly, in the decision-making process that produces them. But nowadays, the term also implicitly acknowledges the crucial role of public action and public criticism in the formation of political will and political decisions (that which Habermas calls deliberative democracy). The first of these characteristics — irrespective of the scope for improvement of the mechanisms that bring together those who govern and those who are governed — constitutes the very essence of democracy, the cornerstone of the principle of popular sovereignty; indeed, to envisage political systems

devoid of it is to step outside the realm of democracy. But the second characteristic, too, is crucial to the proper functioning of democratic institutions, because the formation of an advanced civil consciousness and the spread of the liberal-democratic culture allow the citizens to make conscious political choices and to monitor the organs of government, and thus give substance to democracy as an institution and to democratic procedures. The growing inefficacy of this process of public formation is, indeed, one of the most serious reasons for the current crisis of our democracies, and the main cause of this involution is surely the states' loss of crucial powers (due to global processes), which has left the concept of public sovereignty hollow and meaningless. This is why it is essential to succeed in raising democratic public life to an adequate level once again, which ultimately can only mean to a global level.

This, then, is the point on which it emerges clearly that democratic thought, struggling to find concrete solutions to the problem of the need to extend the sphere of democracy, is in difficulty. Expressions of popular sovereignty are, indeed, possible only within the state framework, but democratic thought lacks the instruments to conceive of extending the sphere of the state to world level. First of all, democratic tradition is not equipped to envisage the concrete functioning of a state too vast to be managed through a simple arrangement of citizens (electors) at ground level and representative institutions, legitimised by the popular vote, at government level. Federalism is, in reality, the only system in which extending the sphere of the state becomes conceivable; in fact, the co-existence of *many* levels of government, independent and coordinated, makes a large-scale state structure possible. But federalism as an institutional model, albeit already characterising the internal organisation of several states that have had to reckon with a heterogeneous social fabric and reconcile differences that, in the course of history, have arisen between the territories they embrace, is not yet readily accepted as the solution through which a number of states can be united in a single state. If we exclude the example of the USA (on the grounds that its case is unique and thus not generalisable), then it is true to say that history has never witnessed a unification of established states that have voluntarily chosen to merge into a single state entity. Furthermore, in history, the concept of people has yet to be divorced from that of nation. However ambiguous or varied the meanings given to the term nation — the way it is interpreted in the English-speaking world is quite different from how it is understood in Continental Europe —, it nevertheless always indicates a collective identity stemming from a sense of common membership of

a community, the latter thus definable precisely because it has borders (an inside and an outside), and because it can be defined by its contraposition, however "peaceful", to "other" state communities.

It is now a widely held view that the nation is an artificial concept which became affirmed after it was exploited, during the French Revolution, as a means of justifying the transfer of sovereignty from the monarchy to the people, and of conferring an identity on this new political entity which was making its first appearance on the historical stage. The different meanings it has since assumed are linked to the states' different histories. The concept of nation has, indeed, proved to be a strongly unifying force in continental countries which, for geo-political reasons, have tended towards a marked centralisation of the state, whereas it has given rise to a more open system in areas whose objective situation did not necessitate the development of a centralised state. But the fact remains that, everywhere, the nation denotes (and has denoted) a community of destiny that commands the first loyalty of its members; furthermore, it is practically universally acknowledged that it is this identification with the nation that makes social solidarity possible and explains the sense of duty citizens feel towards their country, for which they are even prepared to make personal sacrifices. Eliminating the link between the terms people and nation — whereby a people is a people in proportion to the existence of *other* peoples —, like cancelling out particular identities within the concepts of global citizenship and world people, would effectively empty both terms of all meaning. Sovereignty would lose its defining requisite (essentially, what defines sovereignty is the acknowledgement it receives from the other states present in the international setting). In the absence of external borders, and thus of particular characteristics, the concepts of people and sovereignty would no longer mean anything at all.

Now that, because of the global processes in progress, the idea of nation appears too closed and restricting in relation to the heterogeneous reality of modern society, the view that the concepts of people and sovereignty cannot exist at global level should be unmasked and decried as an attempt to present as an inescapable fact what is really just a descriptive analysis of current reality. And yet no democratic theory, not even the most advanced, manages to interpret people and sovereignty as universal concepts. One might think, for example, of Habermas's theory of *constitutional patriotism*: this is an idea that makes it possible to conceive of a new form of collective identity that, no longer linked to ethnic values, cultural values (in the sense of traditions), or to any values

that might somehow be deemed closed, finds that its meaning is instead based on adherence to the universal political principles enshrined in the constitution of the country of which one is a citizen. A sort of open identity, then, appropriate for a rapidly evolving multiethnic society, and above all founded on a sharing of universal principles.

Yet even Habermas himself does not accept that this kind of identity can have a universal character. Even though his efforts to conceive of something new are imbued with the idea, and the hope, that this mentality and this new way of relating to one's own political community might spread to all countries, thereby creating an area of common political awareness that would make cooperative and peaceful international coexistence possible, there persists the preconceived idea that state communities should nevertheless continue to be multiple — even though a state community of continental dimensions could be formed in some cases where the current state framework is clearly inadequate (Europe for example), — and also the view that a global state is quite inconceivable. This is because, in order to create a global state, mankind would have to be perceived as an absolutely moral entity, whose action, without the stimulus of external competition, is driven solely by rational and ethical considerations. And this is seen as going against common sense; after all, our historical experience shows us that even social solidarity cannot develop and endure without a sense of common membership of a community potentially under threat.

Leaving aside his philosophical arguments, which find no support in Kant — Kant, when he envisages a new dawn of history coinciding the creation of a world federation, is not saying that this new historical era will change human nature, only that it will create the conditions for eliminating violence from human relations and will thus free mankind to do good —, Habermas seems to remain basically trapped by the traditional idea of the people as an entity that is defined by its contraposition to those who do not belong to the same community. This, however, is only the historical root of the concept of people, in part linked to the events of the French Revolution and the history of the European system of states. Intrinsically, the idea of people has always had a universal value, and for this reason it will not be able to reveal all its characteristics and potential until it reaches global dimensions. And here, once again, it is the categories of federalism that make it possible to envisage an evolution of the idea from national to world level, through the formula of the federal people. And applying this formula means building a sense of identity on a number of levels and in a concrete way, starting with the creation of

institutionalised bonds between the citizens and their local area, where collective responsibility for managing social and political life can be exercised tangibly and the most immediate forms of social solidarity allowed to develop. Furthermore, the unity in diversity guaranteed by the federal institutional structure, made up of several levels of government, fosters an open sense of identity, which sits perfectly with membership (based on a sharing of principles and values that the institutional architecture has rendered solid) of progressively larger ambits, and ultimately of the global community.

Without the principles of federalism, a global state is impossible to imagine, yet without the prospect of the unification of mankind through the institution of a federal state, even the intermediate steps become impossible to identify, with the result that only unsatisfactory and contradictory solutions are advanced. Therefore, those who, in the ambit of democratic cosmopolitanism, suggest that the process of democratisation of international relations should culminate in a form of global citizenship and in a supranational power that controls the states only end up formulating an anti-democratic institutional architecture, very similar to that of the League of Nations, which results in an arbitrary power incapable of applying the key principles that allow a bringing together of those who govern and those who are governed — principles that can be realised only within a sovereign state (i.e., one founded on popular sovereignty). Even Habermas finds himself forced to consider the evolution of international relations in terms of a "constitutionalisation" of international law, hypothesising that the states might find forms of structured cooperation that somehow eliminate the division between domestic and foreign politics. Except that he then has to admit that although the successful creation of an organisation of the international system in which all the states respected common rules of behaviour would allow the safeguarding of individual rights, for which coercive actions can be all that is needed, it would not make it possible to conduct politics (i.e., to tackle problems linked to the environment, to energy resources, and so on), hence, the fundamental issues would still have to be debated between the powers.

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Without the categories of federalism and the model of the federal state it is thus impossible to imagine extending the sphere of the state, and thus of democracy, to the global level at which human relations are now conducted. The fact that, today, these categories are largely ignored

constitutes an obstacle in the path of social and civil progress. But it is crucial to underline that their scant recognition is due to the fact that they are not yet historically established: nowhere in the world has a federal state ever been born of the voluntary union of a number of nation-states. This objective was the starting point for the process of European integration, which was meant to show the world that such a union was possible, and the fact that the Europeans have so far avoided realising it seems to demonstrate its impossibility, or futility. At this point, only a new and tangible development, like the creation of European federal state, can refute this point of view. At the same time, it is only by gaining a real understanding of the historical value of this enterprise that the Europeans will acquire the capacity to undertake it.

It is an enormous responsibility, which so far the Europeans have refused to shoulder. But the fact is that the progress of civilisation in the current historical era depends on the capacity of our continent to find a real solution to the problem of extending the sphere of democracy to supranational level, given that Europe is the only place where there exist the necessary conditions. This, ultimately, is the significance, today, of the battle for a European federal state.

0vercoming the Intergovernmental Conference Method in the Reform of the Treaties: What Further Steps Towards a Constituent Phase are Possible? *

SALVATORE ALOISIO

1. *What remains of this latest stage in the process of European unification*

Even though it is not completely over, the phase in the process of European integration that began with the Laeken Declaration of 2001 is now near enough completion to be ripe for an overall evaluation.

Regardless of the eventual outcome of the Treaty of Lisbon, signed on 13 December 2007, it is now time to start thinking about "what comes next." After all, we know from experience that just as one intergovernmental agreement is being signed, thoughts are already turning to the next reform.[1]

Leaving aside the important recommendations made by the Convention,[2] which were progressively watered down by the governments into the decisions on which the Treaty of Lisbon was ultimately based, the really novel aspect of this attempt to reform the European Union lies in the fact that it stemmed from a realisation of the limits of the intergovernmental conference (IGC) method, and used the Convention in a clumsy attempt to overcome them. The Convention can, in fact, be seen as an expedient to confer democratic transparency and decision-making capacity on the IGC method. Yet, in the end, the "Laeken model" not only retained the old IGC method in the decision-making stage, but also exposed all the limitations of the Convention, which derive from its lack of democratic legitimacy:[3] the Convention failed to engage public opinion in a real debate, opted for a decision-making method (consenus) typical of diplomatic negotiations rather than insisting on a parliamentary-style mode of operation, and allowed the representatives of heads of state and government to dominate the proceedings.[4]

Nevertheless, it has to be acknowledged that the decision to entrust the first stage in the process of reviewing the Treaties to a body like the Convention, quite apart from being perhaps the most that was possible without modifying the existing Treaties, constituted an important element of innovation in the method of reforming the EU's founding Treaties, perhaps the most important that, after scrutiny of this latest stage in the process of unification (now drawing to a close), can be seen to remain.

It is thus this "half-step forwards" (whose effects have since been reduced by a series of small retreats) that we need to take as our starting point for analysing, in particular from the perspective of their procedural mechanisms and legal sustainability, the possible future evolutions of the process of unification. The question of the political will needed to support the project falls outside the scope of this analysis; it is a pre-legal requirement that must be assumed to be present. On the other hand, legal sustainability of the project itself, while not absolutely essential in the face of an overwhelming "revolutionary" political will, can at least facilitate its affirmation by countering some of the arguments that are mounted against it. As the great federalist jurist Piero Calamandrei put it, seeing that a thing is possible makes it easier to choose to do it, given that *being able to* facilitates *wanting to*, more than the other way round.[5]

2. *Thinking about what comes next.*

Since the need to strengthen Europe's political unity is a topic likely to come to the fore in the coming years — it is certainly to be hoped that it will —, now is probably not too soon to start reflecting upon the legal feasibility of the different hypotheses that, taking into account the political framework in which they will be set, might be advanced.

However, we need to start with a few preliminary considerations.

First of all — this is a prevalently political affirmation —, it is now an accepted fact[6] that deeper political integration of the EU cannot be achieved through Treaty reform by 27 member states.

Here is not the place to examine the possibility of using enhanced cooperations (as provided for either by the Nice Treaty or by the subsequent draft treaties[7]) as a means of pursuing deeper integration,

* This paper is a reproduction (updated, slightly extended and briefly annotated) of the oral presentation given on October 12, 2007, in Forlì, at the meeting "L'attualità del pensiero di Altiero Spinelli nel centenario della nascita" ("Altiero Spinelli: the topicality of his thought a hundred years after his birth") .

given that the considerations I set forth in this paper refer to a unification scenario so advanced that an overcoming of the Treaties in force, of the Lisbon Treaty (currently in the process of being ratified), and even of the now historical Treaty establishing a Constitution for Europe, has to be taken as read. Nevertheless, it seems undeniable that enhanced cooperations could — within the current framework of the Treaties — serve as an important instrument for advancing the process of European unification. At the same, however, we cannot ignore their limitations, which concern their very feasibility, the risk of the process of integration becoming fragmented into a number of different cooperation agreements each entered into by different sets of countries (the so-called Europe à la carte), and their real capacity to allow the exercising of genuine supranational power, overcoming the Community method.[8]

While, on the one hand, the difficulty of promoting political integration in the 27-member EU is widely acknowledged, on the other, it has to be appreciated that the EU is now such a well-established reality that it is practically unthinkable that a hypothetical core group of states set on pursuing unification might actually be willing to "go it alone", unilaterally excluding the other members of the EU that do not share their intention; equally, it seems highly unlikely that a hypothetical minority of states unwilling to contribute to a deepening of the European unification process would ever resign themselves to withdrawing from the European Union.

In outlining possible ways of restarting the process of European integration, it is therefore necessary to try and marry two elements, in some ways antithetical to each other:

a) the possibility (likelihood) that only some of the member states would be willing to pursue political integration;

b) the need to preserve the bond, deriving from the current Treaties (or, rather, from the Treaty currently being ratified), that exists between the states that intend to go ahead with deeper integration and those that do not.

Another preliminary consideration concerns the best institutional instrument for moving us a step closer to political integration. It is time to leave the experience of the European Convention behind us, while nevertheless adopting an approach similar to the one it used: that of entrusting an ad hoc assembly — as regards the composition of this assembly there are different possible solutions that can be considered — with the task of discussing and approving the founding act of a politically united Europe. To avoid the limitations of the Convention, which (negatively) affected its work, this assembly would have to enjoy greater, and possibly direct, democratic legitimacy;[9] in other words, it would have to be elected (in part at least) directly by the citizens of the participating states, at the end of an election campaign that had centred on the mandate to be given to the assembly.

3. *The possible solutions.*

There are a number of different procedures, each with its own particular characteristics, that could be implemented in order to arrive at the creation of an ad hoc assembly, preferably in part elected by the citizens. And all of them have to reckon with a series of questions, such as: 1) On what legal basis can the procedure be launched and regulated? 2) How would the procedure fit in with current Community law? 3) How and when would it be necessary to determine which countries are to be part of the project? 4) How and when would it be necessary to decide the best way of regulating relations between the entity that might arise from the quest for deeper political integration and the existing European Union?

Some hypotheses depend on a "stretching"[10] the terms of art. IV-443 of the old draft Constitutional Treaty — now[11] art. 48 TEU as amended by the Treaty of Lisbon. The idea, basically, is to convene (possibly through a simple majority vote by the Council) a new convention, which, however, would have different powers and a different composition from the one provided for by the abovementioned article.

One suggestion is to convene a "constitutional convention."[12] In this scenario, the convention would serve as a theatre of debate between the European Parliament (EP) and the national parliaments, but also of joint decision-making between the parliaments and the governments, given that the parliamentary representatives would have to be put on a par with the government representatives. This joint decision-making process between parliamentary and government representatives within the convention would basically eliminate the need for IGCs. There would then follow a ratification stage, in which a special clause would make provision for a voting system other than unanimity.

Others suggest[13] that the convention should no longer be composed as dictated by the terms of the ordinary revision procedure (art. IV-443, now art. 48 TEU), and that it should be elected during European Parliament elections. The decisions of this ad hoc convention-cum-assembly would then have to be adopted by the governments and possibly ratified by a

European referendum.[14] States not wanting to adopt them could, through recourse to the old art. I-60 (now art. 50 TEU as amended by the Treaty of Lisbon), leave the thus modified EU. In this case, withdrawing states would have to negotiate the terms of their new relationship with the EU.

Although these procedures try to adhere to the framework of original Community law, both are actually departures from the Treaty rules on the convening of conventions/IGCs.

They present a number of limitations. First of all, it would be difficult to justify the convening, by a majority decision, of a "constituent" convention, or specially "transformed" ad hoc assembly. States opposed to starting a process of Treaty revision would certainly not agree to derogations from the TEU's provisions on the composition and powers of the convention — derogations that, moreover, seem admissible only if decided by unanimity. Furthermore, in this context, countries that had, from the outset, opposed the pursuit of deeper political integration — this would be the essence of the mandate, probably proposed by a few states and/or the Commission and/or the EP — would end up participating in the convention or assembly only in order to delay its progress, or they may even openly boycott it. At the end of the whole procedure, the states opposed to greater unification, should they be in the minority, would be obliged, albeit after negotiation, to abandon the Union. And this would probably be considered an unacceptably high price to pay, even by the states in favour of unification.

Furthermore, the "constituent convention" would not be able to confer true democratic legitimacy on the process, or to engage public opinion in proper debate of the question.

Another possible solution envisages an essentially political agreement between, on the one hand, the states wanting to embark on a process leading to greater unification and, on the other, the rest. This agreement, which would be reached upon the emergence of a split over the convening of a convention with greater powers and/or after the presentation (probably by the EP) of a particularly innovative Treaty revision programme, could be set out in a European Council declaration — in the manner of the Laeken one — which would make provision for the election (or nomination) of an ad hoc assembly comprised solely of representatives of the states willing to accept the mandate that the declaration itself would define. At the same time, however, the declaration should outline the conditions that would govern relations between the legal entity that might spring from the work of the assembly and the existing EU, also making provision for the convening of an IGC to make any necessary changes to the TEU (e.g. in relation to common organs).[15]

This solution, which would have a very weak basis in Community law, would be based on a unanimous agreement on the assembly's mandate and on the way to manage the co-existence of the EU (which would not disappear) with the new entity that might be created. On the other hand, the fact that the pro-unification states would already have been identified at the time of the drawing up of the mandate would facilitate constructive management of the ad hoc assembly. Preferably, in this setting, there should also be an IGC which would work out, in detail, the terms of the co-existence of the two entities, on the basis of the preliminary agreement ratified by the European Council when it defined the assembly's mandate.

A final possibility is that of convening the ad hoc assembly (or constituent body) entirely outside the framework of the European Treaties. This approach would allow interested states to sign an agreement among themselves to define the assembly's mandate and procedures; later, upon completion of the work of the assembly, they would be required to decide, definitively, whether or not to be part of the entity springing from it. Part of the mandate could indeed be to define the relations between the new entity and the European Union.

This procedure would lie entirely outside the realm of Community law, but would not enter into conflict with it;[16] in addition, it would presuppose the existence of a very strong political will on the part of the states promoting the initiative, which would have to be prepared to shoulder, by themselves, the responsibility both for bringing about the split with those countries that, despite having been invited to take part (or even after having taken part) in the first stage of the negotiations, should decide not to subscribe to the "basic" agreement, and also for managing relations with the EU, which these countries would continue to be a part of. It is a procedure that (albeit adjusted somewhat) is based on a model originally conceived of at a time when the process of European integration had not even begun.[17] But it seems a difficult avenue to pursue today, when the highly structured and enlarged EU, even though it provides evidence of the success of the process of European unification, constitutes an obstacle to be negotiated.

4. *Conclusions.*

On initial appraisal, all the different procedures outlined here have merits and defects, and thus none of them can be discarded a priori.

However, the solution that appears worthy of more detailed examination is the one based on the establishment — as soon as the two sides manifest their differences, and thus before the start of a true constituent phase — of an agreement between the states intending to proceed in the direction of political unification and all the others. Indeed, this solution gets round the limitations of the previous Convention, and those inherent in a unilateral split from the rest of the EU.

This picture of the solutions upon which we might reflect is not exhaustive and it needs to be adapted to new and changing situations (one might think, for example, of the role of the EP after 2009). These solutions are hypotheses that, leaving aside judgements on their legal admissibility, or otherwise, are positive or negative not in themselves, but in relation to the political framework in which they will be debated.

NOTES

[1] See P.V. Dastoli, "Chi ha paura del super-Stato europeo", in *Il Mulino*, 4/2007, p.738; in more general terms, it has been noted, correctly, that the period since the Single European Act has been characterised by a permanent or semi-permanent process of revising the Treaties (see, M. Cartabia, "Riflessioni sulla Convenzione di Laeken: *come se* si trattasse di un processo costituente", in *Quaderni costituzionali,* 2002, p. 443; see also U. Draetta, "Europe in 2002", in *The Federalist*, XLII (2002), p. 76).

[2] On the Convention, see, among many possible sources, F. Clementi, "La Convenzione sull'avvenire dell'Europa: il mandato, l'organizzazione, i lavori", in F. Bassanini and G. Tiberi (editors) *Una Costituzione per l'Europa,* Bologna, Il Mulino, 2003, p. 23 onwards.

[3] This has been underlined by P. V. Dastoli, *op. cit.*, p. 738; S. Pistone, "Solo con il superamento dei veti nazionali si avrà una Costituzione europea", in *Piemonteuropa,* n.1/ 2 June 2007, p. 2.

[4] My critical views on this topic are set out in more detail and, above all, with reference to far more authoritative opinions expressed on this topic, in S. Aloisio, "Attualità delle riflessioni di Piero Calamandrei sul procedimento costituente europeo", in A. Landuyt and D. Pasquinucci (editors), *L'Unione europea tra Costituzione e* governance, Bari, Cacucci, 2004, p. 102 onwards, and id., "Da Amsterdam a Laeken: la Convenzione europea", in press in L.V. Majocchi (editor), *L'Unità europea: ieri, oggi, domani. Le radici storiche, le ragioni e le prospettive politiche di un possibile rilancio europeo dopo la mancata ratifica della Costituzione, in Francia e Paesi Bassi.* Congress Proceedings, Pavia, 30 November – 1 December 2006.

5 P. Calamandrei, «Disegno preliminare di federazione mondiale – Presentazione" (1949), now in N. Bobbio (editor) *Scritti e discorsi politici*, I, 2, Florence, La Nuova Italia, 1966, p. 466, affirms: among the other factors that can lead men to want, there is also that of persuading them that, should they wish, the practical difficulties in the way of their goal are not insurmountable. The motto *to want to is to be able to* is more true the other way around: *to be able to is to want to.*

[6] This is a view now so widespread among politicians and commentators on European politics, etc. that there is no need for any citation, even purely by way of an example.

[7] For a comment on what is provided for by the Treaty establishing a Constitution for Europe — a text that remained substantially unchanged, even after the Lisbon Treaty — see G. Tiberi, "Le cooperazioni rafforzate", in F. Bassanini and G. Tiberi (editors) *La Costituzione europea,* Bologna, Il Mulino, 2004, p. 191 onwards.

[8] The limitations of enhanced cooperations are highlighted by R.A. Lorz, "The Feasibility of a United States of Europe in an Enlarged European Union", in *The Federalist*, XLVIII (2006), p.158 onwards, and by G. Rossolillo, "Federal Core and European Union", *ivi,* p. 197 onwards.

[9] In this regard, see S. Pistone, *op. cit.*, p. 3.

[10] P.V. Dastoli, *op. cit.*, p. 739, talks of "an extraordinary application" of art. IV-443 of the Constitutional Treaty; this application was also retained in the text approved in Lisbon.

[11] The references are to the consolidated versions of the Treaty on European Union and the Treaty on the Functioning of the European Union, published in the Official Journal of the European Union, n. C 115, on 9 May 2008.

[12] This is discussed by G. Montani, *Relazione alla direzione del 15 settembre 2007*, in www.mfe.it , p. 2.

[13] See P.V. Dastoli, *op. cit.*, p. 739.

[14] The use of the referendum as a means of legitimising the process of European unification is another topic that cannot be touched upon here, but we can refer readers, once again, to S. Aloisio, "Legittimazione democratica del processo costituzionale europeo e strumento referendario", in D. Preda (editor) *L'Europa agli albori del XXI secolo,* Bari,Cacucci, 2006, p. 375 onwards.

[15] The need to guarantee compatibility of different levels of integration has long been a focus of reflection. See, in this regard, A. Padoa Schioppa, "European Union and European Community: Two Incompatible Institutional Systems?", in *The Federalist*, XXX (1988), p. 201 onwards, and id. "Notes on Institutional Reform of the EEC and on Political Union", in *The Federalist*, XXXIII (1991), p. 62 onwards, but in particular p. 70.

[16] On this point, see L.S. Rossi, «Gli Stati Uniti nell'Europa», in 301 - 16.06.06 www.caffeeuropa.it/unione/301rossi.html.

[17] In different ways, it is in fact reminiscent of Calamandrei's proposal, presented in the lecture on the convening of a European constituent assembly which he gave at the international congress of Union of European Federalists, held in Rome from 7-11 November 1948, see P. Calamandrei, "La convocazione dell'Assemblea costituente europea" (1948), now in *Scritti e discorsi politici*, cit., p. 440 onwards.

Notes

THE FINANCIAL CRISIS AND NEW ECONOMIC BALANCES: THE RISKS OF EUROPE'S ABSENCE

As the current financial crisis makes dramatically clear, the process of globalisation has created a web of economic, financial and commercial interests so vast and so complex that it now escapes the control of governments, parliaments and international organisations. It is a financial crisis that began by bankrupting (or almost bankrupting) the biggest of the United States' vast financial groups and insurance giants, before progressively spreading to those of Europe and other countries. The shockwave of the crisis soon reached the world's stock exchanges, causing them to suffer a series of dramatic falls; all this inevitably impacted negatively on companies' financial situations and on the prospects of economic growth.

Suddenly, although not entirely unexpectedly, globalisation presented the world with its most unattractive and least positive face — the face that, according to Joseph Stiglitz, reflects some of the most profound social conflicts (including those over fundamental values), in which the main contrasts of opinion concern the role of the governments and the markets.[1] Today, even governments and economic experts are having to admit that what the global economy is currently experiencing is not a normal, cyclical crisis, but rather a structural one, from which, moreover, there seems to be no way out in the short term.

Thus, in the wake of decades of laissez-faire rhetoric and excessive belief in the market's independence from politics, there is now renewed debate over the relationship between the state and the market, and over the role of politics in determining economic and financial choices, issues that, after the end of the Cold War and the collapse of the socialist regimes, had seemed definitively closed. In short, a fact often ignored or underestimated in recent decades has returned to the fore, namely that the democratic government of highly complex economic and financial processes, like those characterising the world today, is not something that just happens, but rather something that needs a specific political battle in order to alter the existing power framework. The aim of this brief note is to underline some aspects of the current crisis, and some of the contradictions it is generating, that highlight this need.

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The affirmation of China and the emergence of India as leading players on the international stage have sharply accelerated the process of globalisation and, in the space of a few years, rendered obsolete the forecasts and analyses on the prospects of global economic growth previously issued by governments, experts and international bodies.

Over the last decade, a large proportion of direct financial flows were channelled in the direction of Asia, China in particular. But this period was also characterised by a movement in the opposite direction, towards the USA, as the excess liquidity generated by China's trade surplus was poured not only into direct investments in America, but also into the purchase of American treasury bonds.

This phenomenon had the effect of inflating (artificially and out of all proportion with any real economic basis) the United States' role as a superpower. Furthermore, it enabled the Federal Reserve to conduct a policy that encouraged increased government spending and also a propensity towards risk and speculation among investors (including banks) and private individuals, who were enticed by easy access to credit and mortgages available at particularly favourable conditions. Many financial institutions then went on to transfer these loans, converting the credit into shares which were then sold in the USA and in much of the world, also through investment banks, which acted unfettered by any controls or rules. In this way, the risk of insolvency was spread throughout the international financial market. When it emerged that a huge amount of debts contracted in America lacked adequate cover and that the debt/capital ratio of many important institutions had become unsustainable, the explosion of the crisis was inevitable.

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In the light of all that has happened, many are beginning to question, openly, the USA's fitness to play a leading role in the economic and financial field. Some are asking whether this is the end of the road for the laissez-faire model, while others are calling for a profound rethink of models of economic development.[2] The fact is that no part of the world

is escaping this crisis and every country is desperately trying to find ways of protecting itself against the negative effects of a recession that, now widely confirmed by all the economic indicators, many fear may turn into a depression.

The relationship between the USA and China plays a central role in all of this. Stigliz, in 2006,[3] pointed out that the United States and China, in their economic relations, are like hostages to each other. China, which sells much more than it buys, records a huge bilateral trade surplus with the United States, but at the same time, it is China's purchasing of billions and billions of dollars' worth of US government bonds that funds US deficit spending. The author remarked that both countries understand the nature of this mutual dependence. Although, today, China's faith in the US economy is more cautious than it once was, this interwoven relationship between two economies nevertheless remains.

Symptomatic of this cautious new attitude is the fact that China, which once relied largely on exports to sustain its development, is now introducing measures aimed at stimulating domestic demand and boosting internal consumption, which continues to be too low. In short, it is attempting to correct, at least in part, a development policy that, because it is too dependent on foreign sales, has been severely weakened by plummeting consumption in the developed world. However, this is an endeavour that will demand time and resources before it can bear any significant fruits. It will, after all, take much more than a few months, or even a few years, to raise the incomes of tens of millions of Chinese people to a level at which they can generate a domestic demand great enough to compensate for the declining demand on the struggling global market. Furthermore, if China wants to avoid strong social tensions internally, it will somehow have to find a way of peacefully managing its citizens' expectations of a better standard of living. The question is, can it do this, alone?

If China finds itself in this kind of race against time, it is clear that other countries, the European ones first and foremost, must necessarily consider the question of their own economic survival. Because what is difficult for China is surely impossible for countries whose domestic markets are simply not big enough to absorb volumes of production that have for years been directed at continental or global markets. We may cite, for example, the case of Germany, still a leader in the world economy, which, having taken steps to ensure economic growth that was healthier and more robust than that of other countries (safeguarding its key industries, both traditional and advanced), now finds that it can no

longer rely on outlets on foreign markets (like the Eastern European market) that are caught up in the crisis.

The current economic emergency illustrates an obvious fact: that large continental powers like the USA, China, Russia and India, despite being hard hit by the crisis, are nevertheless in a position to implement policies and plans geared at protecting and safeguarding their economies, using instruments and obtaining results (even solutions) quite different from those accessible to smaller states. What was less obvious, at least until a few years ago, was that countries belonging to an economic and monetary union — I refer, of course, to those of the euro zone — would find themselves, in times of crisis, unable to support their necessary single monetary policy with an equally indispensable single fiscal and economic policy. Indeed, in their attempt to save their own banks and enterprises, the euro zone countries are putting their monetary union, and the rules on which it is founded, under almost unbearable pressure. One need only consider that euro zone policy continues to depend on the voluntary coordination of measures taken by different national governments, given that Europe, despite its countless community institutions, does not have adequate and autonomous instruments for making decisions at supranational level, and thus for acting in the international field. In Europe, where the process of economic and monetary integration has undoubtedly brought important advances, it is nevertheless significant that each country still fears that it may be forced to suffer the effects of its neighbours' disguised protectionist choices and reckless economic policies. This point was highlighted by Jürgen Habermas, when he explained that the unfolding of the crisis is exposing the fault inherent in the European construction, namely that every country reacts with its own economic and political measures. Because of the way competences are distributed within the European Union, Brussels and the European Court of Justice enforce the economic freedoms while the external costs they generate are foisted on the member states, and this is the reason why, today, there is no formation of a common will in the economic and political spheres. Indeed, the most important member states are divided even over the basic questions of how much state and how much market they want.[4]

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Globally, the crisis is so profound and widespread that the USA, flying in the face of decades of laissez-faire politics, has not thought twice

about nationalising some of its banks and industries. The same applies to the UK, while China has suddenly become more reticent about opening up to capitalism.

In this setting, appeals to citizens, business and even banks to have renewed confidence in the market and in the prospects of an economic recovery are bound to fall on deaf ears. Confidence has been too profoundly shaken by the effects of the crisis, by the evident lack of appropriate verification of the soundness and correctness of banks' investments, and by uncertainty over the role that American financial policy could still play at international level. Emblematic of the current widespread lack of confidence is the fact that, in Autumn 2008, a number of banks in Europe opted to place ECB loans back in the ECB's deposit facility, rather than inject them into the market, despite being well aware that this meant forfeiting a part of these funds, which should have been used to increase liquidity on — and confidence in — the markets.

Outside Europe, in the developing countries and poorest economies, the situation is aggravated by the fact that many banks and financial institutions, being short of liquidity, have requested the repayment of loans, thereby further reducing these depressed national markets' already poor prospects of recovery and creating unsustainable situations.

In the face of all this, ordinary economic policies are wholly inadequate and national measures insufficient to break the vicious cycle created by the lack of confidence and the economic slowdown. This lack of confidence is now casting the shadow of bankruptcy over the states: with all the governments striving to raise the funds they need in order to save their struggling banks and enterprises, there exists a very real risk that the bonds emitted for this purpose may fail to be underwritten (entirely or in part), both because of the level of competition from countries pursuing the same policy, and also because of the lack of confidence in already heavily indebted countries (so-called risk countries). And were this risk to be realised, to whom might these institutions and enterprises turn in order to find the resources they need to survive?

In America, on the other hand, were the USA to decide, once again, to have recourse to the lever of monetary expansion, in particular, were the Federal Reserve to decide to print new paper money (as the difficulties of the banks and stock exchanges have prompted it to do in abundance in recent months), in the current situation this would probably not, in itself, be a serious problem for inflation. But the global framework is no longer the same as it was when the USA could expect to stimulate both its own economy and that of the Western world through moves of this kind. The

existence of severe commercial imbalances in the world, especially between the USA and China, now seriously reduce the chances of success of any manoeuvre decided unilaterally by the American government. Proof of this is provided by the fact that the 2002 devaluation of the dollar against the Chinese currency has, to date, failed to give American production any advantages over Chinese production, basically because it has not significantly altered consumption of American goods in Asia. And this is a trend that is certainly not likely to improve in a situation in which the USA's trade deficit continues to be very high, and Chinese imports, while not falling dramatically, are certainly not rising. Moreover, there exist two further factors of uncertainty liable to condition the outcome of any American policy. These concern, on the one hand, the USA's vast foreign debt, so far funded by the emission of government bonds, and, on the other, relations between the USA, China and Europe. The first of these question marks is over the future of the market of US bonds held by Asian and oil-producing countries. No one can say for certain how long these countries are going to go on having confidence not so much in American banks and companies as in American government policy. It is significant in this regard that at the end of 2008 the Beijing government organised a number of meetings in Asia to work out the lines of a possible Asian intergovernmental policy to prevent the uncontrolled sale of US government bonds on the international market that, were it to turn into a gigantic "clearance sale," would trigger chain reactions whose effects on the global order it is quite impossible to predict.

The second question mark, instead, concerns the way in which the strengthening of the euro and the role now being played by Chinese financial policy on the international stage are reducing the importance of American monetary and economic policy. This is a phenomenon that is currently subject to no form of control, given that the euro is not the currency of a state and thus cannot be the instrument of a coherent international policy (only an additional source of uncertainty), while the policy of the Chinese, who lack guarantees and opposite numbers in the West, clearly cannot be expected to work in favour of global economic interests.

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To deal with the risks ahead, it is not enough simply to hope that the USA will make sound decisions in the economic and monetary field. Neither is it possible to go on trusting in the spontaneous development of

a responsible relationship of cooperation between the USA and China, in which each puts the safeguarding of global interests ahead of national interests. What we in Europe need to do, most of all, is consider how the Europeans might contribute tangibly to the establishment of a more cooperative and coordinated international order in the economic and monetary sphere.

In Europe, everyone realises that no state can act alone, independently of the others, in its attempts to tackle the global crises that are now unfolding and becoming interwoven. Yet despite this, the single governments insist on pursuing their own, individual policies. And what this means is that the Europeans are not actually doing anything at all to change a global power situation in which, as the reactions to the financial crisis have shown, there are states like the USA and China that, precisely because of their continental dimensions, can, for better or worse, act as centres of international power, in other words, play a role that the small European states can only pretend to play. Worse still, the absence of a credible European interlocutor has exacerbated, and is still exacerbating (rather than helping to lessen and resolve), the contradictions produced by the economic, financial, political and military imbalances that characterise the relationship between the USA and China.

In the end, it is precisely this absence of Europe that explains why, in spite of everything the dollar continues to be the main reserve currency for the countries of Asia, and for China in particular, and why Asian investments are still directed mainly towards the USA.[5]

As Wolfgang Munchau has pointed out, to work out the world economy's real chances of a recovery in 2009, it is not enough to make conjectures based on the amounts of state aid that will be offered, on the two sides of the Atlantic, within the respective national economies. What we need to know, finally, is whether and in what way the new American administration led by Obama intends to (and can) develop a joint strategy with China and the Europeans. The problem is that in Europe, as Munchau remarks, the governments are continuing to make unilateral decisions over what to do in the economic field before then, in order to save face before public opinion, dressing up their actions in the guise of European cooperation.[6] This, then, is the crucial point: today, the question of *whether* and *how* a global strategic plan can be launched depends more on the Europeans than on Obama or China.

It is obvious that if at least some of the European Community's original six founding member states were to take it upon themselves to create the initial core of a European federal state, then the euro would

cease to be an instrument lacking the backing of a real and credible power. And it is equally obvious that until that happens, Washington and Beijing will not have a European interlocutor with which to share a plan, but will go on having lots of small European interlocutors, defending lots of small proposals and small national policies, which in reality can serve only to increase, rather than reduce and eliminate, economic and monetary chaos, increasing the risk of a further deepening of the crisis and of a return to protectionism, even between the members of the European Union.

Has European and world history no lessons to teach us? Has the economic crisis not yet eroded the Europeans' standard of living enough to make them stop deluding themselves?

In his book, *Lords of Finance: The Bankers Who Broke the World*, Liaquat Ahamed explains in detail how the terrifying liquidity crisis of 1914 and the divergent economic and monetary policies (even then veiled as cooperation) that followed it went on to have disastrous consequences in subsequent decades. Reviewing this book, Niall Ferguson concludes: "As the world teeters on the brink of another great financial cliff, we can only hope that the modern-day Lords of Finance will co-operate to better effect. I suspect none has much time for bedtime reading these days. But should Messrs Bernanke, King and Trichet need a reminder of what can go wrong when central bankers achieve only the semblance, but not the reality, of co-operation, *Lords of Finance* is the book they should read."[7] As for Europe, the Europeans have seen for themselves that simply stepping up their cooperation with each other is not the way to secure an active role in the world. For things to change, they are going to have to accept, finally, that it is time to stop giving the world the impression of being united, so that they can become truly united.

Anna Costa

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[1] Joseph Stiglitz, *Making Globalization Work*, New York, W.W. Norton and Co, 2006.

[2] See Amartya Sen, *Globalizzazione e libertà*, Milan, Mondadori, 2003.

[3] Joseph Stiglitz, *op. cit.*, p. 295.

[4] Jürgen Habermas, "Internationale Weltordnung Nach dem Bankrott", *Die Zeit*, 6.11.2008, http://www.zeit.de/2008/46/Habermas.

[5] As pointed out by Eurogroup president Jean Claude Juncker when interviewed by Jean Quatremer (*Liberation*, 31/12/08), no capital is invested in Europe now, because the money

goes to the United States. It is incredible that a country with a deficit this great, and which is in the middle of a recession, can go on attracting so much capital from all over the world. If Europe fails to reverse this situation, it will because it has failed to equip itself with the same instruments.

[6] Wolfgang Munchau, "World Economy in 2009: three priorities for recovery", *Financial Times*, 28/12/2008.

[7] Niall Ferguson, "The great liquidity crisis – 94 years ago", *Financial Times*, 2/01/2009, http://www.ft.com/cms/s/2/d4a84d58-d6c7-11dd-9bf7-000077b07658.html?nclick_check=1

Discussions

THE FUTURE OF THE NATION-STATE IN THE ERA OF GLOBALISATION

KEITH SUTER

This article speculates on the future of the nation-state system in the era of globalisation. It uses the business management technique of scenario planning. Four alternative scenarios are outlined: the steady state, the world state, "Earth Inc." and the wild state.

Four Worldviews on Globalisation

What will be the next stage of the nation-state system? As with all work in scenario planning, the purpose, here, is to encourage thinking "outside the square" rather than to advocate a particular point of view. The task is not to pick a winning forecast — the future will determine that. Instead, it is to create a set of worldviews which in broad terms cover all the eventualities that could emerge. It is in the nature of worldviews that a piece of information can be used in two or more of them: being viewed from more than one perspective, a given piece of information can be used in more than one worldview.

The following four worldviews are drawn from the intersection of two axes. In analysing the driving forces of change, I have opted to set the "strength or weakness of the nation-state" on one axis and the "strength or weakness of international social cohesion" (that is, the level of international co-operation) on the other axis. This gives four quadrants which become four worldviews:

1. Strong nation-state / weak international social cohesion (national governments remain in control of their destiny and are unwilling to work together on common problems): the "steady state." This worldview is based on the idea that the current global order (with all its problems) is the best that can be devised.

2. Strong nation-state / strong international social cohesion (national

governments, while they remain in control of their destiny, are willing to work together on common problems and this collaboration evolves gradually into some form of global governance): the "world state." This worldview is based on the absence of purely national solutions to transnational problems, which means that governments have to work together through some form of global governance to solve common problems.

3. Weak nation-state / strong international social cohesion (national governments lose control over their countries and transnational corporations fill the vacuum): "Earth Inc." With the decline of the nation-state, the only organisations capable of driving the pace of change are transnational corporations, which knit the world together into one market as they fill the governmental vacuum.

4. Weak nation-state / weak international social cohesion (national governments lose control over their countries and since there is no organisation to fill the vacuum this results in increasing chaos): the "wild state." This is the "nightmare" scenario, in which nation-states fall apart and there are increasing numbers of "failed states", mass movements of peoples and environmental and health problems.

1. The "Steady State".

This scenario argues that despite all the talk of global change etc., the basic nation-state structure will remain. It may have its problems but it is the best of the options.

National Sovereignty.

National sovereignty is here to stay. Governments are not willing to surrender national sovereignty. There has been little progress in establishing non-partisan standards of behaviour between governments. Governments view all forms of international co-operation from the perspective of how they can maximise their own gain.

This may be regrettable but that is a fact of political life. All politics is local — and foreigners do not vote in national elections. For example, all Western countries are now troubled by the risk of mass movements of peoples into their own territories. Some are more troubled than others, but the concern is a shared one. As long as some countries continue to be extremely wealthy and others are extremely poor, national boundaries will have to remain in place to restrict the movement of peoples. Given the nature of the international economic system, it is unlikely that this gap between rich and poor will disappear for many decades to come (if ever) — and so national border protection will remain very important.

This concern with national sovereignty is not simply a Western one. Developing countries also have a strong determination to hold on to their national sovereignty. They fought hard for their independence from their colonial masters and now they are troubled by threats of tribalism, fragmentation, and the erosion of national unity by cultural diversity and foreign influences. These countries are not going to surrender their national sovereignty for fear of being swamped by a fresh form of imperialism. They may have problems — but at least they are their own problems.

Reluctance to Change.

There is a reluctance to change to some form of global governance. This is evident, at all levels, in societies in which people are free to express their opinions. First, there is no public groundswell in favour of global governance. Most people do not see themselves as "world citizens." When they are drawn together by massive international events, they still retain their sense of national loyalty. This does not necessarily mean that they are violent towards other people; simply that they have a sense of their own national pride and a feeling of being distinct from others. Meanwhile, very few mainstream non-governmental organisations have global governance as a key campaign issue. They recognise that global governance is too big a project, and so they prefer to stick to their own core business (the environment, nuclear disarmament, the status of women in developing countries, etc.).

Talk of "global governance" or "world government" only scares most people. They already find it difficult to influence politicians at national level, and fear that they would stand very little chance of doing so at international level. Besides, people are having more and more opportunities to vote, but enjoying it less. Voter turnout in most Western countries is now at a low level. Even the Eastern European countries, which have had only a decade or so of free elections, are already experiencing low voter turnouts. There is a widespread cynicism of politicians. Whoever you vote for, a politician always wins.

2. The "World State".

This scenario argues that this is the first time in history that people have been confronted with the need to organise and manage the world as

a totality. From the time of World War I onwards, world history could be described as a single, protracted experiment in global governance. Underlying all the conflicts and upheavals, there has been a basic question: how is humanity to govern itself? The problems are a long way from being solved, but all we can do is continue the quest. The world is now too interdependent — each of its parts affects the others — to try to operate on a piece-by-piece basis. A nuclear disaster (such as Chernobyl in April 1986), for example, has implications for other countries not just at the time, but for years to come.

Therefore, there is a need for some form of world government. The tendency among NGO advocates now is to talk more of "governance" on the basis that this definition is perceived, by the general public, as less threatening than the term "world government." Also, since the future global government, in its definitive form, will probably have little in common with the current "national governments", the term "world government", with its connotations of "national government", is misleading.

Different Routes to World Unity.

Just how the world might evolve to a different form of governance is not yet clear. There are three ways of trying to get countries united:

The federalist approach: the deliberate decision by national governments to transfer certain powers (such as maintaining armed forces) to a world government while retaining other powers (such as establishing laws concerning ownership of property) for themselves.

The functionalist approach: the creation of more global agencies (such as the World Health Organisation) to handle particular functions (such as health) so that experts can co-operate in a less politically-charged environment; in this way, the globe would eventually be covered by a network of such agencies.

The populist approach: the creation of a grass-roots people's movement to establish a democratic world government directly responsible to the people of the world, and in the meantime to generate ideas for world government and a groundswell in favour of it.

Here we come to a chicken and egg dilemma. We cannot discuss world government because we have no world community to support it. Indeed, discussion of world government (because of its evil "Big Brother" overtones) may even delay the development of a world community and thus the movement towards a world government. On the other hand, a more cautious approach could over-emphasise the state of perfection

which the world community must achieve before world government can be considered. The way to promote a world community is to have a world government. But since private citizens cannot establish a world government, the next best thing, in order to promote a world community, is to talk about global governance. World discussion of world government may have some chance of uniting the world. In other words, consideration of what is necessary to unite the world and the discussion of a common problem of overwhelming importance could lead to a growing sense of community among all peoples.

An important reason for talking about world government is to clarify what it should consist of. Should a global government focus on limited measures designed to maintain what is called security, or is security itself dependent on the pursuit of broader purposes? Should a world state be federal or unitary, or should it, perhaps, contain the best features of each? What should be the relationship between the world government and the citizens of extant states? What taxing powers should the world state have, and what order of military forces, if any? This list of questions could go on indefinitely, and there are countless possible answers to each of them. Consequently many global governance activists prefer to campaign using all three of the above approaches simultaneously. For example, they deal with the need for governments to work together at the political (federal) level and on common problems (functional approach), and also with the importance of involving people in the campaign for world government.

The Long View.

It is necessary to view the quest for global governance as a very long-term project, in which there has been some progress. What may seem impossible at one point may become possible later on. In short, progress can be made — it may just take time. Human affairs are not static. It is possible to improve human behaviour: duelling, for example, is now rare, whereas in Europe and the US it was once a normal way of settling disputes. Similarly, war is not necessarily the norm in human affairs; some societies have no tradition of it. Warfare is a learned behaviour; people have to be trained for it. As the UNESCO Seville Statement[1] has argued, it is not inherited from our animal ancestors; it is not genetically programmed into human nature; life does not necessarily reward the struggle of the most violent (but rather the more co-operative); humans do not have a "violent brain," and war is not caused by "instinct" or any single motivation.

There has been some progress in reducing the use of war as an

instrument of national policy. Warfare between countries is now very rare. France and Germany, for example, have now gone for over half a century without a war and it seems highly unlikely that these two traditional enemies will ever go to war with each other again. This does not mean that they have become permanent friends — only that they have developed less violent ways of settling disputes (such as through the European Union and the International Court of Justice).

Finally, there is the lesson learned from the protracted unification of Italy (1815-70), which can be summed up in two key statements from the then prime minister, Massimo D'Azeglio. In 1861, D'Azeglio remarked "Italy is made, now we must make Italians."[2] Thus, we first create institutions and they then change public attitudes. He also warned, "To make an Italy out of Italians, one must not be in a hurry."[3] The same could be said about Earthlings.

3. "Earth Inc."

This scenario argues that the erosion of the nation-state will continue and that transnational corporations, as they fill the global governance vacuum, are destined to have an ever greater say in how the world is run. National governments will not necessarily disappear (any more than the rise of national governments necessarily caused all forms of local government to disappear). But national governments will need to get used to the fact that the nation-state system is over and that corporations are the major players in world affairs.

Money is the Measure of All Things.

Money is now the measure of all things. The publication, in 1776, of Adam Smith's *The Wealth of Nations*[4] can be taken as the starting point of this new era, which saw the rise of modern capitalism and in which the market, rather than government involvement or religious dictates, has increasingly set the pace for economic activities. Smith placed emphasis on individuals being left free to pursue their own interests. Self-interest guides people, as though by the influence of an "invisible hand", to use their intellect in a way that maximises productive effort and thus the public good. Private vice becomes a public virtue. Therefore, a free market — not government — is the best allocator of resources, and the best promoter of the public good. Government should be as small as possible, with limited responsibilities. Thus, individuals should be left to maximise their own income and determine how it is to be spent. This is

now the world's most popular economic philosophy.

Meanwhile, with money as the measure of all things, national identity ceases to be such a major issue — except where it can be commodified, as in the case of corporations that derive benefits from their sponsorship of local or national sporting teams. People are principally consumers or aspiring consumers, rather than citizens. Politics and patriotism are not as pleasurable as the latest fashion in clothes, music or technology. That is their choice. They have the freedom to choose.

The Erosion of National Government Power.

Western governments have, for some years, been reducing their role in the economic life of their countries — and the vacuum has been filled by transnational corporations. The 20th century saw the rise and fall of government. When it began, there was limited government involvement in the economy. Then the Great Depression of the 1930s, followed by World War II, resulted in far greater government intervention in the economy, as part of the "Keynesian revolution."

The process of withdrawing from the Keynesian revolution began in the late 1970s. Robert Skidelsky's three-volume biography of John Maynard Keynes charts the rise of Keynesian economics before noting, at the end of the third volume, the beginning of the retreat from Keynesian thinking. In 1976, the British Labour prime minister, James Callaghan, announced the end of the era: "The option of spending our way out of recession no longer exists."[5] The process was greatly accelerated by the Conservative leader Margaret Thatcher, who was first elected in 1979, and it has been continued by all her successors. As if to emphasise the irrelevance of party labels, these policies were introduced mainly by Conservative governments in the US (Reagan) and UK (Thatcher), and by Labour governments in Australia and New Zealand.

Transnational corporations have eroded the notion of a national economy; there is now only a global one. Kenichi Ohmae, a Japanese business consultant, coined a new term: the interlinked economy (ILE) of the Triad (US, Europe and Japan), which was followed by the expression "Asian tigers" (referring to countries such as Taiwan, Hong Kong and Singapore).[6] The emergence of the ILE has created much confusion, particularly for those who are used to dealing with economic policies based on conventional economic statistics that compare one country with another. Their theories do not work any more. For example, if a government tightens the money supply by increasing interest rates, loans may come in from abroad (i.e. cheaper funds from elsewhere in the ILE),

making the country's monetary policy almost meaningless. For all practical purposes, the ILE has made obsolete the traditional instruments of central bankers — interest rate and money supply.

These trends help to explain the low voter turnout in Western elections: voters see elections as increasingly irrelevant. A political party may come to office, but not necessarily to power. Power is held elsewhere.

Corporations Rule the World.

There is much agreement between writers of different viewpoints about the growing power of transnational corporations. Instead, there is disagreement over whether this trend should be welcomed. David Korten, whose best-selling book *When Corporations Rule the World*[7] inspired the subtitle of this section, sees corporations as a sinister force, eroding local cultures, encouraging materialism, and looking after only those who have money. Another long-term critic of corporate power is Richard Barnet of the Washington DC Institute of Policy Studies[8], who is worried about the power of corporations to influence government decision-making for their own benefit rather than in the interests of the citizens.

Other writers, on the other hand, have claimed that the process is, overall, a good thing. A rising tide lifts all boats. Kenichi Ohmae sees the world as borderless — national boundaries are simply "cartographic illusions" —, with many opportunities for people who wish to take them up.[9] Meanwhile, journalist Thomas Friedman of *The New York Times* has written about a world caught between all the burgeoning global markets, financial institutions and computer technologies through which people pursue higher living standards (represented by the efficient manufacture of the Lexus automobile), and the individual's traditional roots, identities and home, symbolised by the "olive tree."[10] Friedman looks to an era in which the world can be made safe for corporations and consumers and the flourishing of democracy. He is confident that the "olive tree" interests can be preserved in an era of rapid modernisation.

The modern capitalist economy creates more opportunities for more people than any other economic system. This system feeds upon itself so that wealth creates more wealth. Supply creates its own demand, as consumers are introduced to goods and services they previously could not conceive of, but now cannot live without.[11] This wealth trickles down to other areas, where economic growth can then begin. Unlike our ancestors, we expect things to change and we expect a better standard of living (the "revolution of rising expectations"). With this mindset now taking

hold in countries outside the Western world, we can expect the 21st century to be the century that will record greatest economic growth for the greatest number of people. And this will be achieved via transnational corporations rather than relying on the dictates of government departments.

Not only is globalisation good for people, it also reduces the risk of international conflict. Why fight against people who could be your customers? International conflicts are now very rare among free-trade countries. More colourfully, countries that have McDonald's fast food outlets do not fight each other: "the golden arches theory of conflict prevention."[12] There is nothing special about fast food as such. But its sale within a country indicates that the government of that country is a believer in free trade and that its citizens are too busy enjoying their life to maintain old feuds. Thus, "Earth Inc." both rests on increasing global social cohesion and contributes to it. It creates a virtuous spiral.

4. The "Wild State".

The previous scenarios are all too optimistic. They focus too much on order, rather than disorder. There are many sources of disorder in the world. In the wild-state scenario, which is based on both the continued erosion of the nation-state and the decline of international social cohesion, each nation-state will have to do the best that it can with what it has, because it will not be able to rely on much assistance from anyone else.

Money Comes First.

Transnational corporations are not a force for good. They are motivated only by money. They are out to make money for their owners/stockholders. They are not out to improve the world. They are not really accountable to any one (not even their own stockholders, many of which are pension funds concerned only about the rate of return, not about how it is acquired). Corporations have no allegiances and no loyalties. Thus, they can move production and service centres from one country to another looking for the best rate of return. They can also trigger bidding wars in which governments compete to get the corporation to chose their country as its base, and thus set one government off against another. In this way, they obtain special "export zones," exemptions from labour and environmental regulations and favourable tax treatment. Meanwhile, China is undergoing the largest industrial revolution in world history. Its low-paid workers are producing cheap goods that are flooding foreign

markets, undercutting the cost of goods made in developed countries.

Because corporations are mobile, they have created a race to the bottom. Manufacturers search the world—the single, borderless economy—for greater returns on investment, moving their assembly lines to low-wage countries. The globalisation of industrial production is resulting in excess supplies of goods and labour, which in turn exert downward pressure on prices and wages.

Corporations also move in search of low-tax regimes and, as a result of this, governments lack the funds for the supply of services. Individuals protest over taxation (the "tax-payers' revolt"), but corporations, too, are reluctant to pay taxes. All this extra money in the hands of individuals and corporations has helped to finance a vast consumer expansion over the past three decades or so, but it means that there are shortages in essential services and infrastructures.

"The Coming Anarchy".

This phrase is from an article written, in 1994, by Robert Kaplan, who had visited some failing nation-states such as Sierra Leone. Kaplan talks about a "withering away of central government, the rise of tribal and regional domains, the unchecked spread of disease, and the growing pervasiveness of war."[13] The nation-state system does not necessarily cope with problems well. Those of us who live in developed Western countries should not assume that what we see here is what is to be seen in the rest of the world. A world made in the image of McDonald's and Coke is not necessarily a world made safe for democracy and the protection of human rights. We should not assume that the consumption of Western goods leads inevitably to the rise of democracy.

While much favourable publicity is given to the newly industrialised countries (NICs), especially in East Asia, most developing countries have not met the targets laid down in the UN Development Decades, which began over four decades ago. Indeed, in some African countries people were economically better off under their European colonial rulers. This is a situation that will deter transnational corporations from risking their investments and their foreign-recruited staff in these countries. Thus, some of the current poor countries will sink into even greater poverty and obscurity.

In addition, there is the problem of the growing number of "failed states." Somalia has gone for about two decades without a government; Afghanistan acquired a government only through international intervention in late 2001 (and it is not clear how long that will last). In these

countries the pattern is more one of warlords and bandits controlling fiefdoms. The world is slipping back into a pre-Westphalian era. The nation-state system is less than 500 years old. There is no law of the universe to say that it should always exist. The 21st century may well see its slide into chaos.

Increased Reluctance to Intervene.

Reduced international cohesion means that countries are reluctant to intervene in the affairs of other countries. This can be seen in three ways: the UN's failure to mount operations, the lack of political will among governments to get involved, and the lack of public support in developed countries for such operations.

The UN was designed to fight Hitler: a major threat to international peace and security who was opposed by many other countries. It was not designed to rush from one domestic trouble spot to another. It cannot cope with all the conflicts now under way, let alone those that are likely to occur in the future. For example, General Sir Michael Rose, one of the British Army officers most experienced in low-intensity warfare, has written an account of the chaos within the UN operation in Bosnia in the mid-1990s.[14] Even the UN force's title was misleading: "UNPROFOR: UN Protection Force." It created public expectations far beyond the practical capabilities of any peacekeeping mission. This is just symptomatic of the UN's inability to keep up with the changing nature of warfare (not that any government is doing particularly well, either). The UN operations in the Balkans, which continue, have not increased the appetite of Western governments to get involved in peacekeeping missions. If anything, they have reduced that appetite because so little of a long-range nature seems to have been achieved. As British writer William Shawcross argued in his review of the operations throughout the 1990s, there is no clear formula for determining when the UN will intervene in a crisis or how.[15]

The basic question is this: if a country collapses and the UN sends in a peacekeeping force and humanitarian personnel, will it, through them, be able to rebuild a system of governance? That system would be based on the nation-state which (particularly in Africa) has at most only shallow roots. Thus, even if the UN conducted a perfect military and civilian operation (and it has never done so yet), it could not impose a stable nation-state system on a country that had few traditions of a previous one. It will be interesting to see how the government in Afghanistan created in December 2001 proceeds. The omens are not good. And perhaps

Africa will be the world's first "failed continent."[16] The international community's failure in Rwanda is symptomatic of its overall neglect of Africa in the face of the continent's apparently insurmountable problems.

Finally, there is the role of public opinion in developed countries. Perhaps the notion of the "global village" (as coined by Marshall McLuhan over three decades ago) was flawed. He was correct that the current communications revolution, which was then getting under way, would enable people to learn more about the rest of the world so that it would feel as though we were all living in one large village. But the blizzard of information — particularly bad news — is so overwhelming that it actually stops people from wanting to help their "neighbours." Assuming the world to be heading for more problems (such as global economic downturn), Western populations will argue that "charity begins at home." They will not want their money spent overseas when there are so many issues at home (such as unemployment, crime and family breakdown) to deal with. They will not be sympathetic to their governments taking in more asylum seekers as people flee their own countries in search of a better life.

Conclusion.

To conclude, the future of our planet will unfold, in terms of the future of the nation-state, along one of these four worldviews. The challenge is to stimulate more debate on the "big picture" of global governance.

NOTES

[1] David Adams (ed.), *The Seville Statement on Violence: Preparing the Ground for the Constructing of Peace*, Paris, UNESCO, 1989.

[2] Quoted in: Andrina Stiles, *The Unification of Italy*, London, Hodder & Stoughton, 2001, p. 91.

[3] *Ibid*, p. 107.

[4] Adam Smith, *The Wealth of Nations*, London, Penguin, 1983 (1776).

[5] Quoted in: Robert Skidelsky, *John Maynard Keynes: Fighting for Britain*, London, Macmillan, 2000, p. 508.

[6] Kenichi Ohmae, *The Borderless World*, London, Collins, 1990, p. xi.

[7] David Korten, *When Corporations Rule the World*, London, Earthscan, 1996.

[8] For example, Richard Barnet and John Cavanagh, *Global Dreams*, New York, Simon & Schuster, 1994.

[9] Kenichi Ohmae, *The Invisible Continent*, London, Nicholas Brealey, 2001.

[10] Thomas Friedman, *The Lexus and the Olive Tree*, New York, Farrar, Straus, Giroux, 1999, p. 26-28.

[11] See: Paul Zane Pilzer, *Unlimited Wealth*, New York, Crown, 1994.

[12] *Ibid*, p. 197-213.

[13] Robert Kaplan, "The Coming Anarchy", *The Atlantic Monthly*, February 1994, p. 46.

[14] Sir Michael Rose, *Fighting for Peace*, London, Harvill, 1998.

[15] William Shawcross, *Deliver Us From Evil: Peacekeepers, Warlords and a World of Endless Conflict*, New York, Simon & Schuster, 2000.

[16] See: Keith Suter "The Lost Continent: Has Africa Run Out of Hope?", *The Age*, Melbourne, January 27 2001, p. 11.

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Keith Suter's paper "The future of the nation-state in the era of globalisation" is a description, as far as possible objective and rigorous, of four possible scenarios which might develop in the near future as a result of the algebraic sum of the relative strengths of the two opposing forces at work throughout the world in the present situation of transition: the persistence of the division of human beings in sovereign nation-states on the one hand, and the drive towards interdependence of human relationships on the other. The issues he raises lie at the heart of the federalist debate and we expect the readers of our review will find his treatment of them stimulating.

But although such an assessment is a necessary preliminary step for action, it raises several problems for those who have chosen political action as a means of contributing to the global establishment of the values of peace, democracy, freedom and social justice (and probably for every human being, given that even rejection of political action is, in fact, a political choice, i.e. acceptance of being an object rather than an actor — however minor — in mankind's evolution).

From this perspective, the first problem is one of choice: the four worldviews Suter offers us are not equivalent as far as these values are concerned. And it is not difficult to guess that most would choose the "World state" scenario. However, liking one scenario more than the others does not make it more real.

Therefore one must ask oneself: are these scenarios equally likely? From a historical perspective, the effects of the scientific mode of production are driving the world irreversibly towards increasing interdependence of human activities and are bound to create, in the long run, the conditions for a world government (the "World state" scenario).

Moreover, in the last decades of the last century and at the beginning of the present one, we have been living in a situation very close to Suter's "Earth Inc." scenario. But the present financial and economic crisis, which has dramatically swept the world, offers a clear measure both of the amplitude of the process of growing human interdependence and of the need for global rules to provide a framework within which the world market (and transnational corporations) can properly function. Although the reactions to the crisis have so far been at the level of the single states, a very strong inclination towards international co-operation, in order contain the damage, is emerging both among governments and in public opinion. Undoubtedly, the measures so far proposed do not go beyond intergovernmental co-operation and therefore do not erode state sovereignty, yet the idea of the need for some kind of world government is making headway in public opinion and this is reflected in the mass media (the most recent example is probably the article by Gideon Rachman "And Now for a World Government" which appeared in the Financial Times on December, 8, 2008). Nevertheless, as Suter points out, this trend comes up against the political heritage of the old mode of production—state sovereignty—and the process of overcoming this will be a long one.

In the meantime, dramatic threats to the very survival of mankind, deriving from the same scientific and technological progress that is driving the trend towards human interdependence, do hang over our planet: the enormous power of weapons of mass destruction, the widening gap in terms of wealth between the between the North and the South of the world (whose existence is exacerbated by the worldwide telecommunications network), and the pollution of the Earth's atmosphere and waters, with the resulting climate changes. Such threats can no longer be the concern of only part of the human race, given that there exist no "happy" islands that are safe from them, nor any possibility of creating such havens (even though some politicians are deceiving themselves otherwise). Growing awareness of these dangers is an additional force pushing towards world government and increasing the need for political action in order to create, at the only level at which this can be effective, i.e. at world level, the conditions for controlling them.

On the other hand, the evolution of the world situation in the short and medium term is much more uncertain, because the process of human emancipation does not proceed along straight lines, but can undergo sudden interruptions, deviations or even lengthy regressions as a result of chance and human will.

For those who have chosen to act politically with the aim of asserting the values of peace, democracy, freedom and social justice, the existence of this deep trend towards human interdependence provides the ideal historical conditions for their struggle; furthermore, the fact that the obstacles in their path can be identified makes it possible to draw up an overall strategy for furthering pursuit of the above goals. From this perspective, European unification can undoubtedly be seen as the most advanced experiment in the attempt to overcome national sovereignties and to establish supranational democracy. Probably it is at European level that the final set in the match between the persistence of absolute national sovereignty and the establishment of supranational democracy (in other words, the establishment of a federal state) will be played out. The present European Union still lies (just) within the "Steady State" or the "Earth Inc." scenarios and the overall socio-political conditions present in its 27 members are not ripe for the final leap forwards to a federal organisation. Yet it is possible that the drive towards supranational government may continue in a smaller vanguard of states (possibly those that began the integration process more than fifty years ago) through the creation of an initial federal core which would undoubtedly exert a strong force of attraction over neighbouring countries and would constitute an extraordinary example for the whole world. Were this experiment to succeed, Suter's "World state" scenario would become a much closer prospect.

Federalist Action

NOTES ON THE STATE OF EUROPEAN FEDERALISM AND ON THE URGENCY (AND DIFFICULTY) OF GETTING IT STARTED AGAIN *

In an attempt to grasp the significance of our experience as militants of the European Federalist Movement (Movimento Federalista Europeo, MFE) and of the Union of European Federalists (UEF), we can take, as our starting point, two statements of fact. The first is that the federalism we have inherited represents a transition from a type that can be described as utopian (in the manner of Proudhon), institutional (after Hamilton), or founded on individual political behaviour (federalism in the Spinelli mould), to a scientific type that (thanks to Albertini) is based on the active political behaviour of an organised movement. The second fact is that this active political behaviour is still an experiment whose future depends on us. The uncertainty of its outcome can be attributed to three factors.

The first factor is the absence in society and politics of elements conducive to the development of an autonomous political behaviour: if those becoming involved in politics do not come into contact with federalists, they may still become federalist at a later stage, i.e. starting from Europeanist positions or after having previously been something else (socialist, liberal, radical, environmentalist, etc.); alternatively, they may never become federalist. The fact that Europeanism, to some degree, now pervades all the political families actually makes it more difficult, rather than easier, to embrace an autonomous federal position. For this reason, in order to survive as a political behaviour federalism needs to be supported by a particular type of organisation, one with a clear political line. To date, there have been only two breeding grounds of federalists: a historical one (the Second World War, which influenced the individual

(*) These notes are based on debates conducted during recent meetings of militants and sections of the MFE (held in Bologna on March 31st, 2007, in Pisa on September 29th, 2007, and in Rome on May 31st, 2008).

choice made by many of the politicians who switched to federalism in the post-war period) and a political-cultural one (the sections of the MFE refounded by Albertini). Since the historical breeding ground of federalists ceased to exist, the recruitment, training and material presence of federalism has depended, more and more, on the possibility of keeping the *political-cultural hotbed of federalism* alive.

The second factor is the end of bipolarism and of the Cold War (now over fifteen years ago), which created the problem of differentiating between the framework of European integration and the narrower one of European unification, that is to say, of distinguishing more clearly between Europeanist and federalist objectives.

The third factor is the decline of federalist terminology, which reflects the fact that there is now less rigorous theoretical analysis and less use of cultural instruments. As a clear effect of this state of affairs, the words used in the ambit of the MFE, culturally the most coherently federalist setting within the UEF, no longer have an unequivocal meaning; in the same way, definitions of the current state of the process of European unification are ambiguous.

I

The Changing Nature of the UEF: the Generation that Lived Through the War is Now Disappearing and the Historical Breeding Ground of Federalism has Ceased to Exist.

Federalism, like all great ideas, can progress through history only if there are men and women willing to work for its advance in the context of everyday life. Until a decade or so ago, these active federalists were the same people who had contributed to the founding (in the 1940s) and the re-founding (in the 1960s and '70s) of the UEF and its national sections. These men and women, in spite of their different political backgrounds and activities, were ultimately united by a moral (more than political or cultural) stance: their rejection of war and refusal to accept the prospect of history sidelining the European people. Thanks to these men and women, federalism and the battle to unite Europe, like the strategies and actions of the federalist movement, became embodied in life experiences and activities that can be summed up in the names of a handful of distinguished individuals, such as Spinelli, Albertini, Hirsch, Kogon, Frenay, Marc, Ordner, Van Schendel, and Schöndube. Through them, federalism managed to become, not only symbolically but also in real life, something alive and readily identifiable both at European level and also

in the single countries (the individuals listed above, now deceased, are just some of the UEF leaders who, despite not always being on exactly the same wavelength, became the names and faces of organised federalism, an idea that thrived right up until the last decade of the last century). With the gradual loss, as the years went by, of these points of reference, the UEF and its sections began reflecting, in a confused manner in the late 1990s and more clearly in recent years, upon the need to guarantee the federalists their status as individuals with a real identity and role in the course of history, as opposed to mere by-products of the aftermath of the Second World War.

The State of Organised Federalism Sixty Years on.

It is clear, from quick glance at federalism across Europe, that the survival of the federalist experiment, of federalism as an independent and active political movement, hangs by a thread.

France has countless pro-European and pro-federalist associations, of which the French section of the UEF is just an insignificant part (young people there have even stopped calling themselves federalists); in Germany, the Europa Union (the German section of the UEF), which until a few years ago, was a strong and wealthy organisation, is now looking shaky and its regional sections are largely independent of the organisation's national and European organs; in Italy, the MFE, contrary to its declarations, made for appearances' sake, is relinquishing its role as a vanguard of federalism on a number of levels, theoretical, practical and organisational; Belgium continues to be dogged by the problem of reconciling two different brands of federalism, Walloon and Flemish, and also by that of distinguishing federalism from a simple association of officials (or would-be officials) of European institutions or organisations; the Netherlands never managed to form a national section of the UEF, while federalism in Great Britain, despite having important historical and cultural traditions — it is to these, after all, that we owe the birth of the Italian MFE —, has long been dominated by generally pro-European stances in British politics. Looking beyond these countries, in Scandinavia and Eastern Europe, federalism is barely distinguishable from Europeanism. Federalism fares no better outside the framework of the UEF, where, at most, it is possible to find individuals who are interested in or attracted by it, and who study it, but who are both unwilling and unable, individually, to tackle the problem of sustaining it on an organisational level and of transmitting it as a political behaviour.

In Europe, the UEF is an umbrella organisation with around twenty national sections and several tens of thousands of members, but, excluding Italy, there are only four or five sections in as many key cities (each with around fifty militant federalists) that have the capacity to carry out an independent, albeit limited, action that would be both credible and useful for the building of the initial core of a European federal state. This weakness is reflected in the structure of this organisation, which, at European level, is very much dominated by its various national sections. This is not a new problem. As early as the time of the collapse of the EDC project, Spinelli, but especially Albertini, were already questioning the wisdom of preserving the autonomy of the national headquarters of the various federalist sections. Indeed, they were in favour of creating a European federal headquarters that, rather than being answerable indirectly to the national organs (as was — and still is — the case), could instead have been rendered subordinate to a congress of delegates from the local sections. However, the difficulty of such a project is confirmed by the fact that, even though countless European institutions have grown up, no European political family has thus far managed to do any better. The parties' so-called European congresses have continued to be little other than intergovernmental conferences of the national representatives of the various political parties — socialist, Christian democratic, liberal, green, radical, etc.

The choice, as regards their practical and personal engagement, facing those considering this political experience appears patently clear: either they can decide to accept as inevitable the umpteenth failure of an attempt to organise a movement at international level, and abandon organised federalism, or they can decide that federalism continues to be necessary in spite of the difficulties it throws up and opt to take on the challenge of trying to set it in motion again.

II
The Failure of the "Widening and Deepening" of Europe.

As long as the framework of European integration continued to coincide with that of a possible gradual unification of Europe — albeit a unification that, with Great Britain's admission to the European Community, ceased to be one that might ultimately involve all its member states —, Europeanism and federalism were able to benefit from a kind of process of osmosis, on both an organisational and a political level: for a period of around twenty years (between 1970 and the early 1990s),

advances in the field of integration were hailed (and claimed) as successes by Europeanists and federalists alike. But this phase is long over. For some time now, Europeanist victories (the various enlargements and treaty reforms) have been moving away from, rather than towards, the creation of a European federation. Just as it did in the years between the failure of the EDC project and the first battles for the direct election of the European Parliament, federalism today is having to face the unpalatable truth that its actions and battles have brought neither success nor immediate recognition for its militants. But there is an important difference between the situation now and the previous difficult period just mentioned: this time, we are not, as we then were, on the threshold of a new phase of gradualism in the process of European unification. Having been engaged for years in a war of position, we can now advance no further. We are in the last trench and the time has come to throw ourselves into the decisive battle to secure the federal leap forward.

In the past fifteen years, this difficult truth has been masked by two UEF-led campaigns: the campaign for European democracy and the one for the European constitution. Both had a twofold aim. Externally, they were intended to serve as levers for putting pressure on governments, politicians and different sections of public opinion to pursue political unity in the wake of the decision to create the single currency. Internally, for the different sections of the UEF, they were meant to provide a common umbrella under which to conduct national and local activities of even vastly differing kinds: in the public arena, harsh criticism and incitement of politicians; in other settings, a milder approach. Today, these campaigns can be seen to constitute a last-ditch attempt to find an opening in what has now become a merely euro-cooperative phase in the EU's development: it was already clear that the federalist struggle gradually to transform the Community, and subsequently the Union, into a European state was a historical phase drawing to its definitive close. In the wake of the decision to create the single currency and the start of a rapprochement between the two Europes, what real meaning, on a practical level, could the deeper and wider approach possibly have, unless it were allowed to culminate rapidly in the creation of a sovereign European state?

In the second half of the 1990s, the incompatibility of the framework with the objectives of the European campaigns was a problem already being raised by some federal committees and it was also brought up at the Vienna Congress of the UEF in 1997, by the then outgoing president Francesco Rossolillo. By the end of the 1990s and the start of the 2000s,

following the Amsterdam and Nice Treaties, the terms of the debate were quite clear, as is clearly shown by this extract from one of the first European letters:

"Can it really be hoped that the current Union, to say nothing of an enlarged Union, might carry off in the coming years all that it has failed to achieve to date? The answer is no. It is important to take note of the fact that politicians and public opinion in Great Britain and Scandinavia continue to be strongly opposed not only to the prospect of the federal unification of Europe, but also to any suggestion of a strengthening of the Union's institutions, and negative attitudes are also starting to emerge in some traditionally pro-European countries. Furthermore, the countries that are candidates for EU membership, which, in spite of all the difficulties, are destined to become increasingly drawn into the Union's decision-making mechanisms, albeit in an informal way to begin with, declare quite openly that they have no intention of renouncing their recently regained sovereignty. The fact must be recognised that a serious debate on this problem cannot even be started in the fragile framework of the current fifteen member states; indeed, even proposals for reform that in other settings would appear reticent and minimalist are rejected as unacceptable threats to national sovereignty by the governments of some of the member states. The idea that the current European Union or, even more unlikely, an enlarged Union might prove able to develop a new institutional structure that is democratic and capable of acting is nothing more than an illusion that it is high time to do away with.

Many of Europe's politicians, while their sights may not be set clearly on the objective of federal unity, nevertheless appreciate that the salvation of the continent depends on a radical strengthening of the Union's institutions. But as long as they continue to be proposed in the current 15-member framework — on the brink of enlarging to 20 or 25 members — the declarations they make and the proposals they advance inevitably sound fanciful and propagandistic. It is now crucial for these politicians to realise that any project whose aim is the creation of a solid political union (of whatever form) has now become impracticable in this setting. And it seems that some are beginning to realise that it is only by changing the framework *that the process can start moving again, and become irreversible.*

What this means is that, if the idea of political unity is to recover credibility, the process must be restarted in the context of a smaller group of countries that has sufficient solidity and strength of will to advance. (F. Rossolillo, European Letter n. 20, October 2001).

The Choice Facing Federalists: to Consolidate that which Exists or to Embark on the Difficult Task of Creating a True European Power.

The successes of European integration are measurable in the enlargement of the EU, in the clearly greater welfare of Europe as a whole, and in the existence of European institutions that, in many fields, now make laws in collaboration with national institutions. These successes have led many, including the majority of UEF and MFE members, to adopt the view that the European Union itself is already an embryonic *sui generis* federation that merely needs to be strengthened and transformed through a series of reforms, and to stop seeing European unification as a political objective to be pursued in itself. On a political-organisational level, it is a view that has had very clear consequences: politically, it has fostered a growing tendency to claim various rights — this is an attitude summed up by the slogan *Let the European people decide*, often used with scant concern for what the people are meant to deciding about and in what context — and to demand various concessions (extension of majority voting, greater joint decision-making with the European Parliament) from a power that, albeit weak, is believed already to exist, which thus implies abandonment of the objective of creating a new power. On an organisational level, when a movement's main purpose becomes that of influencing and accompanying something that already exists, this means abandoning the revolutionary organisational model, by nature extraneous to the existing power framework, and embracing the political party- or NGO-type model, which instead has its place within the existing power framework.

This is the theoretical point on which federalists came, and continue, to be deeply divided, in Italy particularly, although the split is now apparent elsewhere, too. In fact, their differences of opinion have never been over minor questions, wool quotas or stubborn dogmatisms, as some, doing a disservice both to the truth and to the citizens, who are entitled to receive clear information on the issues actually being debated, would instead have us believe.

Abandoning the Paradigm of Federalist Action Means a Return to Utopian Federalism.

As already mentioned, two factors, namely the framework of the fight for a European federation and the discovery, thanks to Albertini, of the revolutionary nature of the federalist struggle, have characterised the development of organised federalism in the past half century, distinguishing it from the federalist aspirations, never more than idealistic designs, of the nineteenth century and the first half of the twentieth century. The framework for the federalist struggle was defined by the political and social conditions of post-WWII Europe, which were conducive to the creation not of a broad federation, but of an initial federal core made up of a clearly defined and limited group of countries. Until that time, the idea of European unity had been associated with projects and proposals to unite, haphazardly, states with vastly differing interests, such as post-Napoleonic France and Czarist Russia — this was an idea advanced by the federalist current within nineteenth century pacifism — or to federate democratic states, including some European nations (France and Great Britain), with the United States of America (traces of this idea can still be found in some fringe factions of the World Federalist Movement in the USA). However, after the end of the Second World War and the division of Europe into two areas of influence, the importance of and need for unity coincided with the need to start uniting a small group of countries around France and Germany, thereby highlighting the paradigm of action indispensable to active federalism: creating a federation means founding the *initial core of a European federal state*.

Addressing the first congress of the UEF, held in 1947 in Montreaux, Spinelli pointed out that the Marshall Plan had created an opportunity to act and that this action, in order to have any chance of succeeding, would have to be restricted to a smaller area than that of Europe as a whole; to be more precise, smaller even than the area under American influence. When the MFE's statutes were reformed in the 1980s, Albertini wanted to keep the reference to the federal core.

It is thus clear that European federalism broke free of utopian federalism only when a certain number of individuals worked out the paradigm of action for a federal core, a model that they then shared with others and strove to keep to the fore. But should this model be abandoned, federalism will inevitably go back to being nothing more than a current of utopian thought, alongside so many others that, to this day, live on in society.

The Gradual Loss of Control of the Key Position.

From the 1970s through to the mid-1990s, the Italian federalists undoubtedly acted as the UEF's cultural and moral leaders. This is shown by the organisation's campaigns for the direct election of the European Parliament (unilateral actions and demonstrations staged in Rome in

1975 and in Strasbourg in 1979), for the conferring of a constituent mandate on the European Parliament (demonstrations held in Milan in 1985, Luxembourg in 1985, The Hague in 1986, and Brussels in 1987, and the referendum held in 1989), and for the single currency (demonstrations in Strasbourg, Rome and Maastricht). However, this position of leadership was weakened by the Nice demonstration in 2001 (the umpteenth Italian mobilisation that had been hoped to have repercussions at European level), and definitively crumbled with the campaigns over the European convention and the ratification of the Constitutional Treaty. Granted (not conceded) that it was right to conduct these campaigns, to be effective, they really should have been organised around and based on the possession of real power, by the federalist sections (outside Italy), to influence national politics in their respective countries. But this power of influence was lacking and, as we have said, still is. Thus, the grave error of pursuing objectives that deliberately moved away from the logic of federalist paradigms of action and strategic intervention was compounded by that — deleterious in any battle — of sending one's forces into danger after abandoning the key positions from which to defend one's position. As it became clear that choosing ambiguous objectives served the anti-European and eurosceptic cause more than the European one in the various countries, the UEF's full inadequacy was laid bare.

III
The Local Sections as Vital Players in the Bid to Relaunch Federalism.

The evolution of federalism as the political behaviour of a group rather than a single individual can be attributed to an action that, over time, has stimulated and made it possible to transmit, from generation to generation of federalist militants, a general practice, namely the working out and sharing, among many, of a rational and coherent theory, linked to a strategic and tactical approach right for the political times and for the forces available, within a potentially European framework of action. But there is no escaping the fact that this mechanism worked only as long as, and where, the political engagement was supported by proper organisation and constant endeavour in a cultural sense. This is because — and here we come to another frequently analysed fact — one cannot long stand alone, or keep forces alive, on a battleground (like the federalist one) that is characterised by lack of success, unless one is armed with strong cultural motivations and moral convictions. This is why it is

important not to underestimate either the cultural part of the groundwork that has to be done, or its scientific nature — a rigorous approach is called for, and a proper method for verifying the correspondence between theory and reality. It hardly needs saying that this does not mean creating a sort of community of scholars, an umpteenth think-tank, or even a type of sect, given that such approaches are incompatible as much with the type of political action that is called for as with the experience of the past and with simple common sense. Nevertheless, all these points help to clarify why the survival of federalism (as opposed to other experiences, political and otherwise, which have instead become embodied in revolutionary successes or institutions of power) depends on the extent to which there exist groups determined to ensure that it lives on (or to make it rise from its own ashes).

On a practical level, as well as endeavouring to keep these mechanisms alive and working in the local sections in which this has already been shown to be possible, there are also other things we could do:

a) We could establish where, in Italy and in Europe, there are other federalists who share these concerns;

b) We could create, within the ambit of the MFE and UEF, opportunities for debate and for meetings between the groups and sections of federalists who have remained alive to these problems and who are beginning to perceive the crisis now afflicting federalism, not so much (and not only) in its organisational but also in its cultural dimension;

c) On a strategic level, we could get people thinking again about the importance of promoting a political line that will put the need to create a federal state firmly back where it belongs, at the heart of our action and our dealings with Europe's politicians, in the full awareness that different approaches might be needed in the different national scenarios in which it will be necessary to operate;

d) On a cultural level, we could go on applying federalist instruments of analysis to reality and to the world around us. This means first of all, as a group, looking to promote the development of what has been, over the past half century, our main symbol and point of reference for analysis of history, of events and of the evolution of federalist thought: our political review *The Federalist*.

The Need to Campaign for a European Federal State.

The model of a political organisation is clearly linked to the objectives it pursues. In turn, the choice of these objectives is linked to what we do

and the people we are: *nomina sunt omina*, especially in politics. This, extremely briefly, is what, on an organisational level and in practice, a political campaign and the instruments of its action must convey. It also explains why we need to keep the campaign for a European federal state alive and very much to the fore. For example, let us imagine a list of questions and general issues that the UEF, internally, could tackle and seek to resolve in a bid to strengthen its internal cohesion and capacity for external action. The items on the list are, of course, already familiar to us:

- Why a European federal state is necessary.
- Why political union depends on the creation of a state.
- The question of writing a constitution and creating a state.
- What a federal state is.
- What a federal constitution is.
- The necessary conditions for founding a state.
- Who and what the creation of a state depends on.
- The conditions for joining a federal state.

Analysis of these general issues should make apparent the need to organise the federalist action on all the national fronts, starting from the observation that the first task would obviously have to be that of distinguishing between that which is worth pursuing in a narrow framework and through a direct approach, with a view to unification (limited to a few countries), from that which is worth pursuing in an enlarged framework and through an indirect approach, with a view to integration (embracing most of the countries).

Use and promotion of the following, for example, could be the basis of the direct approach:

- The federal pact.
- Appeals to the founding member states.
- Declaration of the weight of responsibility borne by France and Germany.
- Appeals to countries that enjoy close relations with the founding member states.
- Calls for a constituent assembly in those countries that should decide to enter into the pact.
- The creation, at different levels, of committees for a federal state.

Meanwhile, the indirect approach could be based on the use of the

following instruments:

- Campaigns to raise awareness of the need for deeper political union.
- A manifesto to promote political unity on a federal basis in the countries of the wider European Union.
- Appeals in support of a European federation, or the initial core of a European federation (which would remain open to other countries should they subsequently wish to join it), regardless of whether or not the federation or core includes a given federalist section's own country.

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NOTES ON THE MEANING OF SOME EXPRESSIONS

The War of Manoeuvre or the War of Position.

In the mid-1980s, Albertini began drawing attention to the need for militants to get ready to engage in a "war of position," by which he meant a type of political action increasingly influenced by the fact that the intermediate objectives pursuable through the "constitutional gradualism" approach were on the point of being reached. Aptly applied by Albertini, "war of position" was actually an expression previously coined by Gramsci to describe the difficulties a revolutionary movement must confront when it finally finds itself of the brink of the decisive battle. In view of the confusion it has generated, it is worth recalling here — these were questions discussed extensively both in the 1980s, prior to the 1987 Verona congress, and in 2001 in the run-up to the Ferrara congress — exactly what Gramsci meant by the expression: " In politics, ...the war of manoeuvre subsists so long as it is a question of winning positions which are not decisive... . But when, for one reason or another, these positions have lost their value and only the decisive positions are at stake, then one passes over to siege warfare; this is concentrated, difficult, and requires exceptional qualities of patience and inventiveness. In politics, the siege is a reciprocal one, despite all appearances, and the mere fact that the ruler has to muster all his resources demonstrates how seriously he takes his adversary."[1]

The war of position is thus one of the avenues that can be followed in pursuit of the strategic objective. Unlikely as it may seem if we consider the current power relations, the battle that will decide Europe's future is actually now being played out through the reciprocal siege between the federalists and some governments over the issue of the creation of a federal core.

If the possibility of creating a federal core is indeed the front on which the war of position is today being waged,[2] the incitement and propaganda associated with it must necessarily differ, in content, from the arguments advanced by those who

instead want to transform the whole Union into a federation, i.e., those who count on the possibility of triggering a constituent process in the current framework. In short, if the federal core is the focus of the strategy, then it is necessary to think and act within a new framework of battle, in other words, to be able to distinguish: a) *the framework that throws up all the contradictions* of the process of unification (the 27-member EU, etc.) from *the framework in which a European federation could be created* (an initial core group of states that must include France and Germany); and b) the mutable elements of power (the Union's institutions) from the effective ones (the national sovereignties). If, instead, the focus of the strategy is EU reform, then one remains, psychologically too, in the present framework. Therefore, choosing one strategic course over another is not just a matter of using forces differently; it also means generating different ideas and expectations with regard to the political results aspired to, the personal motivations of those involved, the type of mobilisation, and the criteria for measuring the success, or lack thereof, of an action, and so on. In this sense, the strategic course becomes indivisible from recruitment policy and the education and training of new recruits. Whereas the strategic choice has an essentially theoretical-moral basis, resting on "agents that, not part of the knowledge contained in books, cannot be reduced to figures or categories," as Clausewitz puts it, its application has a practical-political basis, given that it "depends on the means most suitable for achieving the political objectives" (B.H. Liddell Hart). The first of these affirmations, which Clausewitz clarifies excellently, referring to the important role played by moral forces in determining the outcome of a war, is explained by the fact that the choice of one strategic course over another depends only in part on rigorous calculation of the relations of force, given that without the moral courage and will of a group of individuals to share and support a certain strategy, the essential stimulus to act and to channel energies in one direction rather than another would be lacking. The second affirmation, on the other hand, is borne out by the fact that the unity and efficacy of the strategic course, once it has been established, depends not so much on its unequivocal pursuit as on the sharing of the ultimate strategic objective by a number of individuals who are organised politically — an objective that need not necessarily be pursued through a single approach (and thus a single action).

The Direct and Indirect Approaches.

The UEF should take note of the need to re-launch a strategy for a European federal state, through two approaches: an indirect one, to be adopted in all those European countries in which, despite these countries' membership of the EU, the conditions (historical-political, economic, social) are not yet ripe for political union; and a direct one, to be adopted in all those countries that shoulder the political and historical responsibility for launching an initiative geared at achieving the federal state objective, starting with a small group of countries. The problem of introducing a more transparent and efficient dual strategy remains to be solved, and it is based on the de facto observation — this is something now

acknowledged by the governments themselves, even though they fail to draw the necessary conclusions — that today's confederal Union will inevitably disintegrate if Europe persists in its attempt to move forward with its present twenty-seven members. Basically, this dual strategy would need to provide guidelines: a) for a direct approach to be implemented by a European network of federalist groups demanding the immediate creation of a European federal state, made up initially of Europe's founding member states (even though this strategy would target these member states, nothing and no one could stop other groups of federalists from trying to pursue it in other countries too); and b) for the development of an indirect approach, to be adopted by a probably larger number of federalist sections and groups, targeting those governments and parliaments from which it would first be necessary to obtain assurances that they intend to preserve the *acquis communautaire*, are prepared to encourage the will and potential for greater integration in their countries, and, at the same time, will not seek to impede other countries' pursuit of political unity. This, basically, is the challenge that organised federalism in Europe will have to rise to in the coming years if it is to survive: to manage and successfully marry the approach designed to ensure that the Europe of the treaties survives and where possible moves forward, among many countries, with that designed to bring about the birth of the Europe of the constituent federal pact, initially among just a *few* countries. It is with this objective in mind that we should be seeking to encourage debate and spirit of initiative in favour of the re-launch of the European political unification project. This means developing and nurturing, starting in the greatest possible number of the cities and regions in which we are present, a federalist action compatible not only with the objectives for whose pursuit Europe's federalist movements were born, but also with the current power situation, in Europe and the world.

The Political Siege.

In organisational terms and also as regards the need for cultural elaboration, a political siege is an arduous undertaking. According to Clausewitz, war is an "art" that stems from and is perfected though the siege. Prior to and outside the siege situation, it is nothing more than "a sort of war." In fact, the siege demands that curbing of the "free activity of the spirit"[3] that, possible only in a rational organisational and strategic setting, is at the root of all theorising.

Gramsci, in his definition of the political war of position, applied to the political sphere terms that are used in military theory. Gramsci maintained that a political siege situation is characterised not only by the difficulties created by the external reality, but also by those relating to the need to cultivate courage and patience in one's own militants. This is why it is important to be able to distinguish the moment at which there is still scope for various manoeuvres, designed to bring one closer to the objective, from that in which it has become crucial to focus on the decisive point, controlling moments in which "agitation becomes immobil-

ity," and in which action, divorced from theory, becomes "doing for doing's sake." [4] This view is an elaboration of the observation on the role of the vanguard made by Lenin, according to whom "Victory cannot be won with the vanguard alone. To throw the vanguard alone into the decisive battle, before the whole class, before the broad masses have taken up a position either of direct support of the vanguard, or at least of benevolent neutrality towards it...would be not merely folly but a crime."[5]

Holding the Key Positions.

Clausewitz's expression *holding the key positions*[6] equates, in political terms, with complete control of the theoretical and practical instruments essential for conducting an autonomous action.

The Dual Approach.

a) In order to arrive at an effective strategy, consideration must be given to the application of at least two approaches: one aimed directly and the other indirectly at the objective to be achieved. The decision to use one or both of these approaches is at the root of political action, as indeed it is the basis of military action. It is not a decision that can be taken once and for all; it will not be suitable for all situations, and its practical usefulness will depend on the degree to which it is adopted by a group organised at territorial level. Paraphrasing Gramsci, the capacity of a decision to become an act, a political reality, and the basis for the organisation of a fight depends on the extent to which it is understood and shared by active or potentially active elements, and the extent to which each of these elements appreciates the contribution it can make to its realisation and implementation.

b) The choice of approach depends on the current situation (political and historical conditions) and on an analysis of the relations and positions of the forces in the field. When the battle is protracted and fought across a broad front, the strategic approach adopted inevitably tends towards the dual one. This creates a twofold risk: that of failing to recognise its true nature and that of mistaking various secondary objectives for the true, ultimate one. As highlighted by L. Hart: "Opposition to the truth is inevitable, especially if it takes the form of a new idea, but the degree of resistance can be diminished — by giving thought not only to the aim but to the method of approach. Avoid a frontal attack on a long established position; instead, seek to turn it by flank movement, so that a more penetrable side is exposed to the thrust of truth. But, in any such indirect approach, take care not to diverge from the truth, for nothing is more fatal to its real advancement than to lapse into untruth."[7]

Franco Spoltore

NOTES

[1] Antonio Gramsci, "Passato e presente", in *Quaderni del carcere*, Rome, Editori Riuniti,1979, p. 90 (English quotation:http://www.colby.edu/~jpgordon/GramsciReadings.pdf).

[2] See Francesco Rossolillo's editorial "Europe after Nice", *The Federalist*, XLIII (2001), n. 1, and Luisa Trumellini's contribution to the debate at the XX congress of the Italian section of the MFE, *Tesi di dibattito sul nucleo federale*, which can be downloaded from: http://www.alternativaeuropea.org/documenti/dosweb/tesi.html.

[3] Karl von Clausewitz, *On War*, Volume 1, Project Gutenberg, 1946 (http://www.gutenberg.org/etext/).

[4] Antonio Gramsci, *op. cit.*, p. 6.

[5] Vladimir Lenin, *Left-Wing Communism: an Infantile Disorder*, (English quotation: http://www.marx.org/reference/archive/stalin/works/1924/foundations-leninism/ch07.htm).

[6] Karl von Clausewitz,*op. cit.*, p. 601 (http://www.clausewitz.com/CWZHOME/VomKriege2/ONWARTOC2.HTML, Chapter XXIII).

[7] B.H. Liddell Hart, *Strategy*, London, 1991, Meridian Books, p. xxi (English quotation:http://infohost.nmt.edu/~shipman/reading/liddell/).

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