

## **“EUROPE WHOLE AND FREE: TWELVE ASSERTIONS FOR DECISION-MAKERS”**

Briefing note for Parliamentary Colleagues, written in Cairo

2<sup>nd</sup> February 1990

### **Introduction**

The revolution which Europe has witnessed in 1989 is as fundamental as that which shook the Continent in 1789. It is more widespread and more durable than the revolutions of 1848. It is more peaceful than the reorganisations of the Continent following the two European Civil Wars of this century. It is of a scale which renders rational decision-making difficult given the simultaneous upheaval which it has wrought in many of the assumptions that have underpinned the post-war world.

The following twelve assertions, all of which are inter-related, are offered as a guide to decision makers across the continent, faced with a situation of unprecedented fluidity and of considerable danger.

### **The European Community is about Politics not Economics.**

The immediate roots of the European Community lie in the urgent post-war need to make good the consequences of two disastrous European Civil Wars in one generation. The Community is the second half of the twentieth century's answer to the German problem. It is an assertion of continuing European identity in a world which Europe, for the first time in 300 years, no longer governs. It is an exercise in the joint projection of power by ex-Imperial powers. It survives and develops because the forces of high politics pushing towards European unity are stronger than the countervailing forces of dispersion. Economics has been used as a means to an end not as the end itself. Of course, there are economic advantages from European co-operation in terms of Europe's relationship with the rest of the world and, above all, in the liberalising measures consequent on the forming first of a customs union and then of a European Single Market. But it is politics that holds the whip hand. The European Coal and Steel Community was a deliberate attempt to put war-making materials under a super-national authority. The subsequent development of Euratom and the European Economic Community were consciously seen by the Founding Fathers as part of a “Federalist escalator” that by linking the economies of the Member States would lead inevitably to a political union that could not be achieved in one stride. It is in this context that the debates about the European Defence Community and European Political Union in the early fifties now bear reconsideration. Then, as now, Germany appeared suddenly to be on the loose. Then, as now, the British held back. Then, as now, the French were desperate for some political solution that would enfold a recovering Germany firmly in the bosom of Western Europe.

All national elites have at times taken refuge in rhetoric about economics when they found the politics of European Union too difficult to carry with their domestic electorates. However, it is only the British elite who have at times misled themselves as well as the electorate. The debate on entry in 1972 was largely conducted in terms of economics. It was only with the Referendum Campaign of 1975 that the British establishment was forced to argue, what it must always have known to be the truth, that membership of the European Community was in Britain's political as well as economic interest. It has been a cardinal point of British foreign policy for 700 years that no continental superpower should control the mouth of the Scheldt. By the late sixties it was clear that the European Community was on its way to becoming such a power. Britain was faced with the stark choice of joining in order to influence such a power or opting for isolation and impotence. Now, as the pace accelerates, and as the stakes are raised, we may pay a price for not fully having debated the reality of European unity at the time of our entry. We, however, are not alone. For every nation state in the Community the gamble of membership was a “political Niagara”. As our continent redraws itself before our eyes, every Member State must and should be reconsidering its basic geo-political imperatives for membership. Nothing is

pre-ordained in politics. The Community is not doomed to success. That which has been built could easily come apart. This is the reality which gives the early '90s both their excitement and their sense of awe. The unification of Germany and the liberation of Eastern Europe face the Community simultaneously with its moment of deepest crisis and its moment of greatest opportunity.

## **The European Community is the only Show in Town**

The political and economic map of Europe is alive with an alphabet soup of international organisations. The Council of Europe, the European Free Trade Association, COMECON, the Western European Union, the Union Nations Commission for Europe, the Conference on Security and Co-operation in Europe, the Independent European Programming Group, the OECD, and many more of a sectoral nature. These are in the main worthy and useful creations. They reflect in their many and varied ways the development of politics, both European and international over the last two generations.

Only one organisation in Europe, however, is strong enough for the challenges of the '90s. Only the European Community has the mixture of a secure legal jurisdiction, proven decision-making powers, the core of a supra-national executive arm and the ability to develop flexible political institutions. COMECON is visibly unravelling before our eyes with the termination of the Russian Imperium in Eastern Europe. EFTA and the Council of Europe would have no separate rationale once the European Community had expanded to include all or most of their current members. There would be no basis in logic for excluding human rights or education from a European Union. There could equally be no justification for maintaining a separate existence of such institutions merely to provide a point of contact for countries such as Iceland or Turkey, who, for geographic or cultural reasons, could not become members of the enlarged Community. Such countries on the periphery would not doubt opt for some form of Association Agreement with the European Community. Similarly, the separate existence of Western European Union would be meaningless in a Community that had adopted a Common Security Policy as the capstone of its political unity. The myriad European fora for co-operation such as the European Space Agency, EUREKA or the CEPT will, no doubt, be co-opted more closely into European Community co-operation at some subsequent revision of the Treaties.

While there need be no reason for bureaucratic tidy-mindedness, let alone a desire to centralise everything in one institution, the current dispersion of European effort amongst such a range of overlapping organisations is profoundly inefficient. More worryingly it also makes Parliamentary control of both national and central authorities very difficult to exercise. Much has been made in the late 1980s of a Europe of concentric circles. The United States of Europe - European Community - European Economic Space - Association Agreements with Eastern Europe. Such ideas may be helpful as a process. They do not serve muster as an aim. The Community really must face up to its destiny in this matter. It is not possible or wise to negotiate with potential members of the Community while pretending that membership is so far in the future as to be irrelevant. No more dramatic indication of the reality of European Community power can be found than the recent changes in American attitudes. When the Americans ask "Where is the beef" the answer, in all except an agricultural sense, is Brussels. Brussels, with all its imperfections, already has the smell of a capital city. The diplomatic corps, the press corps, the lobbying corps, are all there in numbers which rival Washington. Any scheme which seeks to achieve stability in Europe and which by-passes the European Community is doomed to early failure.

## **The European Community is deeply pragmatic**

Despite its written constitution; despite its largely undeserved reputation for bureaucracy; despite, above all, the predominance of Cartesian rationalists in its elite, the Community remains remarkably flexible and adaptive. It has been forced to retain this tactical flexibility from the days of the Founding Fathers onwards. The sheer scale of the task of "The ever closer union of the peoples of Europe" has dictated pragmatism whatever continental rhetoric may have suggested.

"What is political union" asked the English visitor to Strasbourg. The elegant hands and slightly tortured mein of, Pascla Lamy, a member of President Delors Cabinet, twitched. "We refer to it as an U.P.O.- an unidentified political objective", he replied. "We will know it when we see it".

There are, however, limits to what Andrew Schonfield years ago called this “Journey to an unknown destination”. There are limits to how far the Federalist escalator or economic integration should and could carry us without further political pause for reflection. The Community is not a Socialist super-state. The Community is not purely a manifestation of Capitalism and the Free Market. It is a method. It is a process. It is a corpus of institutions. For an entity created in the voluntary absence of Anglo-Saxons, it is remarkable in the debt which it nevertheless owes to the supreme English gift of pragmatism

## **History has accelerated**

The revolutions of 1989 mark a step change in the process of European unification. Nothing could more dramatically represent the end of the post-war, bi-polar, world. For different reasons, both the United States and the Soviet Union are in the phase of Imperial withdrawal. Both have been overstrained by the burdens of global influence. Both have been forced by economic and political reality to retrench.

The retreating tide of super-power influence reveals two enduring realities. The European Community has “come of age”. The European Single Act has equipped it with decision-making abilities. The Single Market programme has given reality to its aspirations of economic coherence. The search for Economic and Monetary Union is made ever more urgent by the new reality of free capital movement inside the Community. Secondly, in the Eastern part of our Continent there stand revealed half-a-dozen or so European cultures now free to reassert their European identity. The streets of Prague are decorated with maps of the whole Continent above the slogan “Back to Europe”. The disappearance of the Berlin Wall is only the most dramatic symbol of what Christopher Layton has referred to as “The healing of Europe”. Whatever President Gorbachev’s intentions may have been, the peoples of Eastern Europe have taken the Sinatra doctrine – “I did it my way” – as a mandate to dispose of their quisling regimes and reassert their own identities. It is not necessary to belittle Gorbachev’s skills or strategic intention. However, the reality of 1989 belongs to the people power of Warsaw, Leipzig, Prague and Bucharest. Such events happen only once or twice in a century. They are an earthquake in the political scene. However long anticipated, they always cause intellectual chaos in the Chancelleries of Europe which are, of necessity, fine-tuned to responding to the nuances of diplomacy rather than the shudders of a step-change.

## **Much Nonsense is talked about Germany, not least by Germans**

Everyone is an expert on Germany. Everyone can regurgitate their own version of German history. Everyone can point meaningfully at maps of Central Europe. It matters not that most of this so-called history is only a shallow reflection of the last 50 years or that the maps refer only to a 1000-year Reich that lasted a mere 12 years. Inevitably the detritus of two wars in this century have made Germany, her strength, her past and her future, the property of a thousand bar-room conversations. It is the shallowness of these stereotypes that gives cause for concern. To portray Germany, or still more, the German problem, as the product of the Bismarkian Reich or of Hitler’s Germany, is to misunderstand the central question of European history. The existence of a powerful, creative and energetic people in the centre of our continent is as old as the consciousness of the Continent itself.

German unity is both desirable and necessary. It is part of the healing process that concludes this century's wars. It is the necessary point at which to draw the line under the “guilt” of Germany. As the distinguished French historian Alfred Grosser has said “Germans today are different from those who supported Hitler, they have really accepted democratic values. They have done everything possible to demonstrate their good faith.” He might have added that they have, in addition, acquired the habit of Community membership. The *acquis communautaire* is built into the law and practice of the Federal Republic. For a generation the Germans have been the “model schoolboy” of European unification. It is a necessary part of growing up that this artificial replacement of German nationalism by a European identity should be tempered with the ability to once again be Germans. In a culture that is used to multiple identities, the Germans more than most Europeans have acquired the ability to think at different levels, even if they do not take it to the extreme levels of a Bavarian of my acquaintance who

can claim to be a Bavarian first, a European second, and a German third.

The rest of Europe has no right to be surprised by the passion and emotion unleashed in the Germans by the fracturing of the Berlin Wall. Any divided country, at any time, would have acted in the same way. The surprise, however, no doubt stems from a dangerously simplified stereotype of the Germans as efficient and unemotional. In fact, of course, the Germans throughout their history have had a deeply romantic, Faustian side of their character. They have as much right to the romantic aspects of their soul as do the Italians or the French. Nobody in Europe is more aware of the dangers inherent in their national characteristics than are the Germans themselves. Hans Dietrich Genscher can still quote passionately the words of Thomas Mann, writing in 1952, "we seek a European Germany, not a German Europe".

There is much easy journalism current about Germany as a new "super power". In fact, with a declining and ageing population, a heavy dependence on imported oil, and a lack of continental scale, Germany is, as she always has been, deprived of the effective ingredients for super-power status. Indeed, even the phrase seems already dated as belonging to a post-war bi-polar world. Even with all the effectiveness of German manufacturing industry, the Germans are not as well placed in the industries of the future as are the Japanese.

Even writing after the Alliance for Germany's triumph on March 18th 1990, it is unwise to attempt to predict the speed of German unification. It will clearly be rapid. The revived East German Lander will apply for membership of the Federal Republic. They will thereby automatically become Members of the European Community. This will trigger retrospective negotiations on transitional periods. The experience of German monetary union will, no doubt, teach lessons for the wider achievement of European monetary union. However, it is a mistake to overestimate the difficulties facing the Germans over unification. The next four or five years may be difficult, but they will be nowhere near as difficult or as inflationary as some pessimists pretend.

The impact of a united Germany on the European Community is another subject where speculation has run wild. The united Germany inside the existing European Community will be no bigger in relative proportion than was the original Federal Republic in 1956 in relation to the Six. Indeed, by the time that the Community has expanded to include the neutrals and the newly democratic countries of East Central Europe, the German population of the Community will be significantly lower as a percentage. In fact little changes. The Community will, of course, have to change the number of votes allocated to Germany in the Council of Ministers, perhaps to 13, and increase the number of German seats in the European Parliament from 81 to 99, but the political impact of this is less than the sheer arithmetic would suggest. The existing Federal Republic already has an effective veto on major policy matters, as indeed do other major Member States of the Community. The increased size of Germany as the largest Member State will, if anything, increase the awareness of the other Eleven. The European Community's political system works by a complex system of checks and balances. There are numerous shifting coalitions within the system: North - South, Atlantic - Mediterranean - Central European; Catholic - Protestant; Socialist - non-Socialist; Central - Peripheral. German unification needs to be seen in the context of all these balances.

Germany remains the single most important political entity in the Community. It is important for the stability of Europe that the Germans are at peace with themselves. Even before unification the German elections are the single most important political event in the Community's calendar. The choice between a Centre-Left or Centre-Right Government in Bonn sets the political tone for the Community. The Germans will play a central but not a dominating role in the future of the Community. It is all the aspects of the German character that need to be put into the European balance. The Germany of Goethe and Beethoven, the Germany of the Medieval Guilds as well as the Germany of industrial combines and worker participation. This is a coming-of-age, a maturity that non-German Europeans should enthusiastically welcome.

## **Wideners and Deepeners are both Wrong**

Since the late 1980s there have formed two rival camps in the argument about the future of the European Community. The "deepeners" have an overriding concern for the coherence of Community institutions. They are most usually to be found amongst the original six Member States. Indeed, at

times their attitude shows a nostalgia for the supposed ease of Community building in the 1950s and '60s. They are convinced of the need to complete the Single Market by 1992 and to delay even discussion of new membership until after that date. By the completion of the Single Market they also mean those consequential and difficult issues such as fiscal harmonisation and the movement of people which the rival group would be prepared to delay for some time. Deepeners are desperately keen to move rapidly towards Economic and Monetary Union and its associated institutional reform. They see the establishment of some Community involvement in a European Central Bank as necessary to avoid the continuing dominance of the Deutsche Mark. Above all, however, they wish to make progress in the field of security and political union. They tend to argue that enlargement of the Community can only lead to dilution.

“Wideners”, on the other hand, are altogether more relaxed about discussions with bona fide new entrant states. They see the discussions on a Common European Space with EFTA members as an early prelude to membership. While they also stress the need to complete the 1992 programme they will be less concerned about the achievement of the more difficult elements. Wideners will point to the experience of Iberian enlargement to argue that more members do not necessarily impair the institutional cohesion of the Community. Amongst this group were historically to be found those who argued for the early membership of neutral states, even if this delayed or indeed deferred the creation of European security and political co-operation. In the eyes of deepeners, wideners may be distrusted as proponents of a deliberate dilution of the Community method, achieved by a forced pace of new additions, leading to a Community which is wider but also looser. At its extreme formulation this might then be presented as a freely co-operating system of Sovereign States under the general umbrella of a slogan such as The Common European Home. Many opponents of the Community are therefore to be found taking temporary refuge under such arguments. Their presence should not, however, discredit the posture of those who believe that a coherent Community is still achievable even in a wider geographical context.

The revolutionary events of 1989 provide different challenges to both schools of thought. For the deepeners are worried by the distraction of Germany towards the challenge of unification. The failure of the Germans to sign the Schengen Agreement on time, given the problems of integrating free movement arrangements in the light of possible incorporation of East Germany, was seen as a dramatic example of the dangers of widening. The response of the deepener is to bid up the speed of integration to a near impossible tempo. All efforts must be made to achieve immediate monetary union and great store is laid by the need to complete either one or two inter-governmental conferences at high speed. “Wideners”, on the other hand, were bewildered by the sudden change of scale in terms of potential enlargement. Whereas their arguments had fitted comfortably when the applicant States that they had in mind were Austria, Norway or, in an extreme form, Turkey, their responses shift in the face of the enlargement of Germany and the potential inclusion within the Community of Poland, Hungary and Czechoslovakia. The more thinking members of the “widener” camp, however, see that the need to enfold Germany within a wider Community can only be achieved if that Community has sufficiently strong institutions. Their immediate response has been to encourage aid to Eastern Europe, to express confidence in alternative structures such as the Council of Europe or the Helsinki Process, while rethinking their geo-political arguments for a looser Community.

The truth is that the strengthening of Europe will take place in two dimensions simultaneously. Widening without deepening is no longer a feasible option. Deepening without widening ignores the new imperatives from the East. It is not necessary to take refuge either in undue optimism nor in some complicated Hegelian model of action and reaction to see how such a development is the most likely in the current European context.

I am indebted to a German academic for the following simple model of the inter-relationship of all things in Europe. He posited four levels of building blocks, rather like a children's wooden building set, with the largest pair marked “NATO and the Warsaw Pact”. Stacked on top of these were two smaller bricks marked “European Community and COMECON”. At the level above this, two bricks marked “Federal Republic of Germany and German Democratic Republic”. Right at the top stood two small bricks marked “West Berlin and East Berlin”. He argued that no progress could be made at any single level. Progress over Berlin or over German unification was linked to developments at other levels. Of course, the model is not perfect. For instance, the European Community and COMECON are not bricks of equal value. In addition, one might usefully add a fifth layer of even larger bricks at the base marked “United States of America and USSR”. It is certainly true that none of the

developments at higher levels could have taken place without a rapprochement in super power relationships. Some of the instability of European politics in recent months is illustrated by his model. By pushing together first of all Berlin, East and West, and then Germany, East and West, the two piles of bricks form a not very convincing or stable arch. The de facto unification of Germany and the potential withdrawal of Soviet troops onto Russian territory, both of which may be complete within two years, leaves a gaping whole in the system of stability, however imperfect, erected in the last forty years. The search now is for the next point of stability. The relevant players in this search are respectively America, Russia, Germany itself, the eleven other Member States of the Community and the countries of East Central Europe. Only one solution can be found to meet all their security concerns. Only a united Germany, fully imbedded in a united Europe, offers this stability. For the Germans it provides unity in a form acceptable to their allies and neighbours. For the Russians it provides a guarantee that the possibility of a separate revanchist Germany will never again threaten the home security of the Russian people. For the Americans it offers a focus for continuing to influence Germany and to safeguard their security and economic interests in Europe. For the other eleven Member States of the existing Community it is a guarantee of influence over their powerful collaborator and insurance that continued progress will be made towards European integration. For the countries of East Central Europe it provides the double security guarantee of making their newly found independence from Russian imperialism irreversible while guaranteeing their post-war frontiers with the newly united Germany. However dramatic the conclusion may seem at first sight it does have the makings of a generally acceptable way forward.

## **Do not patronize Eastern Europe**

For forty years Europe has breathed with two lungs. For a lifetime the Eastern one has been clogged with Communism. With a few honourable exceptions, this generation of West Europeans is sadly ignorant of the lands to their East. Whereas our parents moved easily through Budapest, Prague or Warsaw, the post-war generation has had to cope with travel in these countries courtesy of the domestic equivalent of Intourist and the grinding bureaucracy of police states. Even the limited number of westerners who made a special study of Eastern Europe, find themselves de-skilled by the sudden disappearance of the regimes whose intricacies and strange behaviour patterns they sought to understand. The emigre Communities have, of course, kept alive interests in their homelands and honourable mention should be made of groups such as Pan Europa and the Conservative Council on Eastern Europe who maintained contact with dissidents throughout Eastern Europe even during the most difficult years.

Of course, the newly democratic countries of Eastern Europe face massive problems in the simultaneous switch to democratic societies and to free market economies. They must manage the intricacies of currency reform and land reform without which no genuine economic advance is possible. They must face once again the endless problems of minorities. They must reinvent their constitutions and the rule of law in their countries. None of this, however, entitles the Western Europeans to treat them as kindergarten children stumbling into the light. These are ancient and sophisticated societies with high levels of education, if not of economic well-being. Those with a limited historical perspective in the west tend, at most, to look back only to the 1930s. They cast doubt on the ability of these societies to run a democratic system and they seem to expect an automatic swamping of the area by German influence. This is to draw the wrong lessons from an inadequate historical base. These societies have a continuous history stretching back a thousand years. In many respects it is identical with that of Western Europe. They experienced mediaeval pluralism, the struggle between church and state, the balance of power between Guilds and Nobles. They have a functioning and continuous historical and religious experience parallel with that of the western part of the Continent. They have, in a phrase, all that is necessary to make them as good democrats and as good Europeans as their Western cousins. In addition, they have a burning desire to prove themselves. For a generation the best brains of their societies have been side-tracked by Communist power structures. The philosopher-stokers of Eastern Europe are the intellectual match of any Western European. Of course there will be problems. Of course it will take time. Of course they will need Western European help. President Havel has shown how a free politician can draw on the heritage of Jan Huss. The Hungarians will draw on the inspiration of the crown of St. Stephen. The creators of Krakow need no lessons in civilization from the West.

## **The Boundaries of Europe are set by History not Geography**

“Italy is a geographic expression”, said Metternich. Within a few years the Italian Risorgimento proved this normally astute observer wrong. ‘Europe’ is more than a cape of Eurasia. Its boundaries to the West, to the North and to the South are indeed set by geography. Its boundary to the East is set, however, by history and by culture. It is a history of pluralism that finds no lasting place for centralised totalitarianism, be it of the Czar or the Commissar. It is a primarily Christian civilization that has resisted the competition from Islam since the 7th Century. Whatever geography may say, an Islamic Albania or the small portion of “Turkey in Europe”, are never going to be part of the European Community. Indeed, the longer the experience of Turkish occupation, the more difficult it is for a potential Member State to feel fully European. Arguably, Greece has had more trouble adapting to the Community than is explicable purely in economic terms. No such problems need occur for Catholic Poland or the Baltic States. No such problems need occur for Roumania with its Latin language. For the micro states of Malta, Liechtenstein, San Marino and the rest a special solution needs to be found. For the lands immediately to the East, who have been included in the European sphere of influence, the question must remain open. The mediaeval Christian Kingdoms of the Ukraine, Armenia and Georgia, will have to await developments in the heartland of Russia. Slavic Russia itself, while undoubtedly sharing some aspects of the European experience, not least its orthodox Christianity, has never shared fully in the pluralism which is essential for a fully European society. Russia remains, as always, Mother Russia, different, eternally present, worthy of respect and fear, but, despite the easy rhetoric of “the Common European Home”, not fully European. Even if stripped of its 19th Century colonial acquisitions in Central Asia by the emergence of independent Islamic States, it would still retain the vast wilderness of Siberia stretching to Vladivostock. It is history which draws this line somewhere in the region of Minsk rather than the ‘geographic’ accident of the Ural mountains.

## **Neutrality in Europe is Yesterday's Concept**

The neutral states of Europe are a mixed bunch. Austria and Finland defined their neutrality as a product of post-war bi-polarism. For Austria it was a condition, if not a constituent part, of the State Treaty in 1956 which brought about Soviet withdrawal from Eastern Austria. For the Finns it was an essential element in the Passakivi-Kekkonen line. For the Irish it was an easy way of asserting their separate identity from the British. For the Swedes, whose Imperial urges had exhausted themselves early, it was a sensible response to their geographic proximity to Germany which, for reasons of geography not shared by the Dutch, went unchallenged in both wars. It is only the Swiss, for whom the concept of neutrality is genuinely central to the national psyche, whose attitudes might reasonably remain unchanged by the developments in the rest of their continent.

The question must now be “Neutral between whom”? If the bi-polar world is coming to an end, what are the barriers to full participation in an independent Europe? None of these countries are pacifist as opposed to neutral. Many of them have considerable defence expenditures that could be relatively reduced by participation in a broader European undertaking. Neutrality decreed in response to the political realities of the 19th or 20th centuries will come to look strangely idiosyncratic in the 21st century.

## **Security is the Capstone**

The construction of Europe has proceeded apace since the failure of the proposed European Defence Community in 1954. That setback confirmed the tendency for the Community to build up its economic integration before tackling the more sensitive political and security matters. The Community that has been constructed is, in Phillip von Bismarck’s memorable phrase, a “roofless cathedral”. In the 1990s the walls of this cathedral arch are looking suddenly unstable. The only way in which to produce the desired stability is to put in place the capstone of the arch; to put in place the security policy for Europe that was abandoned amidst recriminations in the early 1950s. The collapse of the Warsaw Pact and the unification of Germany undermine the foundations of the bi-polar military structure that has prevailed in Europe. There can be no point of balance, no stability in military policy until something equally convincing is erected in place of the post-war settlement.

There is no shortage of schemes to fill the void. Unfortunately, all but one of them are fatally flawed. Creating a neutral Germany at the core of the Continent is unattractive to almost all the players other than those Soviet apologists who have failed to catch up with the latest thinking from Moscow. The "Common European Home" is a slogan, not a policy. It is an aspiration that the countries of Europe should live in peace but not a formula for them so to do. The formalisation of the so-called Helsinki Process does not lay the basis for military security. The process is one involving sovereign states. It lacks the mechanism or the supra-national jurisdiction to impose its will on recalcitrant members. The last thing that European security needs is a League of Nations for the 1990s. The alternative of hanging onto NATO, as currently structured, offers the attractions of the known. However, it is going to be politically very difficult to maintain the necessary level of political and budgetary support for NATO, given the evident decrease in the level of threat from the East. What is more, the imbalance inside NATO between the Americans on one hand and the European allies on the other, is likely to become evermore unstable in the current European situation. To opt for the continuation of the existing NATO structure is to opt for a slow decay of an institution that deserves better.

The only sensible way forward is to use the strength of the European Community to provide the long-sought "Second Pillar of NATO". We should move with great urgency to establish a European Defence Community based on the existing Western European Union with the additional non-member States of the existing WEU, signing a new Defence Treaty. The Community, by absorbing the Western European Union, would acquire a Council of Defence Ministers. Special arrangements would need to be made to consult the European but non-Community members of NATO, Norway and Turkey. It is reasonable to assume that Norway will be a member of the Community in due course. Turkey will need to be treated as a special case in all these discussions.

A new North Atlantic Treaty should bind the European Defence Community in alliance with the North American members of NATO. The EDC would provide a new rationale for the forward deployment of European troops in Germany. It would do so on the clear understanding that this was a voluntarily-entered into European security agreement not in any sense a residue of the occupying power. It is reasonable to assume that the new Europe will not need twelve million soldiers under arms on its soil. However the case for substantial troop reductions all round does not reduce the continuing need for clear defence postures in Europe. It is the very fears about the unification of Germany which accelerate the need for the European Community, with its cluster of potential new members, to establish a separate European defence identity inside a renewed North Atlantic Alliance. This Alliance has, from the beginning, been of a defensive nature and need not be seen as a threat by the Soviet Union. Indeed, the total involvement of German troops inside a West European defence structure is the best guarantee which the Russians could ever ask as a bulwark against revanchism.

We should resist those voices who call for total disarmament in Europe. Europe will still need to defend itself against unstable Islamic regimes to its South-East and against the possibility of a renewed Russian threat during the instability that is bound to attend the continuing years of Gorbachev reform. It should be possible to set this new NATO in the broader context of the "Common European Home" by creating an overarching European agreement on mutual security in the Helsinki Process. The deadly mistake would be to reinforce Helsinki without having first created a strong and functioning European Defence Community.

### **Federalism reaches the parts that other systems don't**

The European Community is composed of ancient and proud sovereign states. They quite rightly defend their national identities while agreeing to pool elements of their national sovereignty. No system which seeks to impose a heavy centralism on this sub-structure can have any chance of long-term survival. It is unfortunate that the word 'federalism' has come to be interpreted differently in Britain from its use on the rest of the continent. Federalist theory stresses the need for de-centralised and accountable power. It is an abuse of the term to use it to signify a strong centralised or bureaucratic state.

The principle of subsidiarity is a valuable guide. Policies should be carried out at the level most suitable for efficiency and should be matched by elected parliamentary oversight at each appropriate level. The key element in the principle of subsidiarity is who decides on the question of appropriate

level. It is clear in the European context that all powers not specifically attributed to the European Union remain with the Member States. Any enhancement of the Union has to be a unanimous act by the parliaments of the Member States.

Two elements that make up the 'democratic deficit' currently impair the democratic legitimacy of the European Community. Too many powers ceded by national elites have been transferred, not to the directly elected European Parliament, but to various Civil Service elites operating in the name of Europe. It is customary to point the finger at the European Commission. However, the real villains are the collective Civil Services of Europe acting in the name of the Council of Ministers. Most decisions in the Community today are in fact taken in the Council of Ministers' working parties at civil servant level. Ministers are all too often only brought in at the very end of the process and can exercise only limited political oversight.

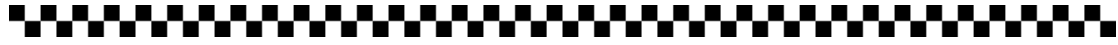
This problem is matched by the almost complete exclusion of National Parliaments from European decision making. They are only brought into the process effectively once the Council of Ministers has reached its decision. The impact of the directly elected Parliament has robbed the National Parliaments even of their understanding of the system that flowed from having nominated MPs present at the earlier stages of Community decision making. This matter is now urgent as it is National Parliaments that have to vote through any Treaty revision consequent on the Intergovernmental Conference on Economic and Monetary Union or subsequent IGCs on security. It is inconceivable that such National Parliaments will agree to a further enhancing of Community competence without a more substantial say in the decisions of the Community. It is now time to create a Second Chamber of the European Parliament composed of 260 nominated members of National Parliaments. This body should be given no budgetary powers as the National Parliaments already have direct power over national budgets. It should, however, be required to meet for one week a month in Brussels or Strasbourg, and to conduct a first reading of Community legislation, sending its report direct to the Council of Ministers. The equivalent of the First Chamber of the European Parliament's Second Reading would take place at the moment when National Parliaments vote community law into national law. Such a body would force National Parliaments, through their nominated representatives, to be aware directly of Community proposals at a stage early enough to influence the decisions of the Community. It would lead to better informed National Parliaments and to National Parliaments who were in their own right forced to conduct discussions about European matters in a European context with their fellow National Parliamentarians.

Whatever system for governing itself is devised by the people of Europe one may be certain that it will be *sui generis*. The process of peaceful creation of a European entity has no parallel in the history of federations with the possible exception of Switzerland. The American model is only helpful in certain details, for Europe is not faced by an empty continent and a single language. It has to work with the legacy of cultures a thousand years old. It can, however, work with the elements of a common culture that go back even further. The institutions of a European Union will need to take detailed and sensitive care of the dual identity of all Europeans, as Dutchmen and as Europeans, as Britons and as Europeans, etc. At some stage in this institution building process it will be necessary to find an acceptable formula for involving the remaining symbols of national identity in the process of European integration. The Monarchies and Presidents of Europe represent a living and important strand in European tradition. They cannot be left outside the development of a European identity. This becomes particularly urgent once security is brought within the ambit of the Community. The armed forces of Europe owe allegiance to their Heads of State. A collective representation of such Heads of State is needed to crown the emerging institutions of European Union.

## **History has not ended**

The creation of Europe Whole and Free is an essential part of the scale of the 21st Century. It will be a century dominated by the economic competition between North America, Europe and Asia. The ideological competition between Capitalism and Communism maybe a declining force but the persistent interests of different geo-political units remain. Talk of world federalism is grossly premature given the immaturity or non-existence of regional federations elsewhere in the world. It is possible that the increasing inter-dependence of the world system will lead to a strengthening of institutionalised co-operation but the speed with which this will happen is always over-estimated by Euro-centric idealists who mistake the omnipresence of European languages for the coherence of world

culture. Europe needs to assert itself in a competitive world. Because of its unique global experience it has a particular role to play but the rest of the world does not owe Europe or North America any special deference at this stage in the human story.



© Tom Spencer