



Audit of the Conventional Wisdom

The Audit of Conventional Wisdom

In this series of essays, MIT's Center for International Studies tours the horizon of conventional wisdoms that animate U.S. foreign policy, and put them to the test of data and history. By subjecting particularly well-accepted ideas to close scrutiny, our aim is to re-engage policy and opinion leaders on topics that are too easily passing such scrutiny. We hope that this will lead to further debate and inquiries, with a result we can all agree on: better foreign policies that lead to a more peaceful and prosperous world. Authors in this series are available to the press and policy community. Contact: Amy Tarr (atarr@mit.edu, 617.253.1965).

Center for International Studies

Massachusetts Institute of Technology
Building E38-200
292 Main Street
Cambridge, MA 02139

T: 617.253.8093
F: 617.253.9330
cis-info@mit.edu

web.mit.edu/cis/

The Mirage of a United Europe

Robert Vickers

MIT Center for International Studies

To most Americans, the prospect of a united Europe has long been viewed not only as a favorable development, but even as an increasingly inevitable one. Our common political, religious and cultural heritage, democratic governments, market economies, and Cold War experiences have all contributed to the perception of Europe as a friend and natural ally of the United States, occasional differences notwithstanding. The formation of NATO in 1949 gave a military tone to the developing political alliance between the U.S. and Western Europe, and the beginnings of united Europe in the early 1950s was generally viewed in Washington as a favorable trend that would make Western Europe a stronger economic partner and a stronger ally in the struggle against Soviet Communism.

While many Americans have argued in recent years that a united Europe motivated primarily by opposition to U.S. hegemony is not in our best interests, I believe that the prospect of a united Europe is more a mirage than a reality. As a result, Americans need be neither overly optimistic nor overly concerned about such a development, and that should be reflected in U.S. policy.

The gradual expansion of the original small European Economic Community to a large European Union decades later was dramatically accelerated by collapse of the Soviet Union and the Warsaw Pact in the early 1990s. This removed a major European divide, and was followed by the decision to form a stronger union with a common currency, and to extend it to include former Soviet Bloc countries in Eastern Europe. A new European constitution was drafted, ten new members joined the EU in 2004 to bring it to twenty-five countries, and an eventual expansion was discussed to include not only

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Robert Vickers, a Visiting Fellow and Lecturer in the MIT Security Studies Program, is a senior intelligence officer and a former member of the National Intelligence Council.

continued from page 1 — more Balkan states but Turkey, Ukraine, and even Georgia. This gave rise to the vision of some to a United Europe stretching from the Atlantic to the Caucasus, if not beyond.

Then suddenly, the forward momentum of the whole European integration and expansion process was brought to a significant halt by the rejection of the new constitution by French and Dutch voters in popular ratification referendums in late May and early June 2005. The constitution is not valid until ratified by all twenty-five members. As of August 2005, only fourteen countries have ratified the new constitution (all by parliaments, except in Luxemburg). Of those fourteen, Belgium's ratification still needs approval by its region assemblies, and German ratification has not yet been signed off by the president because a legal challenge needs to be resolved first. Meanwhile, the whole ratification process is in flux. Members were given until the end of 2006 to ratify, but this deadline has been suspended.

So what are the longer-term prospects for further expansion and integration of Europe? There are basically three potential outcomes: the process eventually resumes; it remains on indefinite hold; or the Union begins to come apart, with various members going their separate ways. Let's look at each in turn.

Three Scenarios

Euro-optimists view the referendum setbacks as a temporary defeat, based more on the lack of popularity of the French and Dutch governments than on fundamental opposition to greater European unity and expansion. They point out that the vote is reversible, as Ireland and Denmark have done in the past, and that there was no single strong reason that opponents in France and the Netherlands rejected the treaty. Thus they believe it was primarily a protest vote. Most voters apparently felt that unification and expansion were going too far too fast, and many voters thought they had had too little say in the matter.

Supporters of an expanded Union point out that there is a commitment to eventually admit Romania and Bulgaria in 2007-2008, and that other Balkan countries such as Croatia, Macedonia, and Albania are eager to join. Many believe that a stronger and expanded EU is inevitable because the smaller states generally get added benefits, and the larger ones gain more collective influence. Furthermore, with anti-Americanism rampant in Europe, many proponents are motivated by a desire to gain an even stronger counter-balance to U.S. hegemony.

Euro-realists, on the other hand, believe that a new constitution will remain on hold indefinitely because of the difficulty trying to either revive or revise it. They believe the primary reason is that EU integration and EU expansion each pull voters in different directions. Those who want a more integrated Europe believe that rapid expansion weakens unity, and those that favor expansion admit that it makes unity more difficult. Thus from their perspective, the new constitution, which was made necessary by the addition of the ten new members, is now a dead letter because it was agreed to only after much debate and compromise.

The realists note that many French and Dutch voters opposed both expansion and integration because of the belief that they would result in uncontrolled immigration from within the EU along with substantial added economic and social costs. They also point out that no country that has held a binding referendum has yet ratified the new constitution except Luxemburg. They wonder if even the Germans would have ratified if it had been put to a referendum, and they believe the UK will now have to postpone a promised ratification referendum indefinitely. Of the remaining members yet to ratify, all plan referendums except Estonia, Finland, and Sweden, and most have already announced postponements.

The realists also point to other obstacles to the constitution. The main one is voting rights. The previous voting process gave weighted votes to each member of the Council, based primarily on size, leaving many feeling underrepresented. The new constitution states that key legislation will pass when approved by 55 percent of the members of the Council with at least 65 percent of the total population, or when fewer than four members are opposed. Legislation must also be approved by the EU Parliament. While this is designed to make passing key laws easier, the constitution also allows members to opt out of measures they oppose, much as the UK and Denmark opted out of the euro zone. In effect, it tries to have it both ways, a compromise good in theory but potentially troublesome in practice.

The true pessimists believe that the EU has overreached, and that now it will begin to come apart. They point out that the UK is the potential biggest spoiler. The UK negotiated a budget rebate in 1984 when it was a relatively poorer member, which almost all other members believe is no longer justified. But Tony Blair insists he will not give up the rebate without agreement on EU budget reform, primarily reduction of agricultural subsidies, which amount to over 45 percent of the EU budget. Aid to poorer regions takes another 30 percent of the budget, and could grow considerably with the addition of the 10 new and less-well-off members. Various EU members have other problems with the UK, which many see as too close to the United States on security and economic policies. As an island nation, it sets itself apart from “the continent,” and is not by its own reckoning really part of Europe.

European optimists and pessimists alike admit that there are other major hurdles to a larger and more integrated Europe. In addition to historic cultural, language, and religious differences, there is the problem of an aging Western Europe and the increasing costs of maintaining a generous social welfare system. This has contributed to high labor costs, stagnant economies, and serious budget problems.

So what are the prospects for any of the three scenarios? Time will tell, but I place myself among the realists, and believe that a more united Europe is not a likely option. Several key indicators should give us a better perception of future odds. They include:

- Whether the threat of increased Islamic terrorism draws European governments and publics together, or if it drives them apart.
- If there is a newly elected government in Berlin in September 2005, whether Germany remains committed to further EU expansion and integration, or if it takes a more nationalist approach, particularly by opposing Turkish membership.
- If the EU begins accession talks in October 2005 with Turkey, as previously agreed, and how the talks fare. In any case, Turkish membership was never promised before 2014.

- Whether the UK is able to sustain its budget rebate in exchange for reductions in agricultural subsidies.
- Whether and when Estonia, Finland, and Sweden decide to submit ratification to their parliaments, now that the 2006 deadline for ratification has been suspended, and how they fare.
- Whether and when the six other members who are committed to hold referendums finally do so, and how the votes go.
- If and when France and the Netherlands try new referendums, and the outcomes.
- If Bulgaria and Romania are admitted on schedule in 2007-2008.

In the final analysis, it must be emphasized that the EU has come a long way in the past decade, faster and further than almost anyone would have imagined in the year 1990.

U.S. policy choices

So what are the options for U.S. policy concerning further European unity? A U.S. policy that strongly advocates a more integrated and expanded Europe, particularly the inclusion of Turkey, risks alienating those in Europe concerned that further expansion will only make further integration more difficult. In fact, it may be seen by some as a perverse U.S. attempt to prevent greater integration and unity in the belief that Washington is secretly opposed to a stronger Europe.

On the other hand, a U.S. policy that directly opposes further expansion and integration would widely be seen as an attempt to prevent a stronger and more united Europe. The United States would be accused of fearing Europe as a future political and economic competitor rather than an ally.

Thus U.S. policy should remain generally supportive of further European unity, for all the positive reasons. But it should not take a strong stand in favor of either further expansion or further integration, particularly on controversial issues such as Turkey's membership or those of other former Soviet states. To do so would risk been seen as taking sides in what is already a divisive European issue and as trying to sabotage a stronger and more united Europe.



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