

BRITAIN MUST LEAVE: WHY PATRIOTISM HAS NO PLACE IN THE MODERN UNION

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At a time when nationalist parties are gaining support across Europe, Rónán O'Connor deftly argues that patriotism is a barrier to the survival of the European project. In particular, he shows that euroscepticism in Great Britain stands in the way of the evolution of the Union. He further highlights the potential of a federalised EU to address many current European and even global challenges.

Introduction

The EU's evolution to date has been a narrative of economic integration followed by reluctant incremental political and fiscal integration to sustain economic development. This reluctance is borne of the hesitancy with which governments relinquish sovereignty due to a misbegotten fear of European federalisation. When the European project was conceived of, politicians such as Jean Monnet spoke boldly of a future with a United States of Europe. This essay will contend that a turning point is upon us where the EU must once again embrace an 'ever closer Union' to survive. What stands in the way is the nostalgia of former superpowers such as Great Britain, who are unprepared for a post-national global order. This essay will illustrate the role of euroscepticism, which Great Britain embodies, in preventing such evolution. Furthermore this essay will demonstrate the means by which a federalised EU would solve many of the current crises facing the Union.

'An Ever Closer Union'

The formation of the European Coal and Steel Community was a purely economic endeavour. While the threat of the USSR and the aftermath of World War Two were clearly key in conceiving of a united Europe, these issues could not have driven the Member States to such an integrated project. This is clear for several reasons. If the threat of war or unrest, either from the USSR or within Europe itself, was of key concern then defensive mechanisms would have been at the heart of the project. No defense alliance was ever agreed as part of the European treaties. In fact, NATO was set up specifically to serve as a defense alliance for European stability. The close ties between the Marshall plan and the

European project highlight the prioritisation of economic recovery. The funding provided under the Marshall plan was specifically provided on condition of mutual economic recovery: it required a shared commitment for continental Europe to return to growth (Kunz, 1997). This mutually assured future enshrined in the Marshall plan may well have been the first step towards intertwining the futures of recovering European economies, a legacy that lasts to this day. This casting in of the lots of European countries would never have been politically tenable if it weren't purely based on economic interdependence (Kunz, 1997). Perhaps Bastiat provides the reasoning that was promulgated at the time, that "When goods don't cross borders armies will". Yet as the project succeeded and growth within the ECSC accelerated, it was not long before economic interdependence was being framed as the first step towards a federalised Europe. It seems clear that 'legitimation "through outcomes"' was and continues to be central to the future of an ever-closer Union (Habermas, 2001). The issue with such reasoning is that the commitment to the project from some parties is only based upon empirical success rather than a commitment to the ideal of the project itself. Given that the European project is innovative to the point of having no global precedent, such justification is untenable.

Great Britain provides an excellent illustration of this 'legitimation "through outcomes"' in the 1960s with the formation of the European Free Trade Area. This was instigated to compete with the European Community's Customs Union. Britain's main objection to the Customs Union was the supranational governance of the agreement which was a sacrifice of sovereignty that the fading superpower was unwilling to concede. Instead Britain instigated an intergovernmental agreement based purely upon self-interest rather than economic cohesion. This group failed for several reasons; it was an inferior economic grouping consisting of marginal trading partners and the exceptions made for agriculture and a lack of an external tariff were all motivated by underlying protectionism on the part of Great Britain (Fienberg, 1994). Once again Britain reluctantly bought into the European approach once it became clear that it was to be far more economically viable as well as due to the pressures put on them by other European powers to do so.

The British approach of 'legitimation "through outcomes"' is ultimately flawed for two reasons. The first, more obvious reason, is that quite simply things cannot always be good - there will be periods of crisis such as is being experienced at present. The second reason, which extends upon the first, is that in order to protect the Union from crisis, political and fiscal integration is required. Britain's reluctance to accept this commitment arises because it adds a moral dynamic to the Union. Free trade is a relatively amoral enterprise - the buying and selling of goods with other democratic countries requires little moral justification. Political and fiscal integration change this because, as will become clear, they require value judgements to be made. Yet when one considers the level of economic integration that occurred from 1950 to the present day it is impossible to imagine no commensurable shift of political and fiscal sovereignty to the supranational level.

To demonstrate this one need only look at a significant and recurring issue for economic integration, which has been the growth of the regulatory sphere. Regulatory harmonisation became necessary due to the high growth of intra-EU trade which exploded even prior to the 1950s. In order to create a level playing field, regulations had to be standardised. This stopped governments from favouring domestic business by regulating out European competition. It also ensured that public goods were protected such as health and safety standards and environmental protection.

The most recent instance of a public good going unregulated is the banking crisis. The Single Supervisory Mechanism was established as a result to protect both the Euro and the European economy. The bank bailout itself will be returned to later, yet even without the bailout the regulation of banks must occur at a supranational level if the banking sector is to remain comprehensively integrated. The need for regulation is largely unquestioned and yet there is an expectation that it could be achieved without a political element. There is an underlying fear about the future competitiveness of domestic markets on an evenly regulated playing field, despite the success of EU businesses to date (Barysch, 2014). Political accountability is key for supranational governance and it is far more innocuous than portrayed. While caution in the face of accelerated integration is wise, it is important to recognise that the political and fiscal integration are simply catching up with the advances in economic integration that preceded them. While it is clear that the political and fiscal elements were not politically possible at the outset of the project, they were inevitable if the project is to be sustained. Therefore 'an ever closer Union' is less of an intention than it is an inevitability if the European project is to continue.

The Potential of a Post-National Europe

Even as the EU recovers from the banking crisis Great Britain is still considering its future as a Member State. Such scepticism has not been explained by the British through the emphasis of some systemic flaw in the European project. Rather it has been a shying away from the responsibility of sharing the burden of economic downturn justified through a patriotic distaste for bearing the burden of the EU's failings (of which Britain sees itself largely absolved) symbolised by the rise of the far right in Britain. And yet many Member States hold reservations about a federal Europe because there is no 'European people' (Habermas, 2001). The 'no demos' problem is one that finds justification in an ethnic conception of national identity. Europe doesn't need an ethnic conception of its populace if that people is created by a civic conception. Why must there be a historical lineage to justify a nation state when people can instead choose to belong? The ethnic conception of identity finds itself increasingly irrelevant due to globalisation because no Member State can claim a homogenous people in a culturally diverse context (Habermas, 2001). Ultimately all that seems to be keeping Member States from committing to a European nation state is a long-standing tradition of ethnic identity, even as that tradition is dissolving

before our eyes. Such ‘ethnic protectionism’ may be politically expedient given the current crisis but it is stymieing the European project in its natural progression.

At this point it is important to identify why such ‘ethnic protectionism’, which Great Britain embodies, is problematic for the future of Europe. To do so one need only look at the dilemma of fiscal union which has been brought to the forefront by the bank bailouts in the recent crisis. Deeper Eurozone integration is contingent on a sustainable solution to the debt crisis still plaguing Europe. The most recent bank stress tests have perhaps put the public too much at ease because what has been achieved is essentially a transfer of the problem from bank liquidity to national debt. Without relief of this debt Europe could be set for a “lost decade” the likes of which was last seen in Japan (Kahn and Tananbaum, 2014).

The resolution to this problem is clear because it is the action that would be taken in any independent economy: debt relief. There is considerable reluctance from even the most devout Member States to commit to debt relief. Germany in particular fears debt relief creates a moral hazard that encourages risky financial behaviour. In order for debt relief to be effective it must occur within the framework of a transfer union, where a reoccurrence of such a crisis will once again hold all Member States accountable (Kahn and Tananbaum, 2014). It is interesting to note that such a concern of moral hazard would not stop most Western countries from resolving debt crises within the national context. What is implied is the strong national paradigm from which all governments view this crisis: the crisis is about the failure of Ireland, Greece and Spain to regulate their banks rather than about protecting the economic future of the Union. It would be absurd to see such blame laying occur within an independent country. Imagine all states east of Texas refusing to support a bailout for California, holding the entire populace responsible for economic failure that occurred, if only geographically, within that State.

This geographical aspect of the crisis is of particular import in the Union. The integrated banking framework means that the bank bailouts paid to Irish banks also funded French and German banks by proxy. While the public are happy to share the economic growth brought about by an interdependent economy we are quick to forget this trait in times of economic downturn. Ultimately debt relief is a moral enterprise in that it denotes that a bank, a business or an economy is ‘deserving’ of being saved. If the Member States cannot bear this responsibility of codependence and cannot find other Member States deserving of transfers to create economic stability within the Union then the EU can go no further.

The potential of the EU if the Member States embraced a fully fledged Union are embodied in another current crisis facing the EU: the Crimean conflict. The EU is integrally linked to the upheaval in the region. At present this is reduced to surveillance of EU borders, particularly in the Baltic states, along with empty threats condemning the Russian invasion of Crimea. The EU cannot take meaningful action even if such action

was advisable. If the EU held a common security and defense policy it would achieve two things. First, when foreign intervention is called upon, it is generally the USA along with the possible support of European allies such as Great Britain or France. If international consensus opposes such a move at best there are impotent protests from the UN, as in the instance of the invasion of Iraq. If the EU held security and defense capabilities and it refused to support an intervention in which one of its Member States was involved, this would resonate far more than UN disapproval (Habermas and Derrida, 2003). Second, it is an odd presumption that handing the EU military capabilities would involve a high risk of significant military involvement. Yet whenever the question of a European military arises it is presumed that the EU would become the new USA. It seems the justification of this is simply by example, that the only other superpower with the military capabilities abuses them so the EU would too. The EU was founded as a means of creating peace by trade not by force. Given the diverse history and perspectives of the Member States perhaps the EU embodies all of the best qualities of the UN. It involves enough voices to inject reason to override patriotic fervour while consisting of a group of countries with enough of a shared history to take action rather than be paralysed by bureaucracy.

In order for the EU to achieve any of this we, the European people, need to take the leap. The leap to abandon our nationalist fervour as justification for doubting the project, to commit to the Union for more than self-interested economic gain, to persevere through economic downturn, and to embrace the responsibility of becoming a collective global superpower. The potential is there and since Jean Monnet it was intended that it should be realised. For some this leap might be too far. Great Britain has for too long doubted the entire process, clinging to its historic imperial dominance perhaps in regret of the knowledge that the rise of the EU marks Great Britain's fall from international significance. As long as this doubt comes from a Member State the EU cannot move forward as the conviction in the Union's progression is diluted. If the EU can accept a future in which it exists without Great Britain, the self-interested doubts which British euroscepticism embodies can finally be debunked, even when they come from other Member States. Rather than threatening the stability of the EU as many predict, the departure of Great Britain from the Union may well turn out to be the turning point at which the EU once again takes an emphatic step towards an 'ever closer Union'.

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