

## Wider Europe

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**Summary:** Evidence suggests an accelerating trend toward renationalization of policy in key domains in Europe. This trend presents both dangers and opportunities for Europe and the United States.

For the United States, a nimble policy toward Europe will be essential. The United States has always worked with individual national governments in Europe and has been accused of not embracing the fullness of European integration in the European Union. America will have to acknowledge the competence of the EU in some domains even as it recognizes that other areas require more intensive cooperation with individual nations.

For Europe, many see the return of national purpose as a route to irrelevance on the global scene. So it may be. But if renationalization can be turned into a more roundly supported and authentic set of purposes, Europe could find itself well positioned to play a stronger role in the world as a whole than it has been able to muster for itself in recent decades. The return of constructive nationalism, among nations with well-defined rules of cooperation, might paradoxically energize Europe in ways that Brussels has not been able to achieve.

## [Re] Nationalization in Europe

by Joseph Wood<sup>1</sup>

World Wars I and II gave nationalism a very bad reputation. The institutions that grew out of World War II sought to prevent the worst results of nationalistic policies in military, economic, and political domains. NATO collectivized the defense of Western Europe. The Bretton Woods structures aimed to promote trade and development through multilateral institutions. The United Nations sought to collectivize political decision-making where possible. In all cases, nations reserved key decision-making authority for themselves while committing to cooperative efforts to reach common goals.

One project, European integration, grew from the Coal and Steel Community into one of the most ambitious transnational projects in history, the European Union. The original objective was to remove the economic component of the “German problem” and allow Germany and its neighbors, especially France, to live and prosper together peacefully. It did not intend to eliminate the nation-state, but it sought to temper the worst outcomes of nationalistic competition on economic terrain.

NATO was established in the military sphere, as a response to Soviet intentions in Europe as demonstrated in Berlin, Czechoslovakia, and elsewhere. Europe’s postwar weakness meant that American leadership and capacity would be needed

to resist Soviet military expansion and pressure. NATO linked Western European and American security, including America’s nuclear guarantee, through shared risks and burdens on the part of all allies. Individual nations retained responsibility for their own defense establishments. But by collectivizing national defense commitments under the Washington Treaty (especially Article V), NATO effectively denationalized military purposes.

Other institutions in all domains removed some of the traditional authority of the European nation-states, as well. For example, the European Court of Justice, established in 1952, plays a significant role in shaping judiciary review of national compliance with European laws.

But the trend away from nationalization is now in reverse, in several important areas. First, in economic policy, national approaches prevail. Philip Stephens of the *Financial Times* wrote, “The integrationist impulse that led to the creation of a single market and a European currency has long since dissipated.” The most obvious and decisive example of this trend is found in the national responses to the financial crisis of the last year. Policies have varied between the United States and Europe, and within Europe. National views of interests trumped a presumed and much-trumpeted need for a unified approach. Perhaps most crucially, voters seem to have approved this decision on the part

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of their leaders. With economic concerns uppermost in their minds, continental European voters in recent European parliamentary elections affirmed the center-right policies of sitting governments that stressed a national rather than transnational response. In the United Kingdom, voters punished Gordon Brown's Labour Party but on grounds having nothing to do with wanting more European integration; indeed, they strongly favored Euro-skeptic candidates.

Institutionally, the next advances in European integration, the failed European Constitution and its successor the Lisbon Treaty, have been rejected by referenda repeatedly, including in France. The outcome of efforts to bring the Lisbon Treaty into force remains unclear. The German Constitutional Court recently approved the treaty, but demanded changes to strengthen the role of the national Parliament. Polls show a substantial majority of Germans want a referendum on the Treaty, as does a large majority in the United Kingdom. Ireland, which rejected the Treaty in a referendum last year, may approve it in a re-vote this fall, but only after securing guarantees of national sovereignty in the areas of abortion policy, military neutrality, and tax law. At the least, these outcomes all demonstrate substantial European public reticence regarding further integration, despite the enthusiasm of some political elites.

Meanwhile, dependence on Russian energy supplies is Europe's greatest single strategic vulnerability. Moscow has demonstrated repeatedly its determination to use its resources for geo-political purposes. If any one area of policy cries out for a collective European response, energy is that area. Yet energy policy remains firmly in the category of national policy. While many in Central Europe have argued for a stronger European response, Germany, France, and Italy have resisted any efforts that might impinge on their national corporate energy champions, and each has sought separate energy deals with Russia. Progress on the Nabucco pipeline that would allow Europe to bring Caspian and Central Asian gas via a route independent of Russian control has been halting, while Russia promotes its Northstream and Southstream projects on routes that it would control. On this issue, so central to economic prosperity and where vulnerability can hinder the full exercise of sovereignty, Europe as a whole has rejected denationalization or collective response.

Finally, in the area of defense, the renationalization trend is apparent. Most obvious is the case of Afghanistan, where NATO is engaged. Within the alliance, different allies have placed national caveats on their militaries' operations, producing a division of burden and risk based on varying national perceptions of the

importance of the effort. The effect is a multi-tier alliance where national, rather than collective, defense goals predominate. The same effect is seen in attitudes toward further enlargement that would, much later, include Ukraine and Georgia. Central Europe tends to favor such eventual enlargement as a continuation of the project of consolidating Western institutions throughout Wider Europe. Germany and France are increasingly clear that they see this project as complete for the foreseeable future, without the inclusion of Ukraine and Georgia. This is a basic strategic question for NATO, and the alliance is split along national lines.

There are conflicting signs, as well. Brussels continues to generate substantial legislation that is in turn ratified by national legislatures. The EU exercises substantial regulatory power, especially in anti-trust oversight, and decisively influences many areas of governance.

But the broader trend of renationalization seems clear. The main counter-current may not be at the level across or above the nation-state, but in the increasing desire of many to retain or increase the power of regional governments more attuned to local needs and wants. At times, this regionalization is in fact a form of resurgent nationalism based on ethnic lines, as in the recent crisis in Belgium.

Is the renationalization trend dangerous? One can imagine so. The rise of far-right parties in the recent European parliamentary elections is not a healthy sign. But it could also be explained by a combination of an energized fringe asserting disproportionate influence in elections marked by low turn-out, combined with "frustration voting" by some who saw support for these parties as a consequence-free way of making a statement about the status quo.

The renationalization of defense purposes carries dangers, as well. Problems such as Iran, or a Russia pursuing a 19th century-style sphere of influence (mainly through the use of energy dominance, but with pretensions of "great power" military status never far from the surface), or Afghanistan and Pakistan would be much more easily dealt with through a unified sense of purpose, and the weakness wrought by division will affect all.

But renationalization could also have positive effects, as well. It may render European governance as a whole more democratically accountable as national governments must face the consequences of their actions with voters. It could also restore a sense of purpose to Europe as a whole by decentralizing purposes, which tend to become dissipated as they rise away from local

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institutions into the more abstract and bureaucratic concerns of transnational organizations. Such larger purposes are exactly what many supporters of European integration have sought, without much success, even as they remind us of the past dangers of the excesses of nationalization.

For the United States, a nimble policy toward Europe will be essential. The United States has always worked with individual national governments in Europe and has been accused of not embracing the fullness of European integration in the European Union. America will have to acknowledge the competence of the EU in some domains even as it recognizes that other areas require more intensive cooperation with individual nations. And the United States will have to be attuned to the dangers of resurgent nationalism even as it seeks the opportunities that might come from working with particular nations on particular issues.

For Europe itself, many see the return of national purpose as a route to irrelevance on the global scene. So it may be. But if renationalization can be turned into a more roundly supported and authentic set of purposes, absent a forced and always-inadequate sense “Europeanness,” Europe could find itself well positioned to play a stronger role in the world as a whole than it has been able to muster for itself in recent decades. The return of constructive nationalism, among nations with well-defined rules of cooperation, might paradoxically energize Europe in ways that Brussels has not been able to achieve.

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