

BOOK REVIEWS

The State of the European 'State'

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Designing Europe: Comparative Lessons from the Federal Experience, by David McKay. Oxford University Press. xi + 167pp. £40.00.

Differential Europe: The European Union Impact on National Policymaking, by Adrienne Héritier et al. Rowman and Littlefield. xiv + 342pp. £22.95.

Governing European Diversity, edited by Montserrat Guibernau. Sage. x + 293pp. £49.00 (hb), £16.99 (pb).

The Institutionalization of Europe, edited by Alec Stone Sweet, Wayne Sandholtz and Neil Fligstein. Oxford University Press. viii + 273pp. £45.00.

Rethinking Europe's Future, by David Calleo. Princeton University Press. xiii + 381pp. £16.50.

The European Union has been studied intensively in recent years, but the increase in the literature on the subject has not led to agreement about the nature of the beast: is it an intergovernmental organisation, a confederation, a quasi-state or an embryonic federation? Does it matter how it is interpreted or should we just be concerned about its policies and impact? Although aimed at different audiences, all the books under review contribute something worthwhile in answer to these questions, but only Calleo's *Rethinking Europe's Future* is a work of outstanding importance. It will therefore be discussed here after the others.

There has perhaps been some convergence between the positions of the protagonists in the debate over the nature of the Union. Few federalists would now suggest that a United States of Europe could—or even should—be established overnight in a constitutional blueprint, and few realists would argue that *no* elements of supranational power exist within the EU. But if the theoretical polarities have narrowed, does it follow that how to characterise the European entity is simply a definitional question? McKay obviously does not think so when he suggests that it is 'quasi-federal', or a hybrid between a federation and confederation; for his whole thesis is based on the proposition that one of the most instructive ways to consider its future development is in the light of comparisons with other

federations. He thus examines the United States, Canada, Australia, Germany and Switzerland, and applies lessons from their experience to the European Union.

His book is tightly argued and he makes a number of interesting points. Emphasising the diversity of the systems, he suggests that a relatively centralised state is most likely to be accepted when political parties across the whole federation create cleavages based on ideology and programmes. However, the preconditions for this do not always exist and serious tensions are probable where, as in Canada, territorial confrontations are reinforced by divisions over nationality. While issues of inequality and distribution between regions might be expected to be the most salient factors in precipitating conflict, McKay's comparative work demonstrates that this is not always so. In the US and Switzerland distributional mechanisms are weak, while in Canada they are far stronger; but the Canadian system is a response to pre-existing tensions which it has not resolved. However, for differing reasons, neither the American states nor the Swiss cantons are looking to central government to reduce spatial inequalities. McKay explains all this in a cogent and convincing way.

Designing Europe concludes—perhaps predictably—that Australia differs the most fundamentally from the EU and that Switzerland is the closest to it. In the former, national

political parties and the absence of territorially based identities have led to the emergence of a strong central government with limited resistance from the subnational tiers. In Switzerland the reverse is true, since the political system has been designed to protect the historically embedded cantonal identities, with the national consensus resting on the preservation of this system. Since the EU also brings together existing states with embedded identities, for McKay the lessons are clear. It is, in his view, time to establish a constitution for the EU, which should respect the strength and heterogeneity of the existing states. This means that robust barriers should be erected against the accumulation of power at the centre, even if this preserves a system that makes decision-making relatively slow and difficult. For historical experience, particularly that of Canada, suggests that the alternative could precipitate the kind of conflict that could call into question the Union itself.

The experience of federal systems in relation to central–substate relationships and territorially based identities certainly has considerable relevance for an analysis of the EU and its probable development. However, to treat European integration in this way is to squeeze it into a rather narrow and constraining framework. *Designing Europe* underestimates the importance of other key factors in conditioning the nature of the Union. Can it be a federation—even a quasi-federation—if some of the key actors, including the UK government, insist on treating it as an intergovernmental organisation? Furthermore, McKay's approach fails to acknowledge the specific historical circumstances of the EU's emergence and development, the changing international context in which it exists, and the fact that some of the biggest member states often accord greater significance to their international role than to the Union. Comparative federal experience is helpful in understanding the EU, but does not provide the kind of multidimensional analysis that is necessary.

The Institutionalization of Europe approaches the task in a rather different way. Situating themselves between federalists at one extreme and realists at the other, Stone Sweet, Sandholtz and Fligstein pay particular attention to the complex interactions between

actors and institutions. Actors seek out ways of promoting their interests and goals, and have a preference for institutions that operate in relatively stable and predictable environments. One important causal factor in the creation of institutions is therefore the demand for them; but they are also shaped by the norms and histories of the societies in which they develop. In turn, the institutions influence the behaviour of the actors that work through them and are also moulded by that behaviour. The particular relevance of all this to the European Union is that its process of institutionalisation creates an ever more dense network of relationships that ratchets up the degree of integration. This is not necessarily always through the formal institutions: some of the informal networks between interest groups, the Commission and particular ministries may sometimes have decisive importance in policy-making when there is gridlock within the Council. But the editors believe that their major contribution to the theoretical literature lies in their argument that the process is effectively irreversible and has no *a priori* limits. They thus suggest that the intergovernmental elements of the second and third pillars may eventually be reduced and supranational governance enhanced.

The academic standard of the book is uniformly high. But the product is of limited interest outside a rather esoteric group. The problem is that the various forms of institutional theory elaborated by the authors are not sufficiently earth-shattering to stimulate major debates in the wider world. As the concluding chapter seems to accept, the institutionalisation thesis is really an updated version of neo-functionalism, but this at least had the merit of providing a macro-level theory. This work certainly makes some telling points against the kinds of theory that hold that governments are the only important decision-makers in the EU, but this is really micro-level theory and the authors appear to be writing for each rather than anyone else. Too often potentially interesting topics are killed by the attempt to encompass them within the straitjacket of institutionalisation. I therefore found the contributions by Patrick Le Gales, on the gradual conformity of the French state with EU competition policy, and Rachel Cichowski, on the extension of sex

equality policy, the most interesting because the content rather than the theory was so valuable. But this also raised the question as to whether institutional theory did all that much to elucidate the subject matter.

Differential Europe is another multi-authored book that attempts to apply a particular form of theory to policy processes. Its purpose is to explain why Europeanisation has not led to as much harmonisation of domestic policies as many had anticipated. In order to elucidate this, it examines the comparative experience of the UK, Germany, Italy, the Netherlands and France in transport policy—particularly road haulage and railways. Thus, while *Institutionalizing Europe* considered a specific theoretical approach across diverse policy areas, *Differential Europe* seeks to test some hypotheses about interactions between the EU and national policy-making by examining a similar policy area in different countries.

The objective of the research project, directed by Adrienne Héritier, was to advance theoretical understanding by dealing with a policy area in which the main thrust was economic liberalisation, but on which the relevant directives were not very restrictive. The main general findings are not all that surprising. The different responses, it is argued, depend upon three major variables: the stage of liberalisation in a given country; the dominant national belief-systems; and the national reform capacity. At one end of the spectrum, the UK is seen as a country in which economic liberalisation has become so dominant at political leadership level, and in which there are so few veto points in the system, that the programme has advanced swiftly without any significant EU involvement. At the other end of the spectrum, Italy has so little effective reform capacity and, in the period in which the research was carried out, had so little interest in the liberalisation programme, that the EU was again quite insignificant. The other three states were more affected by the EU policy steer, with more positive interactions, although it is notable that in France a coalition favouring deregulation of partially deregulated transport became stronger when liberalisation was associated with the EU. The implication is that those wanting to maintain deregulation should have kept quiet about the directives

because opposition to liberalisation was stimulated by latent antipathy to EU competition policies.

Some of this is certainly interesting, but the approach is heavily academic. Part of the problem is that the analysis excludes most of the interesting normative and political questions in an attempt to be 'scientific'. There is therefore no discussion of whether the EU should be pushing these policies; the only question is to consider the factors most likely to promote their success. The book therefore has an obvious relevance for European Commission officials anxious to promote integration and to understand the most effective ways of doing so without provoking opposition within the member states. But a staunch refusal to enter into normative questions does not prevent the book from having ideological relevance. I would suggest a collective train trip around Britain by the authors so as to ensure that they are suitably politicised by the time they write their next book. This would obviously argue for the importance of social considerations and a public sector ethos in EU transport policy!

Governing European Diversity is one of three textbooks for a new Open University course, entitled 'Governing Europe'. It takes its title seriously, emphasising diversity, both in Europe itself and in the topics selected for inclusion in the volume. Montserrat Guibernau and her team of authors thus raise key questions about unity and diversity in historical, cultural, political and organisational contexts. Individual chapters analyse regions and regionalism in western Europe; migrants, refugees and citizenship; the decline of trade unionism and the rise of environmental movements; the transformation of family life and sexual politics; the question of European identity; the media; and drugs and European governance. Every chapter contributes positively, and the book is simultaneously accessible and challenging for the audience for which it is designed. My only quibble is the slight discordance between the rather evangelical tone of the conclusion (by Guibernau and Salvador Giner) and the more sombre and cautious analysis of many of the contributors.

Governing European Diversity is an introductory textbook, but in many respects it is closer to *Rethinking Europe's Future* than to the other

three books. Both are concerned with the big picture and are intended to provide a wide-ranging understanding of the contemporary situation and possible developments. True, Calleo is more preoccupied with the international dimension, while Guibernau and her team focus more on the 'domestic' affairs of the continent. But both are striving to present a multidimensional analysis, including integral normative issues, in an attempt to stimulate thought and reflection about Europe. The other three books are all seeking something rather different, for all aspire to provide 'cutting-edge' theoretical contributions to far more narrowly defined topics. They would probably have attracted 5* ratings in the recent research assessment exercise; Guibernau's volume would probably not, and yet it is a more interesting read and at least as worthwhile. But *Rethinking Europe's Future* is the only book of these five with star quality.

While much academic literature on the EU is parochial, Calleo is able to demonstrate the supreme importance of his subject. Combining a command of history, ideas, political economy and contemporary developments with stylistic fluency, he has produced a work which is always learned without ever seeking to impress. Whether analysing the past, pinpointing current trends or speculating about possible futures, his book is constantly stimulating. His ability to illuminate the empirical world with discussions of a range of theorists—including Hobbes, Rousseau, Herder, Smith, Marx and Keynes—makes his reflections still more interesting. And although those without any background might find some aspects of the work a little daunting, the clarity of the writing, and the discursive bibliographies and informative notes, make it rewarding reading for beginner and specialist alike.

The first part of the book examines the development of Europe until the middle of the twentieth century, analysing the lessons of the First World War, the state and interstate system, and the tensions arising from the capitalist system. The second part turns to the legacies of the Cold War. It begins by distinguishing three overlapping systems that characterised western Europe from the late 1940s until the collapse of communism: the Atlantic alliance, the 'Common Market'

and the global economy organised by the United States. He also discerns a fourth system that remained only embryonic throughout the period: a pan-European one. Discussion of the possible development of each of these systems forms an important part of his speculations in the concluding section; but, before turning to this, he examines 'Bipolar Europe', 'Confederal Europe—From Rome to Maastricht', 'Europe in the Global Economy' and 'Cold War Lessons'.

The first two sections provide an essential context for the analysis of current trends and future possibilities in six original and provocative chapters on 'The New Europe'. The principal element in Calleo's hopes for the future is the emergence of an EU with a more resilient constitutional structure, underpinned by a successful EMU. This, he argues, will continue to be more confederal than federal, and he suggests that, in practice, even the European Central Bank will be more influenced by political processes within the member states than its formal statutes imply. His reasons for counting on the success of EMU are still more interesting, for he argues that this would not only consolidate the EU's importance economically, but would provide it with greater confidence to develop a more autonomous external role. And it is here that his views will be particularly controversial in US government circles—and, perhaps, with Tony Blair.

Calleo argues that, since the end of the Cold War, US governments have sought to establish a unipolar international system in which American hegemonic ambitions are rationalised by universalist rhetoric. US policy, he claims, has often been ill-informed and disastrous. In particular, the enlargement of NATO and its unilateralism in the Kosovo war were deeply provocative to Russia, although both the US and western Europe have overwhelmingly important reasons for securing good relations with Moscow. More generally, he argues that the EU should develop greater independence so that it can provide some counterweight to the US; he sees this as crucial, not only for Europe itself, but also for the future of world peace. However, he does not believe that the EU is capable of creating a pan-European system and argues that any attempt to do so would be counterproductive. He is a little coy as to how

far east enlargement should go, but certainly implies that the Union should not try to absorb states whose economic and political conditions differ too strongly from those prevailing in western Europe. Instead: 'A strong, humane, and cohesive Europe—linked to Russia as well as America, and helping to give balance to both East and West—seems a vision of the future in harmony with the better parts of our nature and the most promising trends in our history' (p. 374).

One way of judging the quality of such a book is to ask how far its ideas withstand the new international context following the cataclysmic events of 11 September. In my view, *Rethinking Europe's Future* passes this test with flying colours. Of course, the short-term effect of this appalling crime was to rally support for the US. But when politicians in the EU analyse the lessons of the 'war against terrorism', they will surely conclude that there has to be a better way of running the world than through US hegemonic unilateralism. If they then turn to Calleo's book they will find some very compelling recommendations for the future.

Tory Wars: Conservatives in Crisis, by Simon Walters. Politico's. 246pp. £18.99.

Friends, Voters, Countrymen: Jottings on the Stump, by Boris Johnson. HarperCollins. 241pp. £14.99.

A Blue Tomorrow: New Visions for Modern Conservatives, edited by Edward Vaizey, Nicholas Bore and Michael Gove. Politico's. 227pp. £9.99.

Long before the 1997 general election many Conservative MPs had started to behave as if they were already in opposition. Yet the years of practice could never have prepared them for their overnight slump into political irrelevance. At first they were in denial, and since June 2001 they have been disorientated. Whatever anyone else might think, the process has been fascinating for Tory-watchers. For the moment, at least, the party is more interesting than it has ever been.

At the time of writing, the lack of a Conservative revival has forced their remaining friends in the media to invent one. Like his predecessor William Hague, Iain Duncan Smith obviously hopes to score a few points

by sniping at the government. Between 1997 and 2001 this tactical approach merely discredited politics in general, and there is no reason to suppose that a focus on 'sleaze', or tragic mishaps in the NHS, will ever benefit a party which has an appalling record in both of these areas. But a policy rethink is under way, and the new leader says that the party is willing to listen to everyone.

Even before Duncan Smith gave this pledge, the contributors to *A Blue Tomorrow* had plunged into the new battle of ideas. It promises to be an entertaining debate. The party supporters who have emerged from the rubble are a remarkable assortment. One contributor to the book calls for 'a Tory war on poverty'. Almost all of the authors advocate more tolerance—towards ethnic minorities, women, lesbians, gays, and even teachers. But one goes even further, suggesting that the party should follow the tradition of 'the Levellers, the Diggers, the Cromwellians, and the Suffragettes'. When a Conservative suggests Gerrard Winstanley as a suitable role model the times must be seriously out of joint.

Those who thought that the Conservative party at the last election was a convenient refuge for homophobes and racists might dismiss visions of a Tory 'Rainbow Coalition' as the product of desperate opportunism. But this would be quite wrong. Anyone who had dealings with the Federation of Conservative Students in the early 1980s will recognise the arguments. At that time, the same people who advocated the legalisation of every drug, and offered a blanket approval for all kinds of sexual activity, were the same people who proudly sported their 'Hang Nelson Mandela' badges. But they had a point when they protested that Mrs Thatcher's apparent social authoritarianism was at odds with her economic liberalism. If that generation—now so abundantly represented on the Tory benches—has at last noticed that racism is equally inconsistent with a libertarian creed, they will at least be more pleasant company in future. Whether they will be any more electable is a different matter.

The earnest new Tories are rightly exercised by their party's virtual disappearance from inner-city constituencies. But while a more 'inclusive' agenda might remove one reason for its urban unpopularity, it seems unlikely that many Liberal Democrats or Labour