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“European Integration and its Implications on the Decline of State Sovereignty”

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The evolution of European integration has raised fundamental concerns as to whether or not state sovereignty is a necessary sacrifice for the furtherance of European Union (hereinafter E.U.) member states' national interests. The inherent precept for any form of integration among neighboring nation-states is federalism. Precursors to this premise such as William Penn (1644-1718), Immanuel Kant (1724-1804), Saint-Simon (1760-1825), and Carlo Cattaneo (1801-1869), envisaged a Europe united through an inter-European common economic system and a sovereign European legislative body; all while respecting the national patronages and law making duties of European nations – a federal system. Political decision makers in the early twentieth-century realized the paradox facing Europe; demonstrated in the inter-European fighting of World Wars I and II and the failure of the League of Nations. This essentially culminated in the realization by proponents of a “United States of Europe” that European states must become united or face continued conflict and instability. It is perceived by some states, whom are reluctant to join the E.U., that there is a democracy-legitimacy deficit (Stein, 2001). Herein, democratic participation by a states' constituency is dramatically curtailed by the remote governance of an international superpower – the European Union. The reluctance of non-member states to join the E.U. (i.e., Britain), and current fears by member states over a loss of state sovereignty, can largely be attributed to the establishment and popularity of democratic governments in the late nineteenth to early twentieth centuries in Europe.

In discussing the decline of sovereignty of E.U. member states, it is of the utmost importance to question whether sovereignty inherently limits a states' actions in international affairs, or whether upholding state sovereignty is essential for facilitating interdependence among states. Numerous philosophers, as mentioned above, have argued that nationalism and state sovereignty are the root causes of war and conflict among nation-states. Therefore, eliminating national identities by and through the creation of a supra-national institution(s) to control economic and political systems could effectively reduce conflict among neighboring states. Furthermore, the creation of a supra-national European institution(s) and a decline in, or transfer of state sovereignty and nationalism would bring Europe,

once again, to the forefront of international affairs; thereby shifting the continuum of global power to Europe. Conversely, state sovereignty and national identity can be seen as a nation's “practical capacity to maximize its influence in the world...[by using] cooperative arrangements with others to maximize its otherwise marginal role, seeing sovereignty as above all a resource to be traded” (Howe, 1990: 678). Thus, state sovereignty in this respect can be seen as the logical means of promoting national interests by cooperatively working with other nation-states in an economic and political capacity – not through imposing rules from an outside authority.

However, one might argue (as did Immanuel Kant) that upholding state sovereignty ultimately results in conflict among states, and the increasing fluidity of capital and human resources in a global market undermines the effectiveness of the modern nation-state - assuming the state upholds nationalism and sovereignty (Howe 1990; Nicole and Salmon 1994). Therefore, according to these arguments it is of absolute necessity that European states sacrifice national identity and sovereignty to successfully function in the global market and to avoid conflict. Implicit in this international marketplace is the deterioration or dynamism of state boundaries and the limited authority of state policymakers to enforce laws that may conflict with provisions of membership in a supra-national institution. Notwithstanding the rise of international market relations, European integration entails the unprecedented interdependence of neighboring states, and thus a shift of power from the state to a supra-national institution(s).

Herein lies the democracy-legitimacy dilemma faced by both member states of the E.U. and states that are reluctant to join the E.U. As aforementioned, representative democracies have become the normative form of governance of European states throughout the past two centuries (whether only symbolically representative or not). An integration and/or assimilation of economies, goods, and labor among neighboring European states involves a loss of populism or popular representation, and inevitably a loss of sovereignty and government legitimacy. However, the internationalization of decision making, particularly in Europe, has ushered in the emergence of a relatively new form of constitutionalism and democracy – federalism.

The intentions for European integration, as mentioned, were to regulate economic and social policies throughout Europe, and to create an open market of goods, capital, and labor. In considering these integrationist motives, and whether such motives imply a democracy-legitimacy deficit and/or federalism, one must examine the implications that each step in the process of creating a European Union has had on the loss of state sovereignty. First, the signing of the Treaty of Paris (1951), which established the European Coal and Steel Community (ECSC); secondly, the Treaty of Rome (1957), which established the European Economic Community (EEC); and thirdly, the Treaty on European

Union (1992), which inevitably became known as the European Union¹ (Nicoll, 1994). With the establishment of a supra-national institution(s) such as the E.U., member states can effectively veto legislation and are not bound by the absolute authority of an outside governing body. In other words, member states do not completely sacrifice state sovereignty. In this respect, member states to the E.U. act more as a confederation rather than a federation. Yet with the creation and implementation of a common currency, which was established through the Treaty of Maastricht, and the current debate on creating a codified constitution, member states will surrender their sovereignty to a supra-national governing body – thereby becoming a federation. The latter entails a complete loss of state sovereignty, while the former entails a state upholding its sovereignty (Diarmuid, 1993).

The Treaties leading to the development of the E.U. are confederate in nature; each Treaty provides that a member state has the power to withdraw, veto, and is not bound by the overreaching authority of outside actors. Decisions are made through intergovernmental cooperation, thus allowing member states to retain sovereignty. Conversely, the subsequent and current movements towards absolute integration carry the undertone of democracy and federalism, specifically the creation of a common codified constitution. This in and of itself (a codified constitution) will effectively abolish E.U. member states' sovereignty and national identity. Although at the present E.U. member states consign some sovereignty to E.U. governing bodies through the Economic and Monetary Union (EMU) and other provisions in the Treaty of Maastricht, they ultimately retain state sovereignty. However, developments in the E.U. and current policies are creating, in essence, a *de facto* federation, and significantly limiting member states' sovereign power.

With the implementation of the Treaty of Maastricht, citizens of member states have also become citizens of the European Union. It may be argued that because the E.U. lacks the ability to enforce and make laws independent of member states, states are not at a loss of sovereignty, and the E.U. is not yet a federation. Yet the means of creating a “European Union” ultimately involve federalism as the end point. For instance, the free flow of goods, capital, and labor inherently implies a set of rules and standards of which member states must comply, and thus the European Court of Justice (E.C.J.) is the ultimate authority in establishing such rules and standards between member states. Therefore, rather than intergovernmental trust between member states to establish and uphold common trade procedures, a supra-national legal system has been created to adjudicate intergovernmental disputes. The mere fact that member states have chosen to uphold legal

standards with this utility ultimately means that these states are giving up some of their sovereignty to a supra-national institution, and becoming more similar to a federation of states with a common interest.

However, if the ultimate intent of a “European Union” was to create a normal and common process of economic policy and legal and political deliberation, then giving up some or all state sovereignty to a supra-national institution(s) does not imply a negative outcome. Alternatively, member states are collectively acting in pursuit of common goals, and are therefore shifting sovereignty from the nation-state to a European supra-national power to deliberate and act on such goals. However, sovereignty is not completely given to an independent governing body, because member states continue to hold jurisdiction within the E.C.J and E.U. The only means by which the E.U. or E.C.J. exercise complete independence is if European legislation and judgments are enforced independent of a consensus by member states. Again, a system of law and policymaking such as this would entail a loss of accountability, thereby widening the democracy-legitimacy deficit – creating a loss of supra-national government legitimacy and widening the gap between the governors and the governed.

Currently, national courts and national legislation are recognized as binding by the E.U. because national legislation is representative of the will of the governed. The result is recognition of state sovereignty on the part of the E.U. It follows then that neither the E.U. nor the E.C.J. currently have the jurisdictions to overrule national law. Yet one of the primary provisions for membership into the E.U. is assuring that candidate states' constitution and/or statutes concur with the stipulations of the Treaties. Thus, upon initial membership into the E.U., states must, to an extent, sacrifice their sovereignty. But currently the E.U. lacks any coercive force or territorial area from which to enforce its jurisdiction; and as the classical sociologist Max Weber argued, a coercive force is needed to regulate the rule of law within a political organization or state.

The constitutional rule of law within member-states of the E.U. is respected and recognized, yet the movement towards a common European constitution is the next step in European integration, and will ultimately lead to the dissolution of member states' national constitutions - and thus a shift of sovereignty from the nation-state to the “United States of Europe.” This is an interesting situation, which in certain terms debunks the notion of the democracy-legitimacy dilemma. If member states currently retain a representative democracy, then the citizenry ultimately decides the states' actions within the E.U., and therefore decides whether to adopt a European constitution or retain their respective national constitutions. Thus, legitimacy is ultimately upheld by the E.U. because the member states' citizenry ultimately chooses to sacrifice state sovereignty in the name of a common European state. This is assuming, of course, that the democratic state

¹ An in-depth analysis of each movement leading the European Union is beyond the scope of this paper. My analysis is concerned with the implications that European integration has had on a loss of state sovereignty.

functions as a theoretically ideal democracy – with inputs being heard from both status quo and minority opinion. The establishment or hegemonic assimilation of a supra-national identity, if you will, is necessary for the E.U. to establish before the consensus by member states to dissolve their constitutions will occur. Furthermore, the consensus by the citizenry to adopt such a supra-nationalism and abandon the established states’ national identity must occur.

If the aforementioned situation harmonically occurs without conflict, then a “United States of Europe” will be a monumental breakthrough for the establishment of a post-sovereign federation (Ole, 1995). Such an occurrence without conflict among member states seems unlikely. Yet drawing such a conclusion is quite extemporaneous; one must question the extent to which national loyalties of the governed lie in the state apparatus, and if such national loyalties are malleable to a larger authority or government. This question is inherently embedded in terms of the democracy-legitimacy deficit, national security concerns, and trust among political decision makers and the citizenry. First, if the citizenry of a nation feels threatened that their power of input into the policy process is undermined by a larger government, then the democracy-legitimacy gap is widened and thus loyalty to a larger authority will not be accepted. Secondly, national security concerns, insofar as national security is not equated with military security, arise when a nation’s national identity is threatened due to hyper-integration (Ole, 1995). To counter this, a nation-state must feel that it can integrate into a larger political community without completely jeopardizing its national identity – an example might be the integration of Eastern into Western Germany. Thirdly, trust among a nation-states policymakers and its citizenry is essential for harmonic integration to occur. For instance, member states’ policymakers may feel that further integration is essential for the benefit of their states’ economic position in an internationalized market, yet the citizenry may think differently because further integration may entail a loss of national identity.

Increased European integration does not necessarily mean a complete loss of state sovereignty, nor a complete loss of national identity. Political identity can be transferred from the nation-state to the E.U. while maintaining the established national identity. However, if further European integration entails the ratification of a common European constitution, then state sovereignty, not necessarily national identity, will be transferred from the member state to a supra-national governing body. It may also be concluded that the democracy-legitimacy deficit will not occur; to the extent that member states’ policymakers ratify future Treaties or a constitution with the consent of the citizenry. Ultimately the ratification of Treaties and a common European constitution will be approved by the citizenry, through inputs to policymakers. Therefore, the citizenry accepts a supra-national government as legitimate, while maintaining a representative democracy. Though state sovereignty may be transferred from the state to a supra-

national governing body, each member state is acting and cooperating for the benefit of their respective national economies - member states are not being coerced into joining or participating. Thus, further European integration may entail a transfer of state sovereignty, the creation of a federation, and a transfer of political identity to a supra-national institution(s). However, this does not necessarily mean a loss of national identity that will facilitate the harmonic integration of E.U. member states into a “United States of Europe.” ■

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