If there is a constant in European history, it is war. Our political systems and the people at the top of them were somehow prone to generate ever new situations of conflict and to solve them by violent means. European history is an almost incessant stream of blood, misery and destruction – within Europe itself and elsewhere in the world. Furthermore, the width and depth of this stream increased with the size and the strength of centrally organised states and with the development of military technology.

Against this historical background, Western Europe and, to a lesser extent, Eastern Europe have enjoyed half a century of unprecedented peace and prosperity. Almost two generations have not been involved in a war nor have they experienced the misery it causes. The absence of war is in itself an amazing and precious achievement. Yet, what is even more amazing and precious is, what might be called, a new culture of conflict management: Of course there are still conflicts and plenty of conflicting interests, but we follow accepted procedures that lead to negotiated solutions.

Even more importantly, we can be certain that all conflicts are resolved peacefully, that is without recourse to military force and to the menace of military force. Military force has simply ceased to be part of tactical and strategic games that are played within the European Union (EU). In this sense we can say that the EU has become a peace community: It is characterised not only by the absence of war, but by the absence of the possibility of war among its members.1 Small wonder that the neighbouring countries of the EU have, apart from the economic benefits they expect, such a strong interest in joining the club.

If the process of European integration can be credited with converting the belligerent Europe of the past into a non-aggressive and stable peace community, then many of the institutional, democratic and economic deficiencies of the EU necessarily may be seen in a much milder light. On the other hand, it would be very worth while to find out whether other regions in the world could learn any lessons from this process of integration.

»To learn from history« is an old and controversial issue. Historic circumstances are never the same. Besides, there is always the danger of teleological constructions: Because Europe after half a century of integration has become a peace community (itself a mental construction), one looks for all the elements in history which contributed to this end, that is, reinterpreting them in the light of the final outcome – and excluding or overlooking many other elements which in their time were of much greater importance than is admitted within such a perspective.

It is, for instance, commonly assumed that the basis of European integration was economic integration. As European integration was a success in pacifying formerly belligerent nations, it is then argued that other regions too should integrate economically in order to develop more harmonious relationships.

Such inferences about European integration are not warranted and even false: European integration was from the very beginning an essentially political integration. Economic integration was at times instrumentalised to that end, but its overall contribution to the pacification of the European continent was and remains limited.

Specific Historical Conditions

As I have tried to show in more detail elsewhere, the process of European integration evinced in its early phases the following characteristics:

- European integration began under very specific and rather complex geo-strategical, political and economic conditions after World War II. The Cold War created a favourable setting for integration. It may have been a necessary condition, but it was by no means a sufficient one.

- The »German problem« was especially delicate: The economic and military potential of Germany had to be developed again, yet this potential also had to be restrained.

- Integration was favoured by the US hegemon. Yet the hegemon was not always clear and coherent and could do rather little when the Europeans either did not agree with it or did not agree among themselves.

- After two world wars everybody dreamt of a peaceful and prosperous Europe. There was probably only one person – Jean Monnet – who had a clear vision (yet no grand design) of the future of Europe and, more importantly, a recipe of how to go about it. Furthermore, he was fortunate to have gained the trust of the political establishment in the US, Britain and France during the war years.

- A close look at the events reveals that there was much muddling-through. Outcomes depended as much on contingencies as on open or hidden political games. There were advances and setbacks. The process itself was path dependent. Outcomes therefore were not predictable. In the end it was often just luck, when in spite of all difficulties some compromise was struck that took integration one step further ahead.

- At the time of the signing of the Treaties of Rome (1957) the signatory countries (not to speak of Western Europe as a whole) still had a long way to go to become a peace community – it was not even clear that it could become one. It is obvious then that very specific historical conditions and contingencies reigned at that time. Historical conditions across time and place do not tend to appear twice. Hence there is little to be learned from historic experience as such. No grand design and no grand, rational strategy toward integration existed, nor would it probably have had a chance to succeed. Jean Monnet did not have a grand design, but a method that well fitted the path dependency of integration – and he had the right connections. Without him and without his and other people’s perseverance, European integration would not be where it is today; but even with him integration could have taken a totally different path.

Monnet’s Method of Integration and the Secret of its Success

What was Monnet’s method of integration? In his own words it can be summarised as follows:

- All countries must be equal partners: »Peace can only be based on equality.«

- »The fundamental principle is the delegation of sovereignty in a limited, but decisive area. ... The co-operation among nations, as important as it may be, does not solve anything. What ought to be sought is a fusion of the interests ... and not simply the maintenance of the balance of these interests.«

- »This proposition has an essential political message: to drive a wedge into the bastions of national sovereignty that is small enough to be acceptable and deep enough to move the States towards the necessary unity for peace.«

- Institutions are of critical importance: a small and independent executive committee with real decision-making power composed of distinguished personalities with no official governmental connections; an executive body headed by a Director General; and an assembly of government representatives. Such an institu-

3. Against all expectations the Messina Conference in June 1955 was successfully concluded. In a first and very remarkable case of »packaging« a number of unlikely, and otherwise impossible compromises were struck. Thus the foundations of the Treaties of Rome (1957), that is for the European Economic Community, were laid.
4. See Duchêne, 1994, for an excellent biography of a very remarkable person.
6. Monnet, 1976, p. 429 (translation WK). Nationalism was for him the demon to be exorcised (Duchêne, 1994, p. 371).
tional set, (a) creates transparency among member countries; (b) is based on the principle of »everybody controls everybody«; (c) forces the member states into constant negotiations with one another; and (d) allows for compromises, which could otherwise not be reached.

Under Monnet’s leadership there was strong emphasis on supra-nationalism. When his influence declined it was scaled down and the member states regained some sovereignty. The balance between supra-nationalism and inter-governmentalism has been shifting since then in one or the other direction.

Nowadays we have for the whole of the EU only one set of Monnet-type institutions (European Commission, Council of Ministers, European Parliament, European Court of Justice, ...) and not several sets as he had had in mind (European Coal and Steel Community, European Defence Community, Euratom). Over the years the need for negotiation and agreement became ever greater. The Council of Ministers, the most powerful organ of the EU, has become a very complex »consensus seeking machine«. The European Commission and the European Parliament are closely integrated into this machine. Initiatives, consultations and decisions involve frequent and time-consuming to-ing and fro-ing among the Commission, the Parliament and its Committees, the Council and its working groups, the Coreper (Permanent Representatives Committee), the conciliation committees of the Parliament and the Council. Outside the EU there are also a number of other institutions, where the respective member governments are in permanent contact and dialogue (NATO, OSCE, OECD, ...), and there are many bilateral fora as well. Thus, every week hundreds of institutionalised dialogues are taking place in Brussels and elsewhere in Europe.

The secret of the success, in terms of the formation of a peace community, of this sort of institutionalised, permanent, multi-level dialogue is that civilised forms of social intercourse have become deeply ingrained. Over many years, government officials have been spending a lot of time in meetings, committees, negotiations, luncheons etc. with officials from other European countries and of European institutions. This intensive social intercourse together with the institutional and political need to permanently negotiate has given rise to a new culture of conflict management in Europe. This is the essence of our peace community.

The ever increasing need for negotiations has been due to several factors:

- The Treaties of the EC and the EU are vague and often lend themselves to extensive interpretations.
- Even though the EU possesses strong and exclusive competencies in only a few policy areas, almost any political and governmental issue has a European dimension and therefore needs to be discussed at the European level.
- »National interests« are usually at variance.
- Negotiations lead to compromises. Compromises always leave some degree of dissatisfaction and therefore bear the seed of new negotiations. In cases of packaging, dissatisfaction is likely to remain particularly high: several issues, which separately do not lend themselves to a solution, are linked and an overall compromise is found in a complex process of give and take.
- Stepwise solutions and path dependency easily lead to incoherences with respect to solutions found in the past and in other policy fields.
- Circumstances change and make past compromises inadequate or obsolete.

Naturally, one can have doubts as to the efficiency and the democratic legitimacy of such all-pervading institutionalised dialogues. In a sense, they are the perfect means to produce second-best and third-best solutions. On the other hand, this kind of give and take occurs at the national and supranational level, too. Our political systems have long been transformed into systems where most outcomes are the result of complex negotiations which involve, just like in Brussels, not only government institutions, but all sorts of organised interests as well. That is of course no excuse because interest-group politics and dealings of government elites behind closed doors do not

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9. Most negotiations take place in the Council of Ministers, that is in committees and working groups composed exclusively of civil servants. Once a compromise has been reached, often after long periods of negotiations, national parliaments or even the European Parliament, to all intents and purposes, cannot challenge these compromises. On the role of both in EU decision-taking procedures, see Working Group, 1997.
accord well with democratic principles. Here, not only the EU, but also its member states suffer from a democratic deficit.

There could well be a dilemma here. Immanuel Kant argued long ago that democracies do not fight wars against each other.10 The reason he gave is that the citizenry abhors the costs and miseries of war.11 The »functionalist« integration of government elites makes war structurally impossible. Therefore it is an even better way to secure peace. Yet, the democratic controls of the government elites are weak. If they were stronger, the mass media’s peculiar perception of »national interests«, for example, would be propelled to the negotiating tables. Tendencies towards a re-nationalisation of European politics (which are becoming stronger in any case) would be reinforced and the integrationist force of institutionalised dialogues would be weakened. A proper relationship between Monnet’s »engrenage« – the enmeshing of governments in Community institutions and the transfer of national sovereignty to them – and democracy cannot be easily established.

This difficulty is illustrated by Ralf Dahrendorf’s lack of faith in Monnet: Political decisions ought not to be taken through functionalist tricks, but in principle politically, that is by elected governments and parliaments.12 He would start, as he has repeatedly expressed, with a European Constitution that clearly delineates the competences of a European government and of national governments and defines citizens’ rights etc. Constitutional proposals would be discussed extensively by the European public and parliaments and the final text would enjoy a high degree of legitimacy and acceptance. It is clear, unfortunately, that this route would not have led anywhere in the early years of European integration. One wonders, under what historical circumstances the desire for such a grand scheme of integration could be strong enough in the potential member countries of a union to initiate such a dialogue and to take it to a happy conclusion. Furthermore, to what extent could the dangers of a hermetic dialogue really be avoided in such an undertaking.

### Political Objectives and Market Efficiency

After the failure of the European Defence Community (EDC) and the European Political Community (EPC) it became clear that direct political integration was not possible. As a consequence, a sectoral approach was chosen and the European Coal and Steel Community (ECSC)13, Euratom and the European Economic Community were created. Their real purpose was always political integration.14

Therefore, even if economic integration did not produce economic benefits, it could still be justified in political terms. Peace has its price. Should measures of economic integration, which in reality are intended to improve peaceful cooperation, not be undertaken because they are unlikely to produce economic benefits?

The formation of the ECSC is a case in point. Soon after it was established its steel and coal industries were turned into protective cartels.15 They received ever more subsidies – to the detriment of consumers and taxpayers.16 Nevertheless, without the ECSC the relations between France and Germany, and the EU as such, would not be what they are today.

The same can be said of the infamous Common Agricultural Policy (CAP): Its blunders in terms of the principles of economic liberalism are well

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10. For a careful analysis of this topic, see Zielinski, 1995, pp. 30–43. Kant spoke of the constitutional republic (»republikanische Staatsverfassung«), which comes close to what we call democracy nowadays (ibid., p. 35).
13. »The integration of the two sectors was only partially an end in itself; it was also a means towards the achievement of wider and more long-term political objectives.« (Tsoukalis, 1993, p. 18).
14. Cf. Arnold, 1991, pp. 55–56: The EEC was not established in order to overcome economic difficulties. Very much to the contrary, the prosperous economic development of those years was to be made fruitful for the politically motivated integration process of Western Europe.
15. Ironically, »one of the main objectives of the Treaty of Paris had been precisely to avoid the reappearance of such a cartel.« (Tsoukalis, 1993, p. 42). Cartels had existed before the war.
16. Subsidies for coal mining in Germany, for example, were in the order of 80 000 DM per person employed in 1994 (5th Report on Subsidies of the Federal Government; German economic research institutes; according to Nahrrendorf, 1996).
known. Yet, in terms of political integration, it was a central part of the development of the EEC and a cornerstone of European integration. In spite of its hideous costs (it still absorbs half of the EC budget and puts a heavy burden on taxpayers and consumers\textsuperscript{17}), it continues to be an integrationist success: a European cartel which has served the interests of its members more or less well (especially the larger farmers and agro-industry), while generating a permanent need for negotiations and reforms – precisely because of its structural defects and its enormous costs.

During the »Golden Age« (1950–73) it was popular to associate the then prevailing high growth rates and the rising standard of living with European integration. This, of course, gave legitimacy to European integration. In fact, the economic performance of the EEC, even though it was quite remarkable in absolute terms, was not superior to that of other OECD countries. During the »crisis decades« (Hobsbawm) that followed the relative performance of the Community notably declined.

It is safe to conclude\textsuperscript{18} that European integration involved costs to taxpayers and consumers and did not improve the economic performance of the member countries. Once again, that is no argument against integration, because the purposes of integration were political. In the case of the ECSC and CAP, economic efficiency and political integration could not go hand in hand. Equally, the below-average economic performance of the EU can probably be attributed to the logic of political integration and the size of the EC/EU.

By contrast, economic integration that aims to improve economic efficiency can have negative effects on political integration. CAP is a fully regulated policy area, which stabilises agricultural markets, gives preference to EC producers (truly a »fortress Europe«) and requires EU-wide solidarity. By comparison the »Internal Market 1992« project is a »gigantic operation of deregulation«, which tends to eliminate national regulatory power, but does not establish a comparable regulatory power at the EU-level.\textsuperscript{19} This has opened, in the opinion of many observers and interest groups, a race to the bottom in areas such as social and environmental standards and consumer protection. Such claims may be exaggerated. But one wonders all the same how deregulation should be able to make a contribution to political integration. The main advantage of the market mechanism is precisely the independence and autonomy it gives to economic actors. The market does not create political or other kinds of communities.

Hence, to perceive European integration only in terms of market efficiency and the benefits derived therefrom is short-sighted and even wrong. Pure and simple economic integration can undermine political integration and its legitimacy.

**Advantages and Disadvantages of Size**

Large countries or economically integrated regions do not necessarily do better economically than small countries.\textsuperscript{20} Within a large economic area, cumulative differential processes of economic growth are more likely than in smaller ones. To maintain minima of social coherence and political legitimacy, it is necessary to ameliorate differences in development potentials and to provide income support to needy people and deficit-ridden public institutions. For these purposes all developed countries operate complex transfer systems. Depending on its level, the political integration of countries requires solidarity of the richer toward the poorer countries.

In the EU this role is largely taken care of by the Structural Funds. They are relatively small, yet, with varying success, they have made a difference in the underdeveloped areas of the EU. With the eastern enlargement of the EU the willingness of the member countries to partake of an »enlarged« solidarity will be seriously tested.

On the other hand, there are some economic advantages of size too. The main one is the sturdiness it confers to the economy: A large country is not much affected by changes in the value of its currency as most economic activities are related to the home market. A large country like the US can

\textsuperscript{17} These costs amounted to 142.2 billion dollars for the EU (OECD data, Economist, June 5th, 1999, p. 123), i.e. 380 dollars per capita. Quite a sacrifice for a family of, say five members.

\textsuperscript{18} The arguments are spelled out in detail in Kampfatter, 2000.

\textsuperscript{19} Arnold (1993, 63) goes as far as to say: »The economy of the EC becomes largely stateless«.

\textsuperscript{20} For a detailed analysis see Kampfatter, 2000.
get away, even for extended periods of time, with seriously distorted economic fundamentals and questionable economic policies (for example, the huge and still growing US current account deficit and her bubble economy). Equally, a large country is barely affected by economic and political crises in other countries, so long as they are considerably smaller.\textsuperscript{21}

One can expect then that the EU with the full implementation of the European Monetary Union will be able to reap the benefits of economic sturdiness. Furthermore, to the extent that the Euro will be held as a reserve currency, the benefits of seignorage will accrue to Eurolandia.

The sturdiness of a large economy, of course, means that even minor changes in its economic performance or policies can have serious repercussions in smaller economies. The latter’s autonomy is smaller, they have to be more flexible, must avoid structural rigidities, and cannot easily afford policy mistakes.\textsuperscript{22} Benign neglect is not an option for them.

Benign neglect of the smaller countries is but one option for a large country. For example, the US has actively meddled in the economic and general affairs of both Mexico and Nicaragua. Economic dependency makes small countries vulnerable and politically dependent too. The dominant power has many means and ways to put on the pressure and even to inflict punishments. It can allow itself to be arrogant. It can use the small neighbouring countries as a valve to diffuse political pressure at home. It can also defend its so-called national interests (usually large companies and organised interest groups) abroad.

One can consider the possibility of such behaviour an advantage of size. Whatever view one prefers, the EU is well experienced in this field. A harmless example is when it persuaded, in the course of the project »Europe 1992«, non-EC capital to be invested within its frontiers. However, there are less harmless cases, too: In negotiations over fishing rights with Morocco and other countries in North and West Africa, the EU repeatedly and shamelessly imposed unequal treaties upon them. Another case is the dumping of its heavily subsidised agricultural surpluses onto Africa and Eastern Europe, resulting in large damages to the local production.

In fact, in most cases such ruthless external behaviour of the EU was the result of internal compromising among member countries and their interests, and the inability of the EU to find rational and sustainable solutions to some of its problems. That is one of the downsides of the institutionalised dialogue of the EU. In other words, in a number of cases we have integrated further by inflicting considerable damage on small or politically weak countries.

If the EU had a unitary foreign and security policy, such an export of internal problems might be amended in the name of coherence. But to what purpose would we want to have a coherent foreign and security policy? Would we want to be fair to the small and weak countries in our periphery? Would we be ready to support their development efforts financially, through technical assistance etc.? Would we throw open our doors for their exports and for training their people – even though some will find ways to stay? Or, would our main interest lie in the stabilisation of an hegemonic order in our backyard, preventing emigration into the EU and maintaining political regimes to our liking. The signs are ominous: After the Kosovo war many voices are demanding, for instance, a Rapid Deployment Force for the EU – in order »to provide ourselves for stability on our continents«.\textsuperscript{23} Don’t we really mean our »sphere of influence«? »Where there is European capital, there are European interests« could well become one of our measuring rods. For an economic giant that feels like a political dwarf, it would not be totally illogical to move in that direction.

The EU as a regional power is not the only issue affecting the process toward a Common Foreign and Security Policy. The other issues are its relations with the dominant power – the US – and the EU’s role in the power games of the 21st century, given the emergence of China and the possible re-emergence of Russia. There the danger is that we could relapse into the old European balance-of-power games\textsuperscript{24}, yet on a world scale. We know

\textsuperscript{21} Olson, 1987, p. 244.
\textsuperscript{22} Possibly, together with the smaller costs of maintaining social and political cohesion, that explains the on average better performance of smaller economies.
\textsuperscript{23} See for instance, von Weizsäcker, 1999.
\textsuperscript{24} Justi, 1758, is an early book on balance-of-power theory – with some very decisive, even modern criticisms of it. »The teaching of the balance of power among the free powers has caused enough bloodshed, misery and
that size «not only leads to power, it is power». The primary causes of war during the 19th and the 20th century in Europe were the size and the economic and military capabilities of some countries. EU aspirations to rise to superpower status could give way to a new Cold War. They could also challenge other countries to rise to similar status. Systems with four or five great powers are even more unstable and dangerous than systems with only two powers.

Hence, the EU faces a dilemma: If it aspires to become a world power, it accelerates or even sets into motion a spiral of mutual distrust, conflict and re-armament. If it resigns itself to the role of a subservient political dwarf, it will be reproached for not harnessing, in spite of its size and economic importance, US unilateralism; for not preventing further humiliations; for not defending its interests effectively; and for not mediating conflicts in other parts of the world.

Clearly, neither option is desirable. Could this unpromising dilemma situation be avoided? First, one might note, of course not in the spirit of justifying existing unipolarity, that such an arrangement is less unstable, less dangerous and potentially less destructive than multipolarity. Second, one might remember Jean Monnet’s method of «engrenage» and institution building: Are we not already involved in the process of developing international rules and laws and of transferring sovereignty to international bodies? Will this in the end not be more effective to limit, inter alia, hegemonic power?

Such an approach makes things easier for the smaller countries, too. They can, more than large countries, benefit from international rules and institutions – at least as long as these are not made or controlled by superpower interests. The EU itself offers an excellent example: The smaller member countries enjoy the same rights as the larger ones and possess much recourse against the infringements of their interests by the latter (which still try, of course).

To conclude, there are some economic advantages of size but there are disadvantages, too. It is cumbersome and it costs money to maintain a sufficient degree of social and political coherence in a large economic area. Some of the most prosperous countries are small.

The political advantages of size are, to put it mildly, ambivalent. There can be much scope for unscrupulous behaviour against politically weak countries. The desire to become a countervailing hegemonic power evokes the dangers of a new Cold War and of balance-of-power games, an old, and as we (still) believe, eradicated European disease. Monnet’s approach could help to restrain the power of states, even of hegemonic ones.

Institutionalised Dialogue and Other Roads to Peace

As a result of the process of European integration, Europe has been enjoying a long period of stable peace. Military might and menace play no role in the relations within the European Union. That is an enormous achievement in view of the bloody history of our continent.

There had not been a grand design for this. Instead the process took place under rather difficult historical and political conditions. It was path dependent to a very high degree, i.e. it could not be planned in advance and its progress often enough depended simply on good luck. With hindsight, probably the most important element in this process was the creation of institutionalised dialogues in an ever larger number of policy fields both within and outside the framework of the EEC/EC/EU. This led to what has been called at the beginning of this paper a «new culture of conflict management» in Europe.

Negotiations within the EU are a rather cumbersome and slow affair – and that is precisely the point: a permanent need to meet, consult, negotiate, travel, plus the pleasures of the excellent cuisine in Brussels and of friendships built over the years. The persons directly involved in these processes of institutionalised dialogue probably were not even aware that they were part and parcel of a new architecture of peace for Europe – in their own mind they were struggling to define or to defend their country’s positions.

misfortune in Europe. Too often it has been used as a pretext for unnecessary wars. It has rendered millions of human beings to the slaughterhouse, and driven many more millions into extreme poverty and wantonness» (Vorbericht, p. 3; translation WK).

25. Kohr, 1957, p. 27.
26. Furthermore, the internal basis of the hegemonic power erodes in time. See Huntington, 1997.
Neither effective negotiating nor economic efficiency were essential for integration. To the contrary: the logic of political integration – the permanent need to negotiate – often runs counter to effective decision-taking and economic efficiency. Nevertheless, one is always waging a battle to improve both. Therefore it would be certainly misplaced to judge the process of integration in terms of the effectiveness of political decision-taking or of the economic benefits it generates (or does not generate). Pure logic and historical experience indicate that peace can hardly be gained without political compromising and economic sacrifices.

The European way toward a peace community was unique, as all historical processes are. Therefore it seems pertinent to ask what other means could be used for the end of creating a stable order of peace. I can see nine alternatives, the advantages and disadvantages of which are briefly discussed. They are arranged in order of their potential contribution to the formation of a stable peace community.

Treaties of non-aggression: Their purpose is to prevent wars, but they are treaties of convenience for the signatories. They are not really based on trust and they are not intended to build trustful relationships among them. Whether and how they are observed, will depend on all sorts of circumstances. They cannot eliminate the possibility of war.

Power-balance politics: As we know from European history in particular, this is a dangerous game and one that gets easily out of hand. The Cold War was a special case with only two powers: Without nuclear deterrence on both sides, it might not have been stable for such a long time. In history, the succession of one dominant power by another was usually achieved through war.

Hegemonic power: The main purpose of a hegemonic power is not peace as such, but other interests. These however might suffer from military conflicts within the hegemonic sphere. During the Cold War there were hot wars which reflected either the inherent logic of the Cold War or the idiosyncrasies of the hegemon. If there are several hegemons or would-be hegemons, a durable peace cannot be expected. The ability of the hegemon to prevent wars by its military prowess depends on internal power coalitions and on what public opinion is ready to bear. Hence, it cannot be relied upon. Hegemonic peace always depends to a certain extent on force, coercion and submission. Its inherent asymmetry contains the seeds of opposition and rebellion, and therefore potential instability. Once the hegemon’s clout becomes less impressive, opposition to the harsh discipline it imposes is almost unavoidable. When the period of »peaceful co-existence« began in the early 1960s, demands for political reform started to flourish, the European integration progress almost came to a halt and France began to reassert itself vis-à-vis the United States.

External federator: In order to induce countries to form a »Union«, the common enemy must be perceived to be very strong and menacing. The »Union« would then make the greatest effort to build up its military potential. As long as there is no fear of »guaranteed mutual destruction« these efforts might even increase the likelihood of war.

Economic interdependence: There are good arguments why trade should foster peace; yet there are arguments, too, against this proposition.

There is strong historical evidence against it: Just before World War I foreign trade as a share of GDP in the European countries had already reached levels comparable to the ones of the 1990s. The world economy was highly integrated then, yet this still could not prevent the war. The causes of the war were not economic. Yet, as has been stressed by Carr (1968), the process of the socialisation of the nation-state, i.e. the domestication of capital and its political subordination, was already far advanced. The laisser-faire, single-world economy was replaced by a multiplicity of national economies. Capital and government came to live in a symbiotic relationship and national enterprises were an integral part of the war efforts. Economic nationalism has not disappeared. Even nowadays we tend to perceive, for instance, Japan and other East Asian countries as competitors. Moreover,

27. On the other hand, a society can be stabilised internally, either because internal conflicts are projected onto the external enemy or because the conflicting parties weaken their country – or are forced to do so by the government.
28. Cf. Hirschman, 1982. See also the last sentence of the quotation of Justi in the final footnote.
much of the talks on globalisation are driven by fears that capital could again dissociate itself from the nation-state. Under these circumstances, it is hard to believe that economic interdependence is a promoter of peace.

**International treaties:** Such treaties deal with conflicts of interest between nations and therefore define the rights and responsibilities of the parties involved. They do not deal with common interests, but with the separation of interests. If circumstances change, the conflicts could re-emerge.

**International co-operation:** It involves at least some elements which the parties have in common. Hence, it can strengthen bonds among them and can even expand into other areas than the ones originally signed for.

**Political integration:** Some common interests and even some common good ought to be present in cases of political integration. The more areas of policy-making are incorporated into the politics of the Union, the stronger the inner bonds become. The question of the legitimacy of political integration cannot be neglected. If it remains a matter of the political and governmental elites, and if the results of integration as perceived by the citizenries are not satisfactory, it can breed opposition. Hence even political integration can be reversible. In any case, it requires continuous management of potential conflicts.

**Social integration:** European integration has been an affair of the European elites. The prominence of supra-national integration and institutionalised dialogue meant that it could not be otherwise. Nevertheless, it would be wrong to identify European integration only with the political and governmental elites. In fact the everyday life of the European tribes has become quite Europeanised and internationalised. Quite a number of Europeans do not live in their country of origin but in some other country of the EU or elsewhere in the world. A vast majority of the people has spent time in other countries of Europe for holiday, business or study. Tens of millions are on the move every summer. There are no more border controls. Trains and motorways form integrated European networks. Young people spend a school or college year in other countries. You can watch at least some television programs from other EU countries everywhere and so on. Social intercourse across countries has become quite intensive and we take pleasure in it. We still might make jokes about the others (just as we do about the people from the neighbouring town or village), but basically we perceive each other as equals. The times when the European tribes hated each other seem very remote and almost incomprehensible.

That means, social integration, through unfettered travel, tourism, exchange programs, city partnerships, sports leagues, language learning, curricula with information about other countries and peoples is of primary importance for the development of a peace community, as well as for its permanence and acceptance by the citizenries. Once one has found out that the »others« are just human beings like oneself, the mental constructions of »strangers« lose their vilifying basis and cannot easily be manipulated anymore by nationalist demagogues.

Alas, this may be too optimistic a view. Certainly, wars among the members of the EU have become impossible. Social integration was both a result and a cause of this elimination of the possibility of war. Unfortunately that does not mean that social and ethnic conflicts have disappeared. To the contrary, such conflicts are becoming more frequent and widespread, particularly within cities and regions. The ethnification of politics can, as in former Yugoslavia, even lead to military conflict. The biggest future challenge for Europe could well be internal peace – especially in times of rising economic and social inequalities.

29. Justi (1758, 90/91) explains this wonderfully: Some members of a people cross the mountains or a large stream. They meet people unknown to them. »If they find that these unknown people do not cause them any harm, their fears will disappear and they will socialise among themselves. It is therefore fear and the drive to socialise what the peoples are inclined to in their natural state; by no means it is their enmity. ... As long as two peoples do not offend each other in the basic principle of their own interest and their own happiness, the drive to socialise will not be hindered. ... However, when one nation becomes an obstacle or causes damage to the other’s proper interest, then a fountain of enmity and war is struck. Such an occasion will present itself all too often in the interchange and in the deeds of the peoples, particularly with respect to commerce.« Which is also a belated comment on the peace-generating qualities of economic interdependence.