

Long read: The European Union is a liberal empire, and it is about to fall

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*The European Union is a liberal empire, and it is about to fall, warns **Wolfgang Streeck (Max Planck Institut)**. The position of imperial hegemon belongs to Germany, which is finding it increasingly difficult to fulfil that role. When the UK decided to leave the EU, nobody considered invading the British Isles to keep them in “Europe”. Yet, from a German perspective, an amicable British departure might have undermined imperial discipline, as other countries unsatisfied with the imperial regime might have considered leaving as well. So the choice for Britain had to be between remaining without concessions and leaving at a very high cost to itself.*



What is the European Union? The closest concept I can come up with is that of a *liberal empire*. An empire is a hierarchically structured block of states held together by a gradient of power from a centre to a periphery. At the centre of the EU is Germany, trying more or less successfully to hide inside a “Core Europe” (*Kerneuropa*) formed together with France. Germany doesn’t want to be seen as what the British used to call a Continental Unifier, even if in fact this is what it is. That it likes to hide behind France is a source of power for France vis-a-vis Germany.

Like other imperial countries, most recently the United States, Germany conceives of itself, and wants others to do the same, as a *benevolent hegemon* doing nothing else than spreading universal common sense and moral virtues to its neighbours, at a cost to itself that is, however, worth bearing for the sake of humanity. In the German-cum-European case, the “values” that are to give legitimacy to empire are those of liberal democracy, constitutional government and individual liberty, in short, the values of political liberalism. Wrapped into them, to be displayed when expedient, are free markets and free competition, i.e., economic liberalism. Determining the exact composition and the deeper meaning of the imperial value package and how it is to be applied in specific situations is a prerogative of the hegemonic centre – enabling it to extract a sort of political *seigniorage* from its periphery in return for its benevolence.

Preserving imperial asymmetries requires complicated political and institutional arrangements. Non-hegemonic member states must be ruled by elites that consider the center with its particular structures and values as a model for their own country to emulate – or in any case they must be willing to organize their internal social, political and economic order so as to make it compatible with the interests of the center in holding its empire together. Keeping such elites in power is essential for empire to last; as the American experience teaches us, this may come with costs in terms of democratic values, economic resources, and even human lives. Sometimes ruling

elites of small or backward countries seek subaltern membership in an empire, hoping for support from the imperial leadership in pushing through domestic “modernization” projects, against a citizenry that may not be enthusiastic about them. Welcoming their allegiance to its cause, the empire will help them stay in power, by endowing them with ideological, monetary and military means to keep oppositional parties at bay. In a liberal empire that is supposed to be kept together by moral values rather than military violence, how this is to be done is not necessarily straightforward. Mistakes can be made, on the part of the imperial center as well as of peripheral ruling classes, who may both overplay their hands. For example, Germany and France together, in spite of more or less surreptitious help from the European Central Bank, failed to keep the Renzi “reform” government in Italy in power against popular resistance. Similarly, Germany is right now turning out to be unable to protect the Macron presidency from the “Yellow Vests” and other opponents to his program of economic Germanification.

Domestic difficulties are also faced by the hegemonic country itself. Under liberal imperialism its government must be careful to make its pursuit of its country’s national interests, or what it considers these to be, appear to be advancing the general progress of liberal values, from democracy to prosperity for all. In this it may require the assistance of its client countries. This failed to be forthcoming when in 2015 the Merkel government tried to resolve the German demographic and reputational crisis by substituting unregulated asylum for regulated immigration, which it had long been unable to get the Christian Democratic Party (CDU/CSU) to legislate. Opening the German borders under the pretense that borders could no longer be policed in the twenty-first century, or alternatively that open borders were demanded by international law, required that the European Union as a whole followed suit. No member country did so, however – some, like France, keeping silent about it, others, like Hungary and Poland, insisting publicly on their national sovereignty. As they broke, for domestic reasons, with the liberal-imperial understanding never to embarrass a fellow government, in particular that of the hegemon, they inflicted a domestic problem on Merkel from which she never recovered. The event also produced a lasting line of cleavage in the internal-international politics of the empire, between the Center and the East, dividing “Europe” further by adding to its existing divisions, in the West with the United Kingdom and in the South along its Mediterranean fault line (which became critical with the introduction of the common currency).

Even less than other forms of empire, a liberal empire is never in a settled equilibrium. Rather than a stable state, it is permanently under pressure, from below as well as from its sides. Lacking the capacity for military intervention, it cannot in particular use military power to prevent countries exiting from it. When the United Kingdom decided to leave the European Union, Germany and France never considered invading the British Isles to keep them in “Europe”; so far the EU is indeed a force of peace. From a German perspective, however, an amicable British departure might have undermined imperial discipline, as other countries unsatisfied with the imperial regime might have considered leaving as well. Even worse, if a British exit would have been prevented by meaningful “European” concessions in exchange for

staying, other countries might have asked for renegotiation of an *acquis communautaire* deliberately written to be forever non-negotiable. So the choice for Britain had to be between remaining without concessions – the Canossa solution – and leaving at very high cost to itself. On the other hand, Britain had in many cases helped Germany escape from an all-too-tight French embrace, balancing French statism with a, for Germany, healthy commitment to free markets. With a British exit, that balance would be lost. France knowing this, it obviously insisted on tough negotiations, with the hidden, or not-so-hidden, agenda to make the British stick to their decision to leave. Taking advantage of German concerns over imperial discipline, France apparently got its way in spite of rivalling German concerns over having to cope with French ambitions in the absence of British support. It remains to be seen whether giving in to France was another short-sighted short-term opportunistic Merkel-style decision that will cost Germany dearly in coming years.

As to the UK, to the extent that its decision to leave was driven by nationalist as distinguished from either pro- or anti-socialist concerns, it may amount to a historical mistake. Brexit leaves France as the only nuclear power in the EU, and the only one with a permanent Security Council seat to boot. German objections to French leadership ambitions in a more tightly integrated EU drawing on German economic strength will now find less weighty support among the remaining membership. With Britain outside, France may hope to become the European unifier, trying to pressure Germany into a French-style European state project (“a sovereign France in a sovereign Europe” – Macron). Blocking such a development from the outside may turn out to be more difficult than sabotaging it from within. Remember how hard de Gaulle tried to keep the United Kingdom out of what was then the European Economic Community, arguing that Britain was not “European” enough.



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Governance of an empire is inevitably also driven by geostrategic in addition to economic and ideological concerns, in particular on the empire's territorial margins. Stabilizing border states on the extreme periphery is needed not just for economic expansion, although this is essential for an empire with a capitalist economy. Where

an empire borders at another empire, expansionist or not, it tends to be willing to pay an even higher price for keeping cooperative national governments in or kicking uncooperative ones out. National elites that can threaten to break away and change sides should be able to extract more expensive concessions, even if their internal politics are quite unsavoury – viz. countries like Serbia or Rumania. Here, finally, military power comes in, as distinguished from the “soft power” of “values”. While a liberal empire would find it hard to use force on a wayward populace, it may protect friendly governments by enabling them to adopt a hostile nationalist posture toward a neighbouring country that feels threatened by the advancing empire; or it may provide cover if countries chose to adopt such posture. In return for this, a hegemonic power may get concessions, for example in the form of support on issues contested among member states. Viz. the Baltic States keeping silent on the admission and allocation of refugees in exchange for Germany building up its military and deploying it so that it threatens Russia.

Countries and their citizens at the centre of a liberal empire may hope to rule without recourse to military power. But ultimately this is an illusion; there cannot be hegemony without guns. It is in this context that the falling-in-line of the Merkel government with American and NATO demands for a near-doubling of German military expenditure to two per cent of GDP must be seen. Its real significance is not related to NATO but to the EU. If the two per cent goal was actually attained, Germany alone would be spending more than 40 per cent more on arms than Russia, and all of that spending would be on conventional weapons. Probably this would contribute to keeping countries like the Baltic States and Poland in the European Union flock, making it less attractive for them to place their bets on the United States instead. While it might enable Germany to get Eastern European EU member states to give up or moderate their opposition on “value” issues, such as refugees or “marriage for all”, it would also, unfortunately, give Russia good reasons to upgrade its nuclear arsenal (as Russia is doing right now) and encourage countries like Ukraine to take a more provocative stance toward Russia. France, which already spends the magic two per cent on its military, might hope for a doubling of German military spending detracting from German economic prowess (although it is apparently also hoping for French-German cooperation in arms production and exports). More importantly, in a European army, as demanded by Macron and supported by German European integrationists, including the philosopher Jürgen Habermas, the significant increase in German conventional capabilities that the two per cent would buy would compensate for the French weakness on ground troops, due to a disproportionate share of French military spending having to be devoted to the Force de frappe – an instrument that cannot easily be deployed against Islamist militants in West Africa trying to interrupt French access to uranium and rare earths.

Filling the position of hegemon in a liberal empire is far from easy, and in fact, it is becoming increasingly clear that Germany will not for long be able to do so. This is not only because overextension has always been a deadly temptation for empires, as last exemplified by both the Soviet Union and the United States. As to Germany in particular, the popular mood there is still essentially pacifist, and the constitutional prerogative of the German parliament to regulate even small details on the

deployment of German troops will not be given up. Whether Germany post-Merkel will actually be able and willing to deliver on the two per cent is an open question. There will also be a need for imperial side payments to the Mediterranean countries that suffer under the German hard-currency regime, and for “structural funds” supporting the Eastern European states and their “pro-European” political class. With France suffering from low growth and high deficits, it is only Germany that will be asked to chip in, the required order of magnitude easily exceeding its abilities. Note also that what since the refugee episode of 2015 has become the biggest opposition party, the AfD, while nationalist, is so only in the sense of isolationist and anti-imperialist – and is, strangely enough, for this reason, branded by German liberal imperialists as “anti-European”. With benevolent reading, leaving aside for a moment the party’s disgusting fits of historical revisionism, AfD nationalism amounts to unwillingness to pay for empire, with corresponding willingness to allow other countries to do their own thing; see the party’s strong belief in appeasement instead of confrontation in relation to Russia, a belief it shares with the left wing of the Linkspartei.

This post represents the views of the author and not those of the Brexit blog, nor the LSE.

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