The invasion of Iraq has deepened a sense of exasperation among many left-leaning West European intellectuals. It has led to intensified calls for a multipolar world order, in which a self-confident European Union (EU) acts as a civilized counterbalance to an openly imperialist America. This political vision rests upon the assumption that European civilization is distinct from American. In socio-economic terms, continental Europe’s persisting welfare states are seen as providing an alternative to America’s embrace of market fundamentalism. In terms of international politics, Europe is perceived as projecting a multilateral world order based on international law and cosmopolitan human rights, marking a clear difference to the current US agenda.

This essay takes issue with this political vision and its underlying assumptions. If Europe indeed represents a distinctive, and better, civilization than the US, this should be reflected in how the EU has reshaped Eastern Europe after the breakdown of socialism. After all, this was the first historical opportunity for the EU to live up to its own ambitions in world politics. However, instead of exporting welfare capitalism and a security order based on multilateralism and human rights, EU expansion has entailed the re-emergence of economic center-periphery relations within the new Europe. Moreover, Western European states bear a heavy dose of responsibility for the violent break-up of Yugoslavia. The left-liberal vision of Europe as the better world power is based on an unwillingness to critically engage with the EU’s conduct of its external relations, and wishful thinking concerning Europe’s autonomy vis-à-vis the US.

I. ENLARGING THE EU: THE RE-EMERGENCE OF CENTER-PERIPHERY RELATIONS IN EUROPE

With the breakdown of Communism the EU gained tremendous influence in its immediate neighbourhood and thus a unique chance of promoting
its own vision of international politics. Eastern Europe’s opening coincided, at least initially, with a relatively conservative American approach to European affairs, which gave the EU a broader room for manoeuvre. Given that Western Europe was just preparing to form a closer political, economic and social union, as codified in the Maastricht Treaty, it seemed well prepared to use this room for manoeuvre.¹

Holding open the prospect of EU membership has constituted the central policy instrument through which West European states tried to shape the post-socialist development paths of their East European neighbours in the last decade.² If we are to believe European politicians, the process of rapprochement has brought economic, social and democratic progress and stability to the region. This view of enlargement is widely shared in the academic world. Most scholars, whether they adhere to the constructivist or rationalist approach to integration, easily agree on one idea, namely that the East European countries gain from enlargement in economic, social and political terms.³ Politicians and academics are also in agreement that the EU’s eastward expansion manifests a successful break with the past by replacing hierarchical relations with a more equal partnership, and a commitment to solidarity. Günter Verheugen, the Enlargement Commissioner of the EU summarizes this view in an exemplary way:

> Peace through integration – This was the idea that guided the beginnings of European integration and it is also the idea that underlies the enlargement that now stands before us. … The impending enlargement will not make Europe weaker but stronger. … No-one will be entering the EU through the back door on 1 May 2004. … And neither will there be any two-class society, because nowhere is it written that a country can only enter the EU when it has reached a level of prosperity at least equivalent to that of Luxembourg. What is written is that any member which has to catch up in development can rely on the solidarity of others.⁴

A careful analysis of the EU agenda in Eastern Europe, including the means used to realize this agenda and the results of Eastern Europe’s westward integration so far, reveals a rather different picture than that suggested by European politicians and the academic world.

The aftermath of the breakdown of Communism has been called ‘the most dramatic episode of economic liberalisation in economic history’.⁵ Virtually all the former socialist countries adopted radical neoliberal reform programs, with almost identical templates for fiscal and monetary stabilization, liberalization of domestic markets and foreign trade, and privatization of the state owned enterprises. Obviously, there were strong endogenous reasons why the neoliberal project could score such an overwhelming victory.
in Eastern Europe. Economic liberalism as an ideology was very attractive for these societies, in large part because it constituted the most radical alternative to the old system. However, as has often been said, the revolutions in Eastern Europe were bourgeois without a bourgeoisie. Neoliberalism could neither be based on established societal groups, nor cast in terms of a specific national hegemonic project. In this context, Western states, firms, and advisors as well as international financial institutions like the IMF and World Bank became the anchors of the East European reforms.

For the first ten countries that applied for membership, the EU was soon to take over the central role in the reform process. Although its agenda in Eastern Europe was more encompassing than that of the IMF and the World Bank, it was far from providing an alternative economic model. Initially, the EU’s main thrust was to secure agreement to the ‘market opening’ deregulation of the East European economies in accordance with its own internal market program. In the next step, the EU reinforced its influence over East European policy-making by prescribing detailed reforms, including the restructuring and privatization of the industrial and financial sectors and the social security system. In contrast to the other members, moreover, the newcomers had no choice but to adhere to the Economic and Monetary Union. Thus, through the accession process, the EU could establish a far-reaching influence on the emerging capitalist political economies of Eastern Europe. These do not have much in common with the continental European ideal of tamed markets, but are established on clear-cut neoliberal principles.

Rather than exporting a solidaristic model of capitalism to Eastern Europe, the EU has preferred to protect its own political economies as far as possible against disruptive influences of enlargement. The concrete terms of membership indicate that currently the EU is not ready to grant the new members equal social and economic rights. It has allowed for ‘transition periods’ before the free movement of labour from the East is permitted by Western European states, although this constitutes both an economic and a citizenship right in the EU. In financial terms, the per capita transfer payments for the East European newcomers are significantly lower than those for the older member states. As a consequence, the costs of adaptation and enlargement are largely put on the poorer East European states.

The EU could afford to impose these restrictive conditions because of a fundamental power asymmetry reinforced through insisting on bilateral and differential treatment of each of the applicants. Economically the result was that the basis for a regional ‘hub and spoke structure’ was created, with each state in the Eastern region relating to the others via its relationship with the western hub. Politically the result was a competitive race for membership
among the applicants, a race that has been reinforced through the high level of conditionality the EU has applied.\textsuperscript{11}

All in all, rather than exporting the institutional and regulatory foundations for a ‘European way of life’ to the Eastern countries, the EU has pushed them towards neoliberal reforms. These reforms were the foundation for Western economic actors to gain a maximum degree of influence over the East European economic space. Under their influence, Eastern Europe has been transformed over the last decade into Europe’s new semi-periphery. Their economies are characterized by a high degree of penetration by foreign capital, especially in the most strategic sectors. Finance, telecommunication, transport and manufacturing export sectors are dominated by foreign ownership, mostly European, but with US capital close behind.\textsuperscript{12} Low labour costs provide one of the main East European competitive advantages. In the industrial sectors, foreign corporations have restructured their production chains to take advantage of this and thus increase their global competitiveness. As a consequence, we see a major eastward expansion and relocation of labour-intensive activities. Foreign investors also contribute to a persistent social gap between East and Western Europe, and local governments often collaborate to preserve Eastern Europe’s specific competitive advantage. In terms of work conditions and remuneration, trade union density and collective bargaining capacity as well as social welfare arrangements, East European workers have persistently faced much worse standards than their Western counterparts. Eastern Europe is becoming locked in at the lower end of the pan-European division of labour.\textsuperscript{13}

Taken together, the concrete terms and the result of the EU’s eastwards expansion do not speak for its capacity to promote a distinct, more socially just variant of capitalism in its neighbourhood. Rather, the EU’s agenda in Eastern Europe is heavily influenced by the priorities of the West’s capitalist classes, who – far from being committed to the economic, social and political progress of the region as a whole – are mainly interested in the possibility of incorporating Eastern Europe as a new basis for accumulation. The result for Eastern Europe is not vastly different from Mexico’s experience in the NAFTA.

\textbf{II. THE ‘HOUR OF EUROPE’ AND THE BREAK-UP OF YUGOSLAVIA}

If, in economic terms, the EU does not really provide for an alternative to US-led neoliberal globalization, how about its ambitions as a geopolitical power which distinctively adheres to a security order based on human rights and international law? Here again, the East European case, in particular the violent break-up of Yugoslavia, provides a good testing ground. The collapse
of Yugoslavia coincided with the attempt of the EU to achieve more regional autonomy in the post-cold war order. The Maastricht Treaty not only gave birth to the Economic and Monetary Union, but also codified plans for a common foreign and security policy. At the same time, the US pursued a relatively conservative European policy, indeed pushing Europe to take over some responsibility for Eastern Europe. Thus, from the beginning, the EU viewed the collapse of Yugoslavia ‘as an opportunity for the assertion of European power and independence’. The Yugoslav crisis was to be ‘the hour of Europe’, not the ‘hour of the Americans’.

The unfolding of the Yugoslav crisis demonstrated, however, the incapacity of European powers to promote a stable security order even in the European space. National rivalries repeatedly undermined such attempts, and were skillfully exploited by the US once it decided to give up its conservative stance in the region. In early 1991, as the relations between the Yugoslav republics seriously deteriorated, both the EC and the US sought to support and stabilize a federal Yugoslavia. The same position still guided a peace conference of September 1991, where the EC envoy, Lord Carrington, ‘sought to secure agreement on a loose confederation of all the republics along with the protection of minorities and the principle of the inviolability of borders.’ The same conference established an Arbitration Commission, which was to make recommendations on the recognition of sovereignty of the republics. But the goals of the peace conference were soon torpedoed by Germany’s unilateral recognition of Slovenia and Croatia. This aggravated the Serbo-Croatian war and encouraged its spread to Bosnia. It also intensified inter-European rivalry, with France and Britain adopting a pro-Serbian policy.

The war in Bosnia most clearly reflects the failure of the West European powers to promote stability and security. As Susan Woodward has shown, Bosnia was not considered significant to global security, and no Western state had any vital national interest in Bosnia. The approach of the European powers – no less than that of the US – to the unfolding war therefore lacked commitment and coherence. The German rush towards recognizing Croatia and Slovenia had left Bosnia vulnerable, as it increased the tensions within it. Despite early warnings of the dangers, the European powers were not prepared to provide any security guarantees. Predictably, once Bosnia declared its independence in 1992 and received EC recognition, this step fuelled the conflicts rather than resolving them. The recognition of the new republic, within which different forces had started to struggle for national influence and independence themselves, was not helpful. Recognition came too early: Bosnia’s ties with Croatia and Serbia were not yet clarified, nor had any arrangement been reached between the three national political parties. No European power was willing to undertake any military intervention.
operation to put a stop to the ensuing war. Rather they increasingly relied on UN involvement, whose task was strictly confined to humanitarian aid, and who failed disastrously in the face of ethnic cleansing, which was partly the result of European support for a strategy of ethnic partition in Bosnia. The historical opportunity for Europe to demonstrate that it had the capacity to provide a security order based on human rights and international law came during the first years of the break-up of Yugoslavia. The actual outcome does not speak well for such a European capacity.

From 1994 on, the US forcefully re-entered the European scene. At the centre of its new offensive strategy stood the transformation of the role of NATO. Zbigniev Brzezinski called the transformation one of a ‘double enlargement’, i.e. the expansion of NATO into Central and Eastern Europe, and the transformation of its military tasks from that of defence against Communism to out-of-area strikes in the name of humanitarian intervention. NATO expansion moreover went hand in hand with freeing military operations from UN control. In 1995, only a few months after the US outlined its new conception for NATO, the bombing of Bosnian Serb targets started under its auspices. The American-staged Dayton Agreement, which was concluded soon afterwards, demonstrated that the ‘European hour’ in bringing stability to Yugoslavia was definitely over.

The war on Yugoslavia over Kosovo (coming immediately after Poland, Hungary and the Czech Republic were admitted to NATO membership) was the most important instance in the new offensive strategy in the 1990s. Officially the war was launched as a humanitarian effort on behalf of the Kosovar Albanians, but the military annex presented at the Rambouillet conference, held a few days before bombing began, hardly spoke to noble humanitarian aims. Rather, this text foresaw complete control of Kosovo by NATO, including its right to alter the infrastructure of Yugoslavia, and free access to public facilities such as telecommunication, broadcast, roads or ports. This annex was a clear provocation to Yugoslavia, which accordingly did not sign it. What further made incredible the stated goal of going to war to protect the Kosovar Albanians was NATO’s exclusive reliance on an air campaign, which left the forces on the ground free to do whatever they wished to with the Albanians. And indeed, the war had the ‘predicted result of a massive displacement of Kosovo Albanians’.

According to Peter Gowan the US was pursuing altogether different aims than humanitarian ones. He interprets the war as a means of the US re-assuming leadership in Europe, by subordinating West European states and multilateral institutions to NATO, and effectively undermining European attempts of regional autonomy. Indeed, this strategy worked; although the war was an American one from beginning to end, and European leaders had
to be cajoled into it, this was not too difficult to achieve, not least because of intra-European rivalries. As a reaction to Germany’s perceived new assertiveness, France had begun to reposition itself closer to Britain and the US, and the Kosovo war gave France the option of putting Germany in its place. It was even less difficult to convince British forces of the necessity of the war. And while Germany was excluded from the Rambouillet negotiations, the US put big pressure on Germany to participate in the war proper. The US success in subordinating Germany was absolute: a Red-Green government led Germany into its first military operation since the Second World War, despite the fact that the UN did not sanction the intervention.

The war demonstrated to Western Europe its own military weakness. The overwhelming imbalance between the American and European military capacities was made evident. Notably, the ensuing ‘European Security and Defence Policy’ has evolved firmly under the umbrella of the US; ‘it serves’, as Alan Callfruny has put it, ‘to institutionalize Europe’s subordinate position in the transatlantic relationship.’

III. RE-EVALUATING THE EUROPEAN PROJECT

There is clearly little to celebrate in terms of Europe providing a distinct and better alternative to the American imperial order. The exasperation with America’s aggressive stance in world politics that worries many European left-liberal intellectuals is certainly understandable, but their alternative political vision is marred by serious analytical and ideological shortcomings.

The first question to arise in this context is why left-leaning intellectuals so rarely reflect critically on EU expansion to the East, although it is here, in its immediate neighbourhood, that its political and economic strategies can be best assessed. A good many Western left intellectuals have seen Western Europe – because it so successfully resolved territorial, national and welfare questions – as a role model for Eastern Europe; and yet at the same time they have not seemed to believe that Eastern Europe would ever attain such achievements. Authoritarian temptations, a waning acceptance of democracy, the outburst of ethnic violence, racism and xenophobia were often seen as the almost inevitable consequences of the transformation process.

Claus Offe, one of the most ardent representatives of this view, argues that Eastern Europe’s extrication from Communism opens a ‘Pandora’s Box full of paradoxes’ that threatens to obstruct advancement towards the market economy and liberal democracy. Consequently, he makes the case for an international system that rewards progress on this road, and sanctions misbehaviour, as one possible solution for controlling the almost inevitable authoritarian or populist reactions. And Jürgen Habermas, in his famous open letter reacting to the war on Iraq, shows a similar distrust of Eastern Europe.
Referring positively to US Secretary of Defense Donald Rumsfeld’s infamous differentiation, Habermas sees an increasing gap between ‘old Europe’ and the Central East European Countries that ‘strive to join the European Union, without being ready yet to limit their only recently won sovereignty again’. In this context, Habermas advocates a European integration at different speeds, which will allow (old) core Europe to advance its own particular vision of Europe. Due to core Europe’s ‘soft’ power, the new members then will be pulled along.26 Such a patronizing attitude towards Eastern Europe is shared by conservatives. Indeed, Wolfgang Schäuble, the German conservative party’s foreign policy mastermind, first articulated the idea of ‘core Europe’ organizing an enlarged EU. And while Habermas’s outrage at the letter from eight West and East European countries expressing loyalty to Bush’s war on Iraq was intellectually more challenging than Jacques Chirac’s reaction that Eastern Europeans acted like misbehaving children, the sentiments of the two were not dissimilar. The specifically left-wing tune to patronizing Eastern Europe is the one that accuses East European societies of embracing market radicalism rather than adhering to the welfare state model of continental Europe. Already in the early 1990s, Claus Offe said he would find it not surprising at all if in ‘Central and Eastern Europe those shrill voices of a ruthless individualistic, chauvinistic and particularistic reaction – an East European variety of Thatcherism – would take hold’.27 Such voices, he claimed, had been to a large extent silenced in continental Europe for forty years, and the only solution he could see to the threat of the re-emergence of such reactionary forces was the strengthening of the Western Left, which would both allow for the construction of a new social contract, and for the defence of welfare achievement in the West.

There are several problems with this not uncommon view. First, it ignores the role of the West in exporting market-radicalism to the East, and conveniently locates the responsibility for this socio-economic choice solely in the East. Second, and more troublesome, it ignores the responsibility of the Western left in denying Eastern Europe equal access to European resources and citizenship rights. After all, trade unions, Social Democratic parties and left-wing intellectuals called for protecting domestic labour markets from the inflow of Eastern workers. While this position reflects the weakness of the Western left, which makes it take defensive steps, it has yet to prove that it is able to develop forms of transnational solidarity. The defence of the welfare state is by no means enough, as solidarity is thereby confined to boundaries of the nation state.

Moreover, the proponents of the idea of Europe as a civilized counter-balance to the US tend to conflate the internal achievements of European
integration with the EU’s external policy. While it is indeed true that European integration successfully contributed to taming Germany and provided one of the institutional pillars for peaceful coexistence of the West European powers, it does not follow from this that the EU is peaceful and norm-abiding in its external relations. The early years of European integration certainly did not tame France or Belgium in their colonial wars. It requires an unwarranted intellectual shortcut to assume that the EU does not bear the imprint of this legacy from its leading member states. The colonial history, and even more the history of Nazi Germany, should remind us that for European states imperialism and violence are far from alien. That imperialist reflexes have been more dormant in Europe’s recent history might have to do with some historical learning. Equally or even more important, however, was the relative weakness of all major European powers after the Second World War. The lack of capabilities and opportunities to sustain the old European imperialism should not be confounded with an achievement of European civilization. Given the not so distant violent and imperial past of Europe, and its recent failures in living up to its newer, more enlightened values, there is a certain degree of rather unsettling self-righteousness in a position that claims that Europe ‘can offer this world a great potential for civilisation. We have our peace model, integration. No one else has as much experience as we have of the solution of conflicts by civil means or of the successful transformation of systems.’

The position that Europe needs more self-assertive politics can certainly be advanced without these unsettling moral undertones. It may be put in terms of the necessity to build up a counterbalance to the US, simply because ‘overwhelming power is always a threat, regardless of who possesses it. Prudence dictates that states that face overwhelming power ought to form a balancing coalition against the overwhelmingly powerful.’ Yet, the fallacy of this less value-laden position is the assumption of an autonomous European capitalism. This assumption was already refuted in the 1970s by Nicos Poulantzas, who argued that at the core of the new phase of imperialism was the relationship between American capital and the rest of the developed world, rather than the capitalist peripheries. Through foreign direct investment, American capital has penetrated the European social formations. Acting as a powerful social force within these societies, it led to a transatlantic realignment of European bourgeoisies and states. In their recent work, Sam Gindin and Leo Panitch have revived this chain of argument, and demonstrated the increased penetrative capacity of American power after the crisis of the 1970s. European capitalism needs to be understood within the framework of American neoimperialism, not as distinct or separate. This has strategic polit-
ical consequences for the Left. If the idea of a distinct European political identity is based on wrong premises, then the struggle against neoliberalism and military chauvinism is not one of Europe against America, but one that has to be fought within both the American and European societies.

NOTES

1 The European Union was created in 1992 with the signature of the Treaty of Maastricht. I will use the term European Community (EC) if I refer to events before the Treaty of Maastricht.

2 As of May 2004, eight East European states became members of the EU: Poland, Hungary, Czech Republic, Slovak Republic, Slovenia, Latvia, Estonia and Lithuania. Bulgaria and Romania are hoping to join in 2007, and Croatia has recently started the accession negotiations.


9 In the first year after accession Poland will receive 67 Euros per capita, Hungary 49, Slovenia 41 and the Czech Republic 29. By contrast, Greece, Ireland, Portugal and Spain currently receive respectively 437, 418, 211, and 216 Euros per capita. See Karl Debbaut, ‘EU Enlargement after Copenhagen’, at http://www.worldsocialist-cwi.org/eng/2003/01/25eu.html. For a thorough discussion of the financial terms of enlargement see Andrew


Grabbe, ‘Partnership’.


Ibid., pp. 273-333.

Germany, this time in line with the EC, hesitated to recognize Bosnia. It was the US who insisted on recognition.


van der Pijl, ‘Gorbachev’, p. 301.

Gowan, ‘NATO’s war’, p. 270.

Cafruny, ‘Geopolitics’, p. 100.


28 Verheugen, ‘Enlargement’, p. 32.