

# EUROPE, LIKE AMERICA THE CHALLENGES OF BUILDING A CONTINENTAL FEDERATION



JOSEP M. COLOMER

**Josep M. Colomer** is a Research Professor in Political Science at the Higher Council for Scientific Research and teaches Political Economy at the Pompeu Fabra University, in Barcelona. He is an elected member of the Academia Europaea and a life member of the American Political Science Association. Author of more than thirty books in six languages.

## **Europe, Like America**

### **The challenges of building a continental federation**

Josep M. Colomer

Electronic Edition available on the Internet:  
[www.laCaixa.es/research](http://www.laCaixa.es/research)

## "la Caixa"

Research Department  
Avda. Diagonal, 629, torre I, planta 6  
08028 BARCELONA  
Tel. 34 93 404 76 82  
Telefax 34 93 404 68 92  
[www.laCaixa.es/research](http://www.laCaixa.es/research)  
e-mail: [publicacionesestudios@lacaixa.es](mailto:publicacionesestudios@lacaixa.es)

Responsibility for the opinions expressed in the documents of this collection lies exclusively with the authors. The CAJA DE AHORROS Y PENSIONES DE BARCELONA does not necessarily agree with their opinions.

© Caja de Ahorros y Pensiones de Barcelona "la Caixa", 2010  
© Josep M. Colomer

# CONTENTS

<b>PREFACE</b>	5
<b>I. INTRODUCTION</b>	11
<b>II. DELIMITING THE TERRITORY</b>	14
2.1. From Frontiers to Borders	16
2.1.1. The United States expansion	17
2.1.2. Fixing the American borders	21
2.1.3. The European Union enlargements	23
2.1.4. Fixing the European borders	26
2.2. The Shape of the States	32
2.2.1. The states in the USA	32
2.2.2. The states in the EU	34
2.2.3. Appendix	38
<b>III. DESIGNING INSTITUTIONS</b>	42
3.1. Two Constitutional Conventions	43
3.1.1. The United States in Philadelphia	44
3.1.2. The European Union in Brussels	48
3.2. Federalism	52
3.2.1. American states' rights	54
3.2.2. European subsidiarity	57
3.3. Division of powers	61
3.3.1. United States 'checks and balances'	62
3.3.2. European consensus	67
3.3.3. Appendix	72
<b>IV. FROM EMPIRE TO FEDERATION</b>	73
4.1. Integration and decentralization	75
4.2. Building federal institutions	77
<b>BIBLIOGRAPHY</b>	80
<b>INDEX OF FIGURES</b>	85



## Preface

This volume by Professor Josep Maria Colomer could hardly be published at a more suitable moment.

Europe is going through a delicate time. After some tough years of institutional enlargement and consolidation, which have led to a European Union of 27 countries and the coming into force of the Lisbon Treaty, the repercussions of the international financial crisis of 2007-08 and the Great Recession of 2009 have shaken the construction of Europe and particularly one of its most defining features: the euro, the currency shared by 16 out of the 27 member states.

Given these events and the trends in constructing Europe that we have seen over the last thirty years, we need some historical perspective, such as that provided by Professor Colomer with his original work that compares the processes to create America and Europe, both in terms of political entities that are continental in scope and, as he argues very well, share imperial ambitions.

What we know today as the United States of America is the result of a long and complex process of unifying territories that were previously independent. The territorial expansion only partly respond to determining factors of a clear geographical or geopolitical nature. From the time it became independent from the British crown, at the end of the 18th century, this new great power needed a century and a half to take shape and it wasn't until the second decade of the 20th century that the USA started to take on the features of a federal state but with a strong central administration, as we know it today. En route, this new federation even suffered a civil war that was on the verge of stemming the creation of what would be the new great world power by the middle of the 20th century.

Knowing the difficulties endured by the *Founding Fathers* in building their political union and the great role played by the United States of America in the world in the last hundred years, both in geopolitical and also in technological and economic terms, should serve as a benchmark for European citizens and their political leaders when evaluating the complex political and economic juncture currently faced by European peoples and their shared institutions.

The acceleration of the enlargement of the Union since the 1990s was the result of the fall of the Berlin Wall and the collapse of the communist regimes in Eastern Europe. These successive enlargements, still not completed, were ethically inexcusable and politically unstoppable and for many of the countries liberated from pro-Soviet totalitarian regimes they have ensured a one-way ticket towards liberal democracy and economic and social progress.

However, Europe's institutional architecture was undoubtedly ill prepared for this avalanche of member countries, which in just a few years has doubled the Union's surface area and expanded its population to more than 500 million citizens. And it wasn't just the institutions that weren't ready. European citizens were probably not sufficiently aware of what integration would entail. This is particularly true from an economic and social viewpoint, due to significant differences in the degree of economic development and to the relevance as a whole of the countries joining the Union.

Seen from this perspective, we should not be surprised that the process of redefining the Union's institutional framework has been, overall, insufficient. There was a pressing need to proceed with reforms, to improve the legitimacy of European politics and to speed up decision-making. These goals were already important before the enlargements and the growing complexity of the 27-strong Union has made them even more necessary.

The failure of the referendums on the proposed European constitution and the subsequent approval of the Lisbon Treaty, representing a less emblematic but perhaps similar alternative in practical terms, must be interpreted as the outcome of a process of European construction that, for better or worse, has often not followed a strictly coherent path. In this case, the operational

reforms of the Union should have been approved before the processes of enlargement, but what is proper or advisable in theory is not always politically feasible, and the course of European history has set a pace to which the Union's policies and institutions have had to adapt.

When we Europeans thought we would have a few years to digest the enlargements and to develop the new institutional framework, once again external circumstances altered the pace of European integration, and most significantly. The international financial crisis and its extremely serious repercussions on economic growth (the 2009 recession has been the worst in the last seventy years) have exerted huge pressure on another of the key elements in the European project: the single currency.

It is common knowledge that the process of creating the euro has been political in nature, right from the start. One more step in the economic integration of Europe and therefore in giving up a very significant amount of political power at the national level.

Some might say that the pace was too fast, perhaps too bold, or the result of what the elite wanted, far removed from popular feeling. Others, however, might argue that it was an ambitious operation, looking to the future, thinking beyond local interests to a planetary scale and already taking into account the world of the 21st century with its emerging new powers: China but also India, Brazil and others. These are new empires, as duly noted by Josep Maria Colomer. In Europe, this continent-wide and integrating view dates way back in history, perhaps always promoted by those Europeans who have been ahead of their time. Hence the words by José Ortega y Gasset, written even before the Second World War that set many peoples of Europe and the world against each other, reveal that we are facing a wide ranging human and political change:

“The real situation of Europe would, then, appear to be this: its long and splendid past has brought it to a new stage of existence where everything has increased; but, at the same time, the institutions surviving from that past are dwarfed and have become an obstacle to expansion. Europe has been built up in the form of

small nations. In a way, the idea and the sentiment of nationality have been her most characteristic invention. And now she finds herself obliged to exceed herself. This is the outline of the enormous drama to be staged in the coming years. Will she be able to shake off these survivals or will she remain for ever their prisoner? Because it has already happened once before in history that a great civilisation has died through not being able to adopt a substitute for its traditional idea of the state...”<sup>1</sup>

The political component of the single currency project was also present in the Union’s earlier advances, such as the creation of the single market. However, the impact in terms of eroding sovereignty is of a radically different nature with the euro. It’s no longer a question of gradually transferring powers, subject to a laborious process of negotiation and *ex-post* legal and administrative control. With the euro, the loss of sovereignty only becomes evident in exceptional but ultimately inexorable situations, when sooner or later external circumstances suddenly alter the competitive situation of the different member states and it becomes clear that the lack of monetary independence limits the capacity to respond unilaterally of all members of the Union.

From a technical point of view, it was already well-known at the beginning of the 1990s, when the foundations of the project were being discussed,<sup>2</sup> that for an area integrated in monetary terms to work, there would need to be a certain degree of fiscal integration and greater mobility of labour. Once again, European leaders furthered political integration by increasing economic ties. In political terms, this option was understandable but full of risks that would have to be handled at some point. It is now time to accept, in all clarity, the political dimension of the currency shared by the countries in the Union, as has Chancellor Merkel, when she stated that “If the euro fails...Europe fails too, and the idea of European unification.

1. *La rebelión de las masas*, by José Ortega y Gasset (1930) (Editorial Austral. Commemorative edition, 2009 - from the revised edition of 1939, page 196.)

2. See, for example, the volume “One Market One Money”, in *European Economy*, No 44, October 1990.

We have a common currency, but no common political and economic union. And this is exactly what we must change”<sup>3</sup>

Very recently Javier Solana<sup>4</sup> reminded us, from the viewpoint afforded to him by his highly extensive experience in senior positions of international diplomacy, that “the European Union must feel proud of what it has achieved and be more aware of what it represents”. I can only agree wholeheartedly with these words. I trust that books such as the one produced by Professor Colomer help all of us Europeans to acquire the appropriate long-term perspective and to understand, in all its dimensions, the historic crossroads we are currently facing, so that all together we may decide to advance in constructing the United States of Europe.

**Jordi Gual**

Chief Economist and Head of Research  
”la Caixa”  
Research Department

3. *Financial Times*, 14 May, 2010, page 3.

4. *La Vanguardia*, 19 May, 2010.



## I. Introduction

*America is “the embryo of a great empire”*

Alexander Hamilton

*“... an empire of liberty”*

Thomas Jefferson

*“I believe there is no real answer for the European problem until there is definitely established a United States of Europe”*

Dwight Eisenhower

*“If the European countries succeed in uniting, their three to four hundred million inhabitants would know, by the fruit of their common heritage, a prosperity, a glory, a happiness that no boundary, no border could contain... We must construct such a thing as the United States of Europe”*

Winston Churchill

*A politically united Europe will be “a sort of second America”*

Jean Monnet

The processes of building the United States of America since the late-eighteenth century and the European Union since mid-twentieth century are among the major claims for the possibility of a vast, continental-size political unit based on democratic principles. While the European Union project is still full of uncertainties, the previous experience of building the United States of America offers the best reference and hope for a successful achievement.

The United States was created in the late eighteenth century as a union of previously existing independent states. However, its consolidation as a federal democratic union took more than a century. The crucial period was between the Civil War in the late nineteenth century and the First World War in the early twentieth century, when it established clear territorial limits and completed its internal institutionalization at both local and federal levels.

As shown in the following pages, the building of the United States of America and the building of the European Union have raised similar major problems, which can be addressed by taking inspiration and learning from each other's experiences. At the beginning of the twenty-first century, the European Union has achieved higher levels of economic integration on some issues than the United States of America did about one hundred years ago. Yet it has not completed the delimitation of fixed external borders and has not attained a solid constitutional framework. As it was the case for the United States, for the current European Union putting an end to the process of territorial expansion seems to be a necessary condition to achieve internal institutional stability and robust federal formulas.

The structure of the book is as follows. After this Introduction, the second part, 'Delimiting the Territory', remarks that building an empire from previously existing states implies renouncing a single source of sovereignty in favor of division of powers among multiple levels of government. The stories of the United States territorial expansion from the initial Atlantic core to the conquest of the West during the nineteenth century and of the European Union successive enlargements during the twentieth and twenty-first centuries show how external borders can eventually be fixed. The limits of the new unions are not determined by geography or destiny, but, somewhat arbitrarily, just reflect the union's capacity of assimilation and consistent institutionalization of its components. Currently, and in contrast to the United States, the European Union still has some 'frontiers' to be settled in a more stable way, particularly in the Balkans, Turkey and the Eastern countries. In Europe, the union's territorial expansion and increasing integration is also inducing some internal restructuring of the larger states in favor of further internal decentralization and the strengthening of regional and local governments.

The third part of the book addresses the processes of institutionalization of both unions as facilitated by the establishment of external limits and borders control. Even if well-defined institutional rules for decision-making are largely adopted 'from above' in conditions of initially deficient democracy, they can be able to promote some degree of 'loyalty' from the citizens, which favors institutional stability and union-wide policy-making. In both the

constituent processes in Philadelphia in the late eighteenth century and in Brussels in the early twenty-first century, a controversy developed between those in favor of a stronger federal union and those preferring to give priority to states' sovereignty. In none of the cases the ratification by the states of the drafts elaborated by constituent conventions was easy or immediate. In practice, some fluctuations in the relative power of the union, the states and the regions or counties can be identified over time. In the United States it took a long period to establish in practice a real system of mutual 'checks and balances' among institutions, which were not clearly shaped until the early twentieth century. In the European Union a form of semi-presidential regime with a dual executive has been adopted, but the enforcement of some basic new rules is still incomplete and has been delayed.

The final part summarizes the components of the transition from sovereign states to a democratic federation, which have relevant implications for the future of the European Union.

## II. Delimiting the Territory

The notion of ‘empire’ can account for the historical and present configurations of the United States of America (USA) and of the European Union (EU). An empire is a compound of diverse groups and territorial units without fixed or stable territorial limits. Most of human history has developed within the framework of vast empires, rather than with the West European modern form of nation-state. ‘Empire’ as a polity or community should not be confounded with ‘imperialism’ as a policy, which can be practiced not only by empires, but also by nation-states or cities. An empire can be conceived as a federation in the making to the extent that the process of coordinating diverse political units across a very large and varied territory may lead to the adoption of more stable and more democratic institutional formulas. This was precisely the case of the development of the United States of America during the nineteenth century and may be the case of the European Union during the twenty-first century too.

Although the design of a large federation for the United States of America was already done by late eighteenth century, actually the USA did not attain fixed borders and stable federal institutions until early twentieth century. By the early twenty-first century, the European Union is still in the ‘imperial’ stage of federation-design and building. It can be argued that there is strong relationship between external territorial consolidation and internal institutional arrangement. As happened with the USA, the internal stability of the EU and its complete transformation into a democratic federation will largely depend on the establishment of stable external territorial limits and of an internal democratic system of ‘vertical’ and ‘horizontal’ divisions of powers.

The processes of building these two large polities in America and Europe have shared important defining characteristics of ‘empire’ which, in contrast

to those defining a sovereign 'state', can be summarized as follows: Empires have a very large size, in terms of both territory and population. They do not have fixed or permanent boundaries; empires tend to expand over the territory, up to the point of conflict with other empires, and when in decline they may also contract.

An empire implies a compound of diverse groups and territorial units. In ancient and medieval times, an empire could be comprised of cities, republics, counties, principalities, bishoprics, and other varied forms of political organization. Currently, democratic empires may also include political units organized with different forms of parliamentary or presidential, unichamber or multichamber, monarchical or republican governments. Multiethnic federations can be arranged with less heterogeneous institutional regimes. But they may be linked to the center by diverse institutional formulas.

Finally, an imperial-type organization includes a set of multilevel, often overlapping jurisdictions. Within an empire, no authority typically rules with exclusive powers. Rather, the central government may rule indirectly through local governments; the latter develop self-government on important issues; and power sharing is widespread.

In contrast to 'empire', the 'state', which was the typical West European form of government from the seventeenth to the twentieth centuries, can be defined by the opposite characteristics. A state is defined, first of all, by fixed territory, typically of large or middle size, and formal boundaries. The clear establishment and foreign recognition of the territorial limits of a state are intended as protection from external attacks, invasions, immigrants, and imports.

The West European, modern state claims 'sovereignty' or supreme authority over a territory and population. It recognizes no other source of jurisdiction but itself. The state's power to make ultimate decisions is recognized by other sovereign states. Finally, any state has monopolistic or reserved functions with exclusive jurisdiction within its territory. Whether dictatorial or democratic, it is organized with an internal hierarchy of powers. In order to facilitate the exercise of its functions and consummate its exclusiveness,

it tends to establish a uniform administration over the territory, as well as to promote the homogenization of important social and cultural characteristics of its subjects or citizens.

As can be seen, these defining characteristics of empire and state are mutually exclusionary. Actually, the first modern states emerged from and consolidated themselves against previously existing empires. Both the states in North America having proclaimed their independence from the British dominion and the states in Europe which would eventually join the Union had affirmed their 'sovereignty' since the eighteenth century. Sovereignty was conceived as an absolute, perpetual, inalienable and indivisible power, the supreme source of authority within a well-defined territory. Then, building a new continent-wide empire implied renouncing a single source of sovereignty in favor of division of powers among multiple levels of government.

## **2.1. From Frontiers to Borders**

As typical of empires, and in contrast to an essential feature of sovereign states, there are no territorial limits in the United States constitution or in the European Union treaties. The real limits of both unions depend on the capacity of assimilation of new territories located at long distances from the initial core and with significant differences in economic structures and ethnic composition of the population regarding the previous ones. In general, the farther away and the more different the new territories from the founding ones, the less integrative and more coercive the means by which they can be incorporated into the empire tend to be. As a consequence, in both processes of building the USA and the EU, the territorial expansion of the initial core eventually slowed down until it reached substantial stability.

For the United States, the process of annexing the bulk of its current territory since the initial 13 colonies became independent states took more than 60 years –between approximately 1787 and 1850–. The territory of the initial core was finally multiplied by about four. But the initial core is still much more densely populated: the population in the original territories at the

time of independence from Britain is today about half of total population. For the European Union, the process of enlargements from its initial 6 member-states, which started formally in 1957, has already lasted more than 50 years, while several large territories remain potential subjects for further inclusion. So far, the initial territory of the founding members (not counting their former colonies overseas) has been multiplied by three. But like in the U.S., the population of the six initial EU member-states is today about half of total population.

### 2.1.1. The United States expansion

The process of building the United States of America involved sustained fights against the European colonial empires in the Americas, initially Great Britain, of course, but also France and Spain, and later and in the periphery, the Russian and the Japanese empires. Four types of processes of expansion of the USA can be distinguished by territories increasingly distant from the initial core, which have been implemented in different periods. Each model involves different degrees of coercion, from more integration to greater violence. They can be called decolonization, purchase, infiltration, and invasion, respectively.

**Decolonization.** British colonies had been established in North America since the beginning of the 17th century (with Virginia having been set up in 1619). Their consolidation during the 18th century involved major conflicts with France, especially the so-called ‘Great War for Empire’ or ‘French and Indian War’ (1754–63), after which the territories to the east of the Mississippi river were left in the hands of Britain, while those to the west of that river were taken from France and given to Spain.

A so-called Continental Congress, formed by representatives of thirteen of the British colonies along the Atlantic coast, declared independence in 1776. The union was initially created mainly as a mechanism of self-protection from Britain. When the war for independence was won in 1783, the initial territory of the thirteen colonies was enlarged to more than double the area, with other British lands located to the north and to the west of the Appalachian Mountains until the Mississippi.

The independentists aspired to include Canada. In the Articles of Confederation, they stated: “Canada acceding to this confederation, and adjoining in the measures of the United States, shall be admitted into, and entitled to all the advantages of this Union”. During the subsequent war with Britain, United States troops went further north and occupied Montreal and large parts of Quebec. But the British managed to defend their Northern colonies from independence for another eighty years. A settlement would be achieved between the UK and the USA in 1818 to establish the border with Canada along the 49th parallel, that is, crossing the Great Lakes so as for both sides to have access to them. Thus, most of the further U.S. expansion headed south- and west-wards. The ‘frontier’, that is, the disputed regions at the edges of the settled area, shifted towards the Pacific and the Gulf of Mexico for many years.

The Continental Congress established that the United States would enlarge not by the expansion of existing states but by the creation or admission of new states. The initial thirteen colonies approved new state constitutions in the process of approving the United States constitution in 1789. But the rest of the territory, that is, about half of the total area separated from Britain, remained under the control of the new central authority in Washington for several decades. Eleven new U.S. states were eventually formed there within a period of sixty years.

**Purchase.** After the former French colonies west of Mississippi, which had been given to Spain, were devolved to France in 1800, the government of the United States purchased them from Napoleon Bonaparte in 1803 for \$15 million (equivalent to about \$215 million in today’s dollars). The Louisiana territory was in fact the west side of the basin of the Mississippi and Missouri rivers, which was bounded to the west by the Rocky Mountains, to the north by the remaining British colony in Canada, and to the south by the colony of New Spain. With the purchase of Louisiana, the United States doubled its territory. Eleven new U.S. states were eventually formed there within a period of more than one hundred years.

Another major purchase was Florida, which had been devolved to Spain after independence. It was acquired by the United States in 1819, in exchange

for renouncing claims to Texas and \$5 million (equivalent to about \$70 million today). Finally, the United States purchased Alaska from the Russian empire in 1867, for \$7.2 million (\$110 million of today's dollars). In spite of its territorial discontinuity with the rest of the country, it became a U.S. organized territory in 1912 and a U.S. state in 1959.

Other proposed purchases emerged among political and entrepreneurial circles of the United States by the mid 19th century. They included, most prominently, the acquisition of Cuba from Spain, as proposed by president Franklin Pierce in 1854 for \$120 million (what would have been almost \$3 billion in today's dollars!); the annexation of Santo Domingo, as proposed by president Ulysses Grant in 1870; as well as the construction of an American isthmian canal in Nicaragua, which was voted by the U.S. congress in 1900. But they were never substantiated.

**Infiltration.** Another pattern of decolonization of neighboring or nearby territories can be identified for a number of cases, which includes the following steps. First, American traders, explorers or settlers, usually with high entrepreneurial and productive spirit, establish themselves in a foreign territory. Eventually they become a pressure group or a political force which, in alliance with local groups, is able to challenge the foreign power dominion or overthrow the existing local government and declare an independent republic. Third, the U.S. army intervenes in order to protect the American citizens and re-establish peace. Finally, the territory may be annexed to the United States.

Elements of this model can be identified in several processes in the periphery of the United States. Specifically, in the south, in Texas, which declared its independence from Mexico and formed the 'lone star' republic in 1836, but became a U.S. state in 1845; in the far west, in California, independent from Mexico in 1846 and a U.S. state in 1850, as well as in Oregon, organized as a territory separated from the British in 1848 becoming a U.S. state in 1859; and in the Pacific islands of Hawaii, where the local monarchy was replaced by American residents with a republic in 1893, it became a U.S. territory in 1900, and a state in 1959.

Similar attempts were implemented in Canada, where U.S. ‘filibusters’ prompted rebellions in 1837, with the aim of establishing a republican government seen as a reprise of the American Revolution against the British, but were to no avail. Other infiltrations took place further south, in Panama, which split from Colombia in 1903, but it never became annexed. The canal of Panama, which was put under U.S. control from 1914 and until the end of the century, was basically conceived by the American entrepreneurs as a waterway that would facilitate transports between the Atlantic and the Pacific coasts of the United States, thus putting the frontier further south than formally established.

**Invasion.** A number of private armed expeditions were organized by so-called ‘filibusters’, as mentioned, especially to islands in the Caribbean sea and to Central America, with the aim of expanding the South of the United States into a slave-based tropical empire. They include interventions in Cuba in 1851, Nicaragua in 1855 (where a slave-based dictatorship was enforced for a few years), and Honduras in 1859.

From 1823 onwards, the so-called Monroe doctrine, summarized with the lemma ‘America for the Americans’, stated that European powers were no longer allowed to colonize or interfere with the affairs of the newly independent states in the Americas. Under this cover, the United States army directly intervened in a number of countries in the Western hemisphere. More than half of the territory of recently independent Mexico, to the north of the Rio Grande, was incorporated into the United States after a military expedition, which went as far as entering Mexico city in 1848. There were calls for the annexation of “All Mexico,” arguing that it would be the best way to ensure future peace in the region, but they were not fulfilled. Mexico withdrew its claims to Texas and was compensated with \$18.2 million. The annexed territory was rounded out by the Gadsden purchase from Mexico for \$10 million. Five new U.S. states were eventually formed there within a period of more than sixty years. Again the United States brought troops down to the Rio Grande to put pressure on French emperor Louis Napoleon III to withdraw from Mexico in 1867.

### 2.1.2. Fixing the American borders

Once the limits of the territory of the Union were broadly envisaged, institutionalizing the United States of America required more social and legal unification. This was achieved through several mechanisms for integration involving high degrees of coercion and violence. The hottest dividing line ran, of course, between the commercial and industrial North and the slave-based agrarian South. The initial attachment of the population to the Southern states implied reluctance and alienation to strengthening the Union, but it became noncompliance, rebellion and war.

**The Civil War.** Initially, the slaves fleeing from the Southern states were caught and sent back to the South by the federal authorities. President Lincoln considered a gradual freeing of slaves, including monetary compensation to their owners, to be sent to Liberia or Panama. But the secession of the Confederate states in the South triggered the Civil War. Lincoln eventually realized that the Union could not be preserved without a high degree of legal homogeneity regarding basic human rights, which led him to declare the freedom of slaves.

The Reconstruction after the Civil War proved to be more difficult than expected due to resilient divisions within the country. The industrial North-East and the agrarian South had opposite interests that also drove different orientations regarding future expansions and foreign policy. While the industrial North-East could gain from a strategy of imperial expansion designed to open and secure new markets for its exports to Latin America and Asia, the agrarian South feared competition by lower-cost immigrants from other agrarian countries and supported 'anti-imperialist' positions.

**The Spanish-American War.** Some politicians thought that an external war against a foreign enemy, namely the remnants of the Spanish empire, could work as an internally unifying drive. By the Spanish-American War in 1898, the United States occupied the penultimate Spanish colonies –four islands or archipelagos in America and Asia–, complemented with compensation of \$20 million.

But for the first time, none of the annexed territories, all overseas, became a U.S. state. They were seized as colonies or protectorates. Guam remained a U.S. territory. A protectorate was established in Puerto Rico, which became a U.S. territory in 1917 and a 'Commonwealth' in 1952. The Philippines eventually became independent, although as late as 1946. Cuba was independent since 1902, although subjected to several United States direct military interventions and close vigilance of its internal politics until 1934.

**The Latin American Backyard.** The so-called Theodore Roosevelt Corollary to the Monroe Doctrine asserted the right of the United States to intervene in Latin America in cases of "flagrant and chronic wrongdoing by a Latin American nation". Subsequent arbitrating or pacifying interventions and occupations were implemented in Nicaragua in 1910-25 and 1927-33, Mexico in 1914 and 1916-17, Haiti in 1915-34, and the Dominican Republic in 1916-24. However, in contrast to the previous processes of enlargement mentioned above, these interventions did not substantiate themselves into the annexation of new territories into the United States. The borders of the empire had been stably established at the Atlantic ocean in the east, Canada and the large enclave of Alaska to the north, around the Gulf of Mexico in the south, and a few islands in the Pacific ocean to the west. The decision by the United States to join the Second World War was triggered precisely by an attack by the Japanese empire on its western border, in Hawaii.

After WWII, the U.S. troops intervened again against revolutionary or populist movements in most countries of their 'backyard', usually in coordination with local political and military groups and only for brief periods. Cases include Guatemala in 1954, Cuba in 1961, the Dominican republic in 1965, and Grenada in 1983, while providing covert aid to domestic counter-revolutionaries in Honduras in 1979-81, El Salvador in 1981-84, and Nicaragua in 1981-89. Yet, again, with these actions, the United States was not trying to expand its territory, but to assert and protect its southern 'frontier' in the Gulf of Mexico, which had in fact become its formal border.

As suggested by the previous overview, the external borders of the American empire were not pre-determined by geography or destiny. Several additional territories could have been included in the Union,

while some current members could have remained outside. Specifically, the limits in the north-east corner sought to leave not only the basin of the St. Lawrence river but sufficient overland to Canada to have access to Quebec and Montreal; in the north-west, they implied the split of the former Oregon 'Country' with the British, lately included in the Canadian province of British Columbia; half of California was in, but the other half was out, in Mexico; Puerto Rico was associated to the Union, while the much closer Cuba was not. Not to mention territorially disconnected Alaska and the Pacific archipelagos. Rather than shaped by geography, the territorial limits of the American Union were established in strong dependency of the Union's capability of assimilation and consistent institutionalization of its components.

### **2.1.3. The European Union enlargements**

The union of Europe was initially promoted by the mid-twentieth century as a reaction to increasingly frequent and lethal conflicts, especially around the expansionist attempts of the German empire, having culminated in the Second World War in 1939-45. Some influential political leaders in the early years were the Christian-democrats Robert Schuman in France, Alcide de Gasperi in Italy, Konrad Adenauer in Germany, the Social-democrat Paul-Henri Spaak in Belgium and the Italian federalist Altiero Spinelli. One of the founding fathers, Jean Monnet, had anticipated the project still during the war, while being a member of the free French government in exile. He foretold:

“There will be no peace in Europe if the states rebuild themselves on the basis of national sovereignty, with its implications of prestige politics and economic protection ... The countries of Europe are not strong enough individually to be able to guarantee prosperity and social development for their peoples. The states of Europe must therefore form a federation or a European entity that would make them into a common economic unit.”

After the war, and as the most powerful European states began to lose their rival colonial empires overseas, they began to build a kind of internal, continental empire among themselves for economic and military cooperation.

The expansionist policy of the neighboring Soviet Union in Eastern Europe reinforced the incentives to create a common European defense, in addition to relying upon the military protection of the United States.

**Wars in Europe.** The European Union was thus created and has been successively enlarged in response to intra-European conflicts and in competition with the Russian empire. In a similar way to the American case, where the union was developed for reasons of war, mainly as a self-protecting mechanism from the former colonial power, there were also strong military reasons for the initial project of building the United States of Europe.

The union of Europe indeed began as a military enterprise. After the establishment of the North Atlantic Treaty Organization (NATO) led by the United States in 1949, the European partners created the Western European Union. In parallel, a number of international economic agreements among several European states were conceived as being able to reduce competition for strategic resources and in this way prevent some important causes of war. Six states –the large France, Germany, and Italy, and those in the Benelux area comprising Belgium, the Netherlands, and Luxembourg–created the European Coal and Steel Community (ECSC) in 1951, as well as the European Economic Community (EEC) and the European Atomic Energy Community (Euratom) by the Treaty of Rome in 1957. The three economic communities (ECSC, EEC and Euratom) eventually merged into the European Community, which formed a single Council and a single Commission in 1967.

Building Europe-wide common institutions required a basic consensus among its member states on democratic principles. Further expansions were driven by the aim of establishing durable democracy and aggregating resources by trade rather than by direct military initiatives, which was highly successful in preventing the emergence of motives for new inter-state wars.

**Successive enlargements.** The initial core of six member-states of the European Community (EC) was located at the territorial center of the

continent, largely coinciding with the lands of Charlemagne's medieval Empire which later evolved into the Holy Roman and German empire.

The first expansions of the EC were implemented towards the west and the south. The candidacy of the United Kingdom was initially rejected in 1961, which implied the withdrawal of its partners in the alternative European Free Trade Association, Denmark, Ireland and Norway. Nevertheless, Denmark, Ireland and the United Kingdom were accepted as new state-members of the EC in 1973. Norway remained out after two failed referendums for membership, although it belongs to the European Economic Space forming a common market and it cooperates with the European institutions on interior and on defense and security policies.

In the South, the joining of Greece in 1981 and Portugal and Spain in 1986 after their democratization provided a guarantee against the re-emergence of past dictatorships. With these enlargements, the number of member-states of the European Community doubled to 12 and the initial area (not counting colonies) was multiplied by two and a half. The western and southern frontiers of the Union of Europe were then fixed at the Atlantic ocean and the Mediterranean sea.

After the demise of the Soviet empire and the dissolution of the Soviet Union in 1991, the European Union expanded north- and east-wards. First, the East German territory, having formed the so-called German Democratic Republic under Soviet vigilance, was annexed to the Federal Republic of Germany and thus to Europe. Second, the EU incorporated the countries on its previous frontier with the Soviet Union that had remained 'neutral' in foreign policy, Austria, Finland and Sweden, in 1995.

Later, it expanded towards newly democratized Eastern European territories that had been members of the German or the Austrian empires in the past and had been annexed or satellized by the Soviets as a consequence of World War II. They included three former members of the Soviet Union (Estonia, Latvia and Lithuania), the two former members of the federation of Czechoslovakia, one former member of the federation of Yugoslavia (Slovenia), and only four previously independent states (Bulgaria, Hungary, Poland

and Romania), up to ten new members, in 2004-2007. All these countries also became NATO members. In contrast, other former members of the Soviet Union with stronger past links with Russia remained outside. Additionally, two small, recently independent British colonies on islands in the Mediterranean, Cyprus and Malta, were also incorporated.

#### **2.1.4. Fixing the European borders**

With the current 27 member-states, the initial area of the six founding countries of the European Union has been multiplied by three. The frontiers of the Union are now at the Atlantic ocean in the west, the Mediterranean sea in the south, the Arctic ocean in the north, and near the borders of Turkey and the Russian empire in the east.

Yet, in the south-east corner, in particular, the limits of the European Union are still undefined. A number of civil wars broke out in the Balkans in the process of dissolution of communist-dominated Yugoslavia. The European members of NATO, together with their American allies participated in several military actions to deter violent conflicts, including in Bosnia in 1995 and in Serbia and Kosovo in 1999, followed by the establishment of military missions to keep peace in those territories. Official and officially potential candidates to join the European Union include now all the territories in the Balkans, as well the remaining former members of Yugoslavia, that is, Bosnia-Herzegovina, Croatia, Macedonia, Montenegro, Serbia, and the international protectorate of Kosovo, to which the enclosed Albania would be added. Most of these countries, with the notorious exception of Serbia, have also been invited to join NATO. All of them already belong to the Stabilization and Association Agreement giving them access to EU markets and financial support.

More controversial is the candidacy of Turkey, another NATO member, which is also subjected to scrutiny regarding its civil rights and democratic credentials. Other possible candidates may include Iceland and Norway, who are also NATO members, and Switzerland, which declined membership in the 1990s on the basis of weak internal social support. With all these 38 or so countries, the European Union would multiply the initial area of the 6

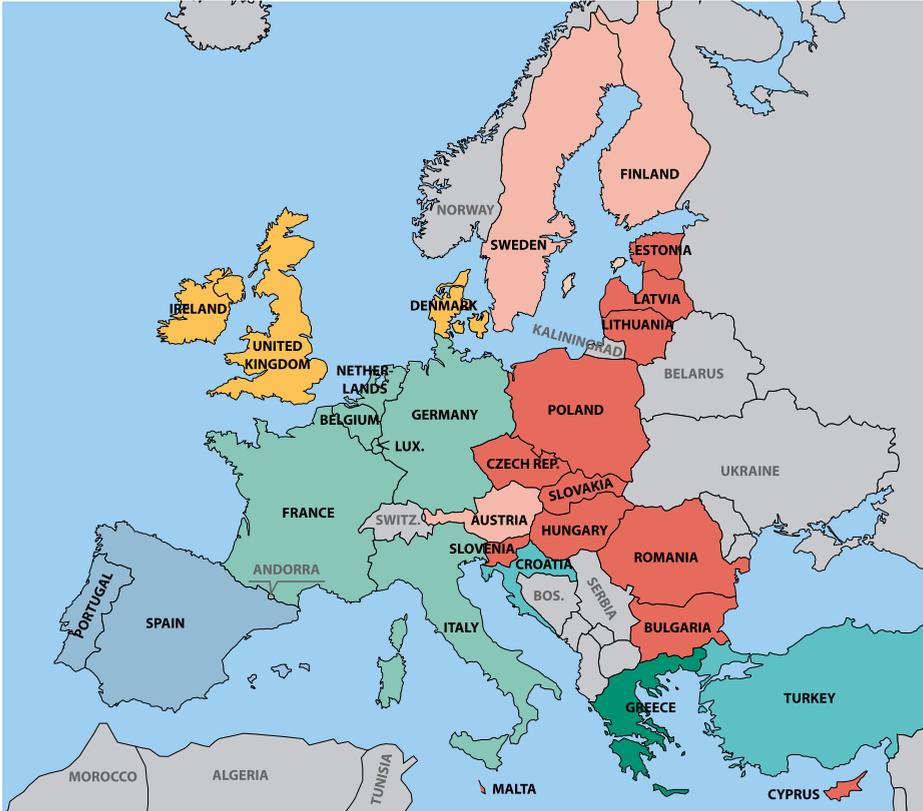
founding member states by four (although it would still amount to less than two thirds the area of the United States).

As suggested by the previous overview, the external borders and the internal full membership of the territories of the currently ongoing European empire are not entirely pre-determined by Christendom or by geography. While the northern, western and to some extent southern borders are relatively well established, the eastern limits of the Union are still rivalrous with the neighboring Russian empire, and dubious regarding the relations with Turkey, the remnant of the Ottoman empire.

A natural eastern border of the EU could be traced around the Black sea and the basins of its rivers, while Russia would be bounded by the Caspian sea and the Volga basin. Also, the Baltic sea and most of its river basins could be a well-defined northern border between Europe and Russia. However, Russia keeps the Baltic enclave of Kaliningrad (built after WWII on the ruins of the Prussian city of Königsberg), which is encircled by European Union territory and can be accessed only via lands in Lithuania and Belarus. Also, although officially the whole of the island of Cyprus belongs to the European Union, about one third of the territory in the north of the island is a Turkish enclave beyond EU control. In contrast to the United States, therefore, the European Union still has some 'frontiers' to be settled in a more stable way.

**Figure 2.1** Territorial expansion of the United States and the European Union





### HOW THE EU GREW

#### Foundation

1958

#### Enlargement

1st. 1973

2nd. 1981

3rd. 1986

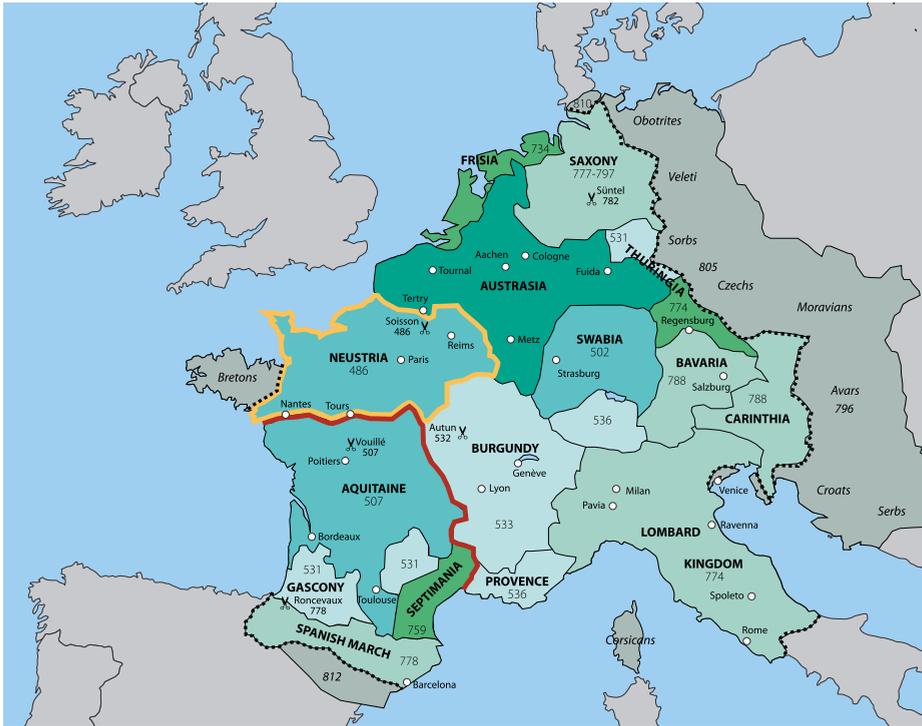
4th. 1995

5th. 2004-07

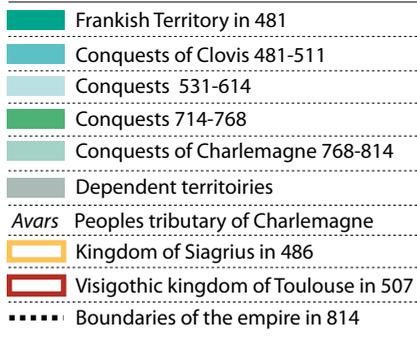
*In accession*

Source: U.S. Bureau of the Census and author's own elaboration.

**Figure 2.2** The Holy Roman and German Empire and the founding members of the European Community



**RISE OF FRANKISH EMPIRE (481-814)**





---

Source: Adapted from William Shepherd, *Historical Atlas*, and author's own elaboration.

## 2.2. The Shape of the States

Delimiting the territories able to be assimilated in an imperial Union is not sufficient to secure the stability and duration of the new polity. The institutionalization of all territories under well-integrated and roughly democratic formulas may take a long period. In the United States, the director of the census announced the death of the frontier as late as in 1890, as he observed that there was no longer unexplored wilderness in America (except for Alaska). By then, once all of the United States territories had been annexed, they were able to be organized as 'states' with self-government. For the European Union, in contrast, several frontiers are still open and, therefore, a complete and stable constitutional formula for the Union has not yet been established.

### 2.2.1. The states in the USA

Within the United States, the territorial limits of each state were drawn, first, on the basis of the former colonies, which in some cases had existed for up to 150 years. Previously existing independent states, such as California and Texas and, of course, Hawaii, also have their own shape. For new lands, however, the criterion was adopted that all states should be created equal in area. In fact, many of the new states are square in shape, measuring 3 or 4 degrees in height and up to 7 degrees in width.

**State borders by design.** The population in the original territories upon independence from Britain (where 25 states eventually formed) is about half of total current population (52%). Nowadays, the average state in the American Union has an area of 200,000 km<sup>2</sup>, and about 6 million inhabitants (close to the population of the average independent state in the world, which is about 7 million). The differences, however, are significant: the most populated state, California, with about 37 million, is seventy times more populated than the least one, Wyoming, with less than half a million.

The basic territorial limits of the American Union had been fixed by the mid-19th century, as mentioned, making "a country large enough for a great empire", in the words of president James Polk. But at the time of the

Civil War in 1861, only 34 states were formally organized, out of the 50 to be established in the future, which encompassed barely half of the territory (due to the smaller size of the initial former colonies). Eleven of those 34 states, including about 30 percent of total population, formed the Confederate States of America and proclaimed their secession, while still fighting with the rest of the Union for some unorganized territories.

After the defeat of the Confederacy in 1865, internal wars with natives and lawlessness were characteristic of the famous 'Wild West' for several decades. Settlers on the frontier established towns and counties, as well as territorial governments combining a locally elected legislature with a governor and other officials sent by the federal government. A territory qualified for statehood if it achieved a population of 60,000. But during the twenty-five years following the Civil War, federal Congress made a state of only one territory (Colorado), while territorial governments subsisted for decades. Statehood implied citizenship rights including those of voting for their own top officials as well as for the federal president, representatives and senators. It was not until 1912 that all 48 states covering almost all the territory were formed (while two more, Alaska and Hawaii, were later added in 1958 and 1959).

**Brittle external borders.** In spite of the stable formal borders of the United States, nowadays unincorporated territories still exist in a number of islands in the Caribbean sea and the Pacific ocean. They have a local government but no voting rights for federal offices. U.S. citizenship is given to the inhabitants of the commonwealths of Puerto Rico and the Northern Mariana Islands, while those in the colonies of Guam, the Virgin Islands, and American Samoa experience other restrictions. There have also been a few cases in which some territories have separated from the USA. The Pacific archipelagos of Micronesia, Marshall Islands, and Palau, which were occupied during WWII by Japan, eventually became independent (the former two in 1986 and the latter in 1994), while maintaining a Compact of Free Association with the United States and the use of the U.S. dollar.

Stabilizing the external borders of the United States was a necessary condition for its internal institutionalization and increasing cohesion. However, keeping

the U.S. borders closed has always been a harsh endeavor. In the north-east, trans-border state and provincial cooperation has developed between New England and the Canadian Maritimes. In the north-west, a trans-border economic region called Cascadia includes Seattle in the USA and Vancouver in Canada. In the south-west, San Diego in the USA and Tijuana in Mexico form a single metropolitan area. Large segments of the border with Mexico have never ceased being crossed by legal and illegal traders, traffickers, laborers and migrants.

Attracting forces within a larger space than the United States eventually led to the creation of the Canada-United States Free Trade Agreement in 1989, and the North America Free Trade Agreement, also including Mexico, five years later. The development of increasing continental economic relations has not only reduced the strength of the borders, but has also contributed to modifying the internal territorial balance within each country. In Canada, demands for further self-government and independence of Quebec have been facilitated by the expectation that, with better access to the United States markets, it would have economic alternatives and a wider range of options regarding the rest of Canada. In Mexico, some northern lands, thanks to their proximity to the United States, have experienced significant economic growth, while the south remains in poverty and the regional inequalities within the country increase.

### **2.2.2. The states in the EU**

The territorial limits of most state-members of the European Union were drawn prior to their membership of the Union. However, most of these states and their borders are of relatively recent conformation. Of the 27 states, 8 are less than 50 years old, 12 are less than 100 years old, and in total 20 are less than 200 years old, most of them having been created as a result of the desegregation of parts of the Austrian, German, British, Ottoman and Russian empires, as well as the Czechoslovak and Yugoslavian federations. All in all, most states of the EU are about as young as most states of the USA. Only 7 European member-states have more remote origins in previous large empires: Denmark, France, Britain, Spain, Sweden, the Netherlands, and Portugal.

**States and regions.** The average area of an EU member-state is 150,000 km<sup>2</sup>. The population of the initial six member-states is almost half of total population (47%). These magnitudes are comparable to the corresponding measurements of the states sizes in the United States. However, the average European state nowadays has a population of more than 18 million inhabitants, in contrast to about 6 million for the states in the United States, as mentioned. The differences are huge: the most populated country, Germany, with more than 80 millions, is two-hundred times more populated than the smallest, Malta, with less than half a million inhabitants.

The size of the largest European states and the differences between states are somehow reduced by internal decentralization and the strength of regional governments. There are 74 regions with elected governments and assemblies with legislative powers within seven of the largest states in EU (and 107 if non-legislative elected regional assemblies are also counted), which, together with the mostly medium- and small-sized twenty unitary states, would produce an average of about 5.3 million inhabitants per political unit –a similar size to the average state within the USA and also close to the average independent state in the world, as mentioned.

The development of increasing continental integration modifies old internal territorial balances within member-states. As the broader external borders of the European Union tend to consolidate, the narrower internal borders between and within its state-members tend to fade.

Only Germany and Austria, which had formed the two largest empires in Central Europe, were organized as federations upon joining the European Union. But further processes of decentralization in favor of regional governments took place later in Belgium and developed in Italy since the 1970s, in Spain and France (the latter without legislative powers) since the 1980s, in the United Kingdom since the 1990s, and in Poland since the 2000s. These processes grow at different paces and with different formulas, but all benefit from the incentives and opportunities for alternative inter-territorial relations provided by membership of the European Union and always move in the direction of increasing decentralization. They are also asymmetric, with some outstanding regions making stronger claims for

higher self-government and having special institutional formulas, as in the cases of Bavaria, Flanders, Lombardy, Friuli, Sicily, Basque country, Catalonia, Corsica, Northern Ireland, Scotland and others.

Inter-territorial cooperation also develops across state borders, leading to the formation of European Commission-sponsored euro-regions. As inter-state borders vanish, neighboring regions within different states tend to coordinate common interests. Currently 61 euro-regions exist, mostly located in the Benelux area, across the German borders with Austria, Czechia and Poland, and across the Scandinavian countries. Also, while some microstates are members of the European Union, as is the case of Luxembourg and Malta, others that are not members have special relations, including the use of the euro and open borders with their neighbors, as is the case of Andorra, Liechtenstein, Monaco, San Marino, and the Vatican.

**Imperial external borders.** The European Union formally established in 1993 that the conditions for previously existing states to join are the disposal of stable institutions that guarantee democracy and the rule of law, a functioning economy which can cope with the large markets of the Union, as well as the ability to assume the obligations of membership and put EU rules and procedures into effect. Strengthening the union has indeed led to maintaining and establishing democratic institutions across the continent and in potential new candidates to join. However, the actual fulfillment of these conditions is somewhat uneven. A number of diverse formulas have existed and exist in the territories encompassed by the European Union.

First, many European colonies in Africa, Asia and the Caribbean obtained independence after their metropolis had created the European Community. These included, for the British empire, Belize, Brunei, Hong Kong, Maldives, St Kitts and Nevis; for the French empire, Algeria, Djibouti, Vanuatu; for the Danish empire, Greenland and Faeroe; for the Dutch empire, Guiana (becoming Suriname); for the Portuguese empire, Macau; for the Belgian empire, Congo; and for the Italian empire, Somalia. The colonies of member-states that remain today are not part of the European Union, but they enjoy 'association' agreements, as is the case of the British dominions in the islands of Anguilla, Bermudas, Cayman, Falkland, Montserrat, Pitcairn,

St Helena, Turks & Caicos, and Virgin, the French dominions of St Barthélemy and St Martin, and the Dutch dominions in Aruba and Antilles.

The so-called ‘outermost regions’ and other special cases are mostly other islands with colonial origins whose inhabitants, in contrast to those of the above mentioned colonies, are EU citizens, but they enjoy special tax exemptions. They include, for Britain, the bailiwicks in the Channel islands, Man and the enclave of Gibraltar; for France, the departments of Guiana, Guadeloupe, Martinique and Reunion, as well as the ‘collectivities’ of New Caledonia, Mayotte, St Pierre & Miquelon, Polynesia, and Wallis & Futuna; for Spain, the autonomous community of the Canary Islands and the autonomous cities of Ceuta and Melilla; for Portugal, the autonomous regions of Azores and Madeira; for Greece, the Mount Athos; and for Finland, the autonomous province of Åland. (A few of them appear, in spite of their remoteness, on the map of Europe on euro bills).

Worried by the huge economic inequalities and cultural differences between most European Union member-states and most of the surrounding countries, EU leaders maintain a ‘Neighborhood Policy’ including support economic programs and concerns regarding mass migration. On the east, the Russian area of influence extends to several former Soviet republics, Belarus, Georgia, Moldova, Ukraine, as well as Armenia and Azerbaijan in the South Caucasus. Of these, Ukraine and Georgia, in particular, are deeply divided societies. Democratizing movements, the so-called ‘orange’ and ‘rose’ revolutions, developed in these countries in 2004, but the population has remained split between pro-European and pro-Russian segments. While these countries have been invited to join NATO and offered free trade deals by the EU, Russia has demonstrated its interest and strength by intervening militarily in Georgia and threatening the European Union with temporarily cutting its provision of gas through Ukraine.

Beyond the established limits of the EU, the so-called ‘Barcelona process’ also seeks to build an area of peace and security through the Union for the Mediterranean, which includes the Arab countries of Northern Africa and the Middle East. But the European Union is not trying to enlarge itself with any of those countries. In fact, Morocco’s bid for membership was

rejected in 1987. The EU is only trying to guard its southern frontier as a stable border.

### 2.2.3. Appendix

**Figure 2.3 States in America and Europe**

UNITED STATES OF AMERICA		UNITED STATES OF AMERICA	
STATES	POPULATION	STATES	POPULATION
Alabama	4,661,900	Nebraska	1,783,432
Alaska	686,293	Nevada	2,600,167
Arizona	6,500,180	New Hampshire	1,315,809
Arkansas	2,855,390	New Jersey	8,682,661
California	36,756,666	New Mexico	1,984,356
Colorado	4,939,456	New York	19,490,297
Connecticut	3,501,252	North Carolina	9,222,414
Delaware	873,092	North Dakota	641,481
D. Columbia	591,833	Ohio	11,485,910
Florida	18,328,340	Oklahoma	3,642,361
Georgia	9,685,744	Oregon	3,790,060
Hawaii	1,288,198	Pennsylvania	12,448,279
Idaho	1,523,816	Rhode Island	1,050,788
Illinois	12,901,563	South Carolina	4,479,800
Indiana	6,376,792	South Dakota	804,194
Iowa	3,002,555	Tennessee	6,214,888
Kansas	2,802,134	Texas	24,326,974
Kentucky	4,269,245	Utah	2,736,424
Louisiana	4,410,796	Vermont	621,270
Maine	1,316,456	Virginia	7,769,089
Maryland	5,633,597	Washington	6,549,224
Massachusetts	6,497,967	West Virginia	1,814,468
Michigan	10,003,422	Wisconsin	5,627,967
Minnesota	5,220,393	Wyoming	532,668
Mississippi	2,938,618		
Missouri	5,911,605	<i>Average</i>	5,961,955
Montana	967,440	<i>Total</i>	304,059,724

UNITED STATES OF EUROPA	
STATES	POPULATION
Austria	8,331,930
Belgium	10,666,866
Bulgaria	7,640,238
Cyprus	789,258
Czech Republic	10,381,130
Denmark	5,475,791
Estonia	1,340,935
Finland	5,300,484
France	63,753,140
Germany	82,217,837
Greece	11,213,785
Hungary	10,045,401
Ireland	4,401,335
Italy	59,619,290
Latvia	2,270,894
Lithuania	3,366,357
Luxembourg	483,799
Malta	410,290
Netherlands	16,405,399
Poland	38,115,641
Portugal	10,617,575
Romania	21,528,627
Slovakia	5,400,998
Slovenia	2,025,866
Spain	45,283,259
Sweden	9,182,927
United Kingdom	61,185,981

UNITED STATES OF EUROPA	
STATES	POPULATION
<i>Average (27)</i>	<i>18,424,260</i>
<b>Total (27)</b>	<b>497,455,033</b>

EUROPEAN ECONOMIC SPACE & EU CANDIDATES	
Serbia	7,379,339
Bosnia	4,613,414
Croatia	4,489,409
Macedonia	2,066,718
Kosovo	1,804,838
Montenegro	672,180
Albania	3,639,453
Iceland	306,694
Norway	4,660,539
Switzerland	7,604,467
<i>Average (37)</i>	<i>14,451,137</i>
<b>Total (37)</b>	<b>534,692,084</b>

Sources: U. S. Census Bureau 2009, United Nations 2009.

**Figure 2.4**      **Regions in the European Union**

<b>Austria</b>	<b>8,032,900</b>	Basse-Normandie	1,456,793
Burgenland	281,300	Haute-Normandie	1,811,055
Carinthia	561,200	Pays de la Loire	3,450,329
Lower Austria	1,597,600	Picardie	1,894,355
Upper Austria	1,408,700	Poitou-Charentes	1,724,123
Salzburg	530,700	Provence-Côte d'Azur	4,815,232
Styria	1,206,300	Rhône-Alpes	6,021,293
Tyrol	703,600		
Vorarlberg	366,500	<b>Germany</b>	<b>82,217,837</b>
Vienna	1,678,400	Baden-Württemberg	10,749,755
		Bavaria	12,520,332
<b>Belgium</b>	<b>10,656,368</b>	Berlin	3,416,255
Brussels	1,080,790	Brandenburg	2,535,737
Flanders	6,161,600	Bremen	663,082
Wallonia	3,413,978	Hamburg	1,770,629
		Hessen	6,072,555
<b>France</b>	<b>63,753,140</b>	Lower Saxony	7,971,684
Alsace	1,815,493	N. Rhine-Westphalia	17,996,621
Aquitaine	3,119,778	Rhineland-Palatinate	4,045,643
Auvergne	1,335,938	Saarland	1,036,598
Bourgogne	1,628,837	Saxony	4,220,200
Bretagne	3,094,534	Saxony-Anhalt	2,412,472
Centre	2,519,567	Schleswig-Holstein	2,837,373
Champagne-Ardenne	1,338,850	Thuringia	2,289,219
Corsica	294,118	Western Pomerania	1,679,682
Franche-Comté	1,150,624		
Île-de-France	11,532,398	<b>Italy</b>	<b>59,619,290</b>
Languedoc-Roussillon	2,534,144	Piedmont	4,401,266
Limousine	730,920	Valle D'Aosta	125,979
Lorraine	2,335,694	Lombardy	9,642,406
Midi-Pyrénées	2,776,822	Liguria	1,609,822
Nord-Pas-de-Calais	4,018,644	Trentino Alto Adige	1,007,267

Veneto	4,832,340	<b>Portugal</b>	<b>10,617,575</b>
Friuli Venetia Giulia	1,222,061	Portugal mainland	10,128,751
Emilia Romagna	4,275,802	Azores	245,806
Toscana	3,677,048	Madeira	243,018
Umbria	884,450		
Marche	1,553,063	<b>Spain</b>	<b>46,008,985</b>
Lazio	5,561,017	Andalucía	8,202,220
Abruzzi	1,323,987	Aragon	1,326,918
Molise	320,838	Asturias	1,080,138
Campania	5,811,390	Balearic Islands	1,072,844
Puglia	4,076,546	Basque Country	2,157,112
Basilicata	591,001	Canary Islands	2,075,968
Calabria	2,007,707	Cantabria	582,138
Sicily	5,029,683	Castile and León	2,557,330
Sardinia	1,665,617	Castile-La Mancha	2,043,100
		Catalonia	7,364,078
<b>Poland</b>	<b>38,115,909</b>	Extremadura	1,097,744
Dolnoslaskie	2,876,832	Galicia	2,784,169
Kujawsko-Pomorskie	2,066,418	Madrid	6,271,638
Lodzkie	2,551,633	Murcia	1,426,109
Lubelskie	2,163,437	Navarre	620,377
Lubuskie	1,008,656	Rioja	317,501
Malopolskie	3,282,378	Valencia	5,029,601
Mazowieckie	5,195,000		
Opolskie	1,034,656	<b>United Kingdom</b>	<b>61,185,981</b>
Podkarpackie	2,097,276	England	51,092,000
Podlaskie	1,191,925	Scotland	5,144,200
Pomorskie	2,215,100	Wales	2,980,000
Slaskie	4,648,961	Northern Ireland	1,759,100
Swietokrzyskie	1,273,625		
Warminsko-Mazurskie	1,426,401	<i>Average</i>	<i>3,968,058</i>
Wielkopolskie	3,391,256		
Zachodniopomorskie	1,692,355		

Source: Author's own elaboration. See Colomer, *Great Empires, Small Nations*. London: Routledge, 2007.

### III. Designing Institutions

With the establishment of external limits and borders control, a new Union can develop some internal institutionalization, even if it is largely introduced 'from above' in conditions of initially deficient democracy. With well-defined institutional rules for decision-making, the new union should attain higher 'loyalty' of its citizens, which is a favorable condition for institutional stability and Union-wide policy making.

As will be presented in the following pages, both the United States of America and the European Union institutional frameworks are based on 'vertical' and 'horizontal' divisions of powers between differently elected or appointed institutions. A 'vertical' division of powers implies distribution of competences among governments at different levels, including local-, state- and union-wide levels. States' rights in the USA and the principle of subsidiarity in the EU have been proposed as guides for the distribution of powers among a 'vertical' set of government levels. However, in both cases some fluctuations in the relative power of the union, the states and the regions or counties can be identified over time.

A 'horizontal' division of legislative, executive and judicial central powers fosters both cooperative and conflictive relations between different bodies elected or appointed by different ways. In none of the new constitutional arrangements a single institution holding 'sovereignty' or the power to make the ultimate decision can be identified. In both the US and the EU the federal compromise implies two legislative chambers, respectively representing the population of the union at large and its member states. But there are significant differences between the two institutional frameworks. In the US the division of powers in the center focuses on the relations between the bicameral legislative Congress (House of Representatives and Senate) and the executive Presidency. In the EU, it includes also a bicameral

legislature (Parliament and Council of Ministers), but a dual executive, the European Council and the Commission, each with its Presidency. In both cases, however, most decisions must be made with the consensual support of broad political majorities.

In the United States it took a long period to establish in practice a real system of mutual ‘checks and balances’ among institutions, which were not clearly shaped until the early twentieth century. In the European Union the enforcement of some basic new rules recently approved is not yet complete.

### **3.1. Two Constitutional Conventions**

Constitutions for both the United States of America and the European Union were drafted in Conventions especially called for the purpose. In both cases, the constitution-makers focused on the federative characteristics of the union and designed complex structures of division of powers and inter-institutional relations, in contrast to formulas with higher concentration of power typical of nation-states.

Some important differences between the two cases, however, exist. For the United States, the constitutional Convention that gathered in Philadelphia at the end of the eighteenth century was the beginning of the Union. In Europe, in contrast, a constitutional convention was assembled in Brussels at the beginning of the twenty-first century after a few decades of increasing union and a number of accumulated constitutional-like treaties. While the new institutions of the American union were created from scratch, at the time of opening the Brussels convention the European Union had a more constraining previous institutional structure, which led the discussion towards adaptive reforms of the already existing framework.

In both the American and the European Conventions, a controversy developed between those in favor of a stronger, federal union and those preferring to maintain only loose, intergovernmental relations or a confederative link. But while the American delegates came from independent states that were just temporarily linked in a confederacy for reasons of self-defense and war, the

decisive participants in the European convention represented member-states of the European Union with stronger legal and material links among them. Accordingly, some leaders of independent states in America could credibly threaten with not joining the Union or even with seeking new international allies, as actually some delegates did in Philadelphia. In contrast, the costs of leaving the Union were higher for the European participants.

Thus, in America, the small states' delegates became partners of the initial winning coalition in the Convention because without them the project of a union might have failed and there would not have probably been constitution at all. They achieved to preserve important states' rights out of the new federal jurisdiction and also obtained some over-representation in the federal institutional framework. In Europe, in contrast, where the potential threats of the small states with leaving were less credible, the larger states were able to prevail more clearly on most important institutional choices.

### **3.1.1. The United States in Philadelphia**

After having declared their independence from Britain and fought against the imperial troops, the initial Confederation of North American states adopted a new constitution which would create the federation of the United States of America. The constitutional Convention gathered in Philadelphia from May to September, 1787, after an initiative of the Virginia Legislature, following James Madison's recommendation. It was formed by 55 delegates of 12 of the 13 states (Rhode Island being absent). The result of the Convention was the United States Constitution, which was adopted "in order to form a more perfect Union".

The constitution had to be ratified by most states' conventions within a few months. However, the ratification campaign was not easy. In Rhode Island and North Carolina the constitution was initially refused, by popular referendum and by the state convention respectively. Only new conventions in these states ratified the constitution after the first United States president and Congress had been elected and ten constitutional amendments had been approved, mostly to satisfy those two and other states' demands. The ten amendments, which were commonly known as the 'Bill of Rights', acknowledged basic individual rights and the rule of law.

The United States constitution is very brief, structured in 7 articles with only about 4,400 words, and with the 27 amendments which have been approved so far, less than 8,000 words in total. It is basically centered in the institutional design of the Union. From the beginning, the framers of the U.S. constitution clearly established that a federal arrangement required a two-chamber Congress. As was finally agreed upon, the members of the House of Representatives would be apportioned among “the several states which may be included within this Union, according to their respective numbers [of inhabitants]”. In contrast, the Senate would have equal number of seats per state, regardless population, to be filled by the state legislatures.

**Parliamentary or presidential?** The form of government to be adopted by the new, large polity was intensely discussed. Three basic proposals were presented in the Convention. First, there was the proposal of parliamentary regime, by which the chief-executive would be elected by Congress, as included in the initial federalist plan elaborated by delegates from Virginia. This proposal was congruent with the way most states in the Confederation were organized, since in 8 out of 13 states the governor was elected by the legislature. However, most of those state legislatures, which were elected with rather primitive and rude rules and methods, were vulnerable to criticisms of inefficiency and demagoguery. The federal parliamentary proposal was open to similar criticisms as it would be based on a new Congress likely elected with similar manners. This gave leverage to the defenders of separation of powers between the legislative and the executive. The parliamentary proposal, as it implied the creation of a new federal government, was also resisted by the defenders of the founding states’ powers.

The second proposal, which can be mainly associated to republicans from Pennsylvania, was direct election of the president by the people in order to establish a neat separation of powers from Congress. This proposal coincided with the parliamentary one in its aim to create a strong central government. But it was particularly disadvantageous to the small states, whose influence in the direct presidential election would have been minor, as well as to the South, where voting rights were allocated to significantly lower proportions of the population than in the North.

Finally, the small states proposed the executive to be appointed by the state governments. This proposal for the presidential election was supported by a few participants in the Convention, but they were determined in their position because their political existence depended in some sense on the consolidation of the states' powers. As mentioned, it can be assumed that without the support of a few, even if small states, the constitutional convention would not have been able to attain a successful outcome, since membership to the new Union was still undefined.

The Convention voted in favor of different formulas during the process of elaborating, discussing, revising and approving proposals in a series of committees. The parliamentary proposal was approved initially and on two more occasions. Opposition to parliamentarism, however, developed strongly, especially using the argument that the choice of president by a numerous assembly would be the occasion of "intrigue", "cabal and corruption". This didn't mean in practice much more than the formation of congressional multi-party majority coalitions, which is typical of parliamentary regimes, but this experience was alien to the American constituents of the time.

The crucial move was that the republicans in favor of separate powers lowered their support to their own formula of direct presidential election –aided by some fears of people's ignorance and manipulability–. Apparently led by the maneuvering skills of delegate Gouverneur Morris from Pennsylvania, they formed a coalition with the small states' delegates. During the last few days of the Convention, the matter was referred to a committee from which a new invention emerged, able to reunite all those opposed to parliamentarism.

The new formula of indirect election was based on an electoral College formed by electors who would typically be committed to vote for a certain candidate for president. The electors were to be chosen in each state in a number equal to the sum of federal representatives and senators from the state –so giving the small states some overrepresentation due to the equal number of senators per state–. This implied that the election of president would be separated from Congress, as wanted by the republicans, while its

specific procedure would give the small states likely high influence in the decision.

Nevertheless, it was also established that in case that no candidate obtained a majority support of electors in the College, the choice of president would be transferred to the House of Representatives, as in a parliamentary regime, which was also acceptable to the Virginians and allies. The House would choose on the basis of one vote per state (to be decided by majority of each state's representatives), thus giving the smaller states very high overrepresentation. Apparently, the widest expectation at the time was that there would be a proliferation of state's favorite sons as presidential candidates and, as a consequence, usually no majority would be formed in the College. The House would choose the president by forming a coalition of a majority of states, independently on their size. Actually, the first five presidents of the United States were nominated as candidates by congressional caucuses among leading members of the independence process (Washington, Adams, Jefferson, Madison and Monroe), implying thus some degree of "intrigue". The sixth (Adams' son), lacking a majority in the College, was appointed by the House of Representatives in spite of having been second in both popular votes and College electors, in 1824.

Yet, some political leaders from large states soon realized that it was in their advantage to unite around presidential candidates able to obtain broad support and win in the College rather than to have to negotiate with small states in the House. Although an absolute majority was required in the College, the president of the United States could be elected with the support of only simple pluralities in a few large states. The College became, in general, a rubber stamp of the outcome of those elections.

All in all, the United States constitution established the rules for a new federation, to be effectively built and institutionalized during the following decades. The most characteristic institutional feature of the U.S. constitution was the introduction of separate elections and divisions of powers between the presidency and the two chambers of Congress. Although it initially gave some leverage to the small states, actually the larger states eventually tended to prevail in institutional decision-making.

### 3.1.2. The European Union in Brussels

The accumulation of constitutional-type rules in the European Union has been the result of a long-term endeavor for institutional design. The main elements in the process have been these: the Treaty of Rome, establishing the European Economic Community and the prospect of “an ever closer union” (1957); the Merger Treaty of the Coal and Steel, the Economic, and the Atomic Energy Communities, which created a Single European Commission and a Single Council (1965); the Single European Act to achieve an internal common market (1987); the Treaty of Maastricht establishing the European Union with additional ‘pillars’ in defense and in justice and home affairs (1992); the Treaty of Amsterdam establishing basic principles for membership and future enlargements (1997); the Treaty of Nice reforming the institutions (2001); and the treaty “establishing a constitution for Europe” (2004), which was never ratified and was partly replaced with the Treaty of Lisbon. The latter was agreed in 2007 and has been in force since December 2009.

A European Convention gathered in Brussels from February 2002 to July 2003, chaired by former French president Valéry Giscard d’Estaing, in the intention to merge all the former treaties and design efficient and democratic formulas for the governance of the European Union. The Convention was formed by 105 members, mostly from state parliaments of the 15 member-states and 13 candidate countries (including Turkey), at 3 members per state, plus a few members of the European Parliament and two from the European Commission. The project was submitted and somewhat revised at an Inter-Governmental Conference formed only by representatives of the state governments from October 2003 to June 2004. As a result, a “Treaty establishing a constitution for Europe” was signed by the heads of State and Government in October 2004.

The European constitution should have been ratified by all state members, but it was soon refused by popular referendums in France and the Netherlands. A new Inter-Governmental Conference replaced the failed text with a new Reform Treaty, also called of Lisbon, in December 2007. It adopted most innovations of the constitution, but it was presented as a mere

amendment of the former treaties of Rome and Maastricht to prevent a new complicated procedure. Nevertheless, this treaty failed again at being ratified according to the planned schedule, since it was rejected by popular referendum in Ireland in June 2008. A new referendum in Ireland finally approved the Lisbon Treaty in October 2009.

The original text of the European Union constitution was extremely long, with almost 100,000 words. In contrast to the U.S. Constitution, the European one did not deal only with institutional matters, but it also contained the 'Charter of Fundamental Rights' (which is roughly equivalent to an enlarged version of the American Bill of Rights) and was largely devoted to "the policies and functioning of the Union". The Treaty of Lisbon has about half that length.

**Parliamentary or presidential?** Regarding the form of government of the European Union, three basic proposals were expressed during the European constitutional Convention. First, there was the proposal of parliamentary regime, by which the chief-executive would be the president of the European Commission elected by the European Parliament. This proposal was promoted by the parliamentarians of federal parliamentary Germany and the small and peripheral states, and was backed by some federalist members of the European Parliament and the observers from the Committee of the Regions. This proposal was congruent with the way most states in Europe are organized, since the state's chief executive (prime minister, chancellor, president of the council of ministers or president of the government) is elected by parliament in 22 out of 27 member-states.

Consistently, this proposal implied a politically weak, rather ceremonial chair of the European Council, which was just an unregulated meeting of the heads of government or state with the presidents of the Commission and the Parliament. Since its creation in the 1970s, the chair of the European Council had been appointed in rotation among all its members for a period of only six months; with 27 member-states, each state would expect thus to be chairing only once every 13.5 years. This was also consistent with the non-executive, symbolic character of chiefs of state in most European countries, whether parliamentary monarchs or presidents of republic.

However, directly elected presidents have significant powers and form dual executives with the prime minister in five countries: Bulgaria, Cyprus, France, Lithuania and Poland. The European Council, although deprived from formal decision power, had been an important agenda setter and, among other initiatives, had set the conditions and the timetable for accepting new EU's members and associates. Many of its members, that is, the states' chief executives wished to institutionalize its actual powers.

Thus, the second proposal was more presidentialist. It was promoted by Giscard, who before chairing the Convention had been president of France and the actual creator of the European Council, and supported by the directly elected presidents of France and Poland and the powerful presidents of government of other large states, namely Italy and Spain (as well as Turkey). This proposal envisaged the figure of a president of the European Union, which would be appointed by the European Council, with a long tenure of 2.5 years renewable once up to 5 years. In Giscard's initial proposal, the 'president' in French ('chairman' in the English version) was called the "highest authority of the Union", there would be a vice-president, a powerful 'Board' actually equivalent to a presidential cabinet, and an annual presidential speech to the Parliament on the state of the union. Some rhetorical inspiration in the United States formula was transparent, although the specific formulas were closer to the kind of semi-presidential regime existing in France and the other few countries mentioned above. No direct election was, however, proposed. The presidential 'electoral college' would be formed in this case by just states' chief executives, although Giscard speculated with a possible 'Congress' mixing them with European parliamentarians. Consistently, the president of the Commission would become a secondary, subordinate figure, to be appointed by and made responsible to both the Parliament and the European Council.

Finally, most parliamentarians from Britain and some from a few other peripheral states were reluctant to any innovation that could strengthen central powers of federal type. They pressured for maintaining intergovernmental or inter-state relations rather than creating more structured institutions.

The Convention considered several formulas at different stages. The turning point was the Franco-German agreement on January 2003 by which Germany accepted a long-term president for the European Council in return for France backing a Commission president elected by the European Parliament. In order to limit the Council president's powers, and in contrast to Giscard's initial proposal, it was agreed upon that that president would not have vice-president or cabinet. At the same time, the president of the Commission would be elected by the European Parliament "taking into account the elections" for a period of 5 years. This dual executive would be complemented by a 'double-hatted' High Representative of the EU for Foreign Affairs and Security Policy, appointed by both the Council and the Commission, member of both and Vice-president of the Commission.

In face to this broad agreement, the British representatives, who were too weak to deter all substantial institutional innovations and wary about leaving completely the Union (although they are already out of the currency and security agreements), focused on limiting further the powers of the Europe-wide institutions. In particular, they attained to maintain defense and foreign policy, taxes and social security as areas in which only unanimous decisions could be made, thus giving veto power to individual states on these areas.

On their side, the small and peripheral state-members, feeling to be demoted by the enhanced role of the European Council to be dominated by the big states, asked then for a broad Commission including members of all states, although a high number of commissioners could diminish its effectiveness at decision-making. Actually, harsh negotiations developed to revise or maintain the distribution of seats among states in each of the main institutions, that is, the Parliament, the Commission and the Council of Ministers. New formulas, after all, were delayed in their enforcement until 2017.

All in all, the European Union has shown some will to shape a stable institutional structure beyond the relations that are characteristic of intergovernmental organizations. The institutional formulas adopted for the federal center lie somehow in between the 'presidential' or 'checks and balances' regime of the United States and the parliamentary regime typical

of most European states. The European Union semi-parliamentary regime includes both a Presidency of the Union and a Commission or government dependent on the Council of Ministers and the Parliament. The main difference with other semi-parliamentary regimes, such as France, is that the president of the Union is not popularly elected, but nominated by the states' chief executives gathered together in the European Council. Some concerns have also been expressed regarding the necessary inter-institutional cooperation for effective decision-making. As it was expressed by Giuliano Amato, vice-president of the European constitutional Convention, on the last day of their work, "I have defended the two-headed Europe, but no animal can live with two heads for too long."

Nevertheless, Europe is not yet a federation, but can be considered to be still an 'empire' with not only unbounded territorial limits, but also different degrees of allegiance of member-states and territories to Union-level processes of decision-making. The option for every state of remaining out of some common commitments and the emphasis on the possibility of "enhanced cooperation" among a small group of members demonstrates that no complete institutional consistency and decision-making cohesion has been attained yet.

### **3.2. Federalism**

Both the states in North America having proclaimed their independence and the states in Europe which have formed the Union had affirmed their original 'sovereignty'. The notion of territorial sovereignty of each state implied a doctrine of both internal monopoly of power and non-interference in the affairs of other states. But building a continent-wide empire and federation implied renouncing the self-assured states' right to make final decisions on all the issues in favor of some distribution of powers among multiple levels of government, each with different responsibilities.

Actually, the efficient organization of most political communities in order to be able to enforce collective decisions may require multiple levels of government of different sizes. There are different efficient territorial scales

for the provision of security against powerful external enemies, laws permitting free trade and a common currency, broad transport routes such as roads and highways, the protection of natural parks, the management of rivers waters, the administration of civil law and justice, services such as garbage removal, schools, libraries or museums. Each unit of government and administration may have an efficient size and specific responsibilities to deal with different policy issues and public goods. In an ideal world, each public good could be provided by a specific governmental and administrative unit encompassing the territory of its efficient scale, be able to have elected and accountable rulers, and be financed by taxes and other resources collected from the citizens that would benefit from its provision. With differentiated territorial scales for each public good, benefits and costs would be clearly identified and negative externalities would be reduced to minimum levels. In reality, democratic self-government and the provision of public goods at different scales have been made compatible through the union of small territorial governments in a large federal structure. Federalism is just the technique to achieve, simultaneously, the advantages of several scales of public services and democratic government.

This is an idea that developed already during the foundational building of the United States of America. Thomas Jefferson, in particular, addressed the issue in these terms:

“Small wards and townships... have proved themselves the wisest invention ever devised by the wit of man for the perfect exercise of self-government, and for its preservation. We should thus marshal our government into:

- 1) the general federal republic, for all concerns foreign and federal;
- 2) that of the state, for what relates to our own citizens exclusively;
- 3) the county republics, for the duties and concerns of the county; and
- 4) the ward republics, for the small, and yet numerous and interesting concerns of the neighborhood.

In government, as well as in every other business of life, it is by division and subdivision of duties alone, that all matters, great and small, can be managed to perfection.”

(Letter to Sam Kercheval, 1816)

This four-fold American basic division would correspond in Europe to 1) the European Union, 2) the state, 3) the regions) and 4) the municipalities, including cities and communes. However, in spite of the clarity of the principle, the specific divisions of powers between different levels of government which were established by both the United States constitution and the treaties of the European Union brought about a number of conflicts of competences, especially between the expanding federal government and the states’ entrenched traditional powers. In the United States, the main institutional arbiter between the federal government and the states’ governments was the federal Senate appointed by the states during the nineteenth century and, since the Senate was homogeneously elected by direct elections in all states from the early twentieth century on, by the Supreme Court. In Europe, the conflicts of competences between federal and states’ have been increasingly arbitrated by the European Court of Justice.

### **3.2.1. American states’ rights**

The American experiment of building a new very large democratic federation implied a rupture with the limited menu of forms of government on offer at the time. First, republic or democracy had traditionally been associated to small cities or communes, as was the case at the time of Venice, the Swiss cantons or the Dutch provinces, as also were many of the British colonies in North America when declared independence. When they formed a Confederation to fight the colonial power, in the aim of preserving the possibility of democracy they established that “Each state retains its sovereignty, freedom and independence”. The Confederacy included an assembly in which each state had one vote, as in any diplomatic or ‘intergovernmental’ organization.

Later on, they approved a federal constitution forming the United States which was very innovative regarding the possibility of democratic government in a very large unit. The constitution suggests that there are no citizens of the United States by itself, but only people with dual citizenship in the Union and in a state. Taking into account that also new states were going to be created, it was also established that:

“The United States shall guarantee to every State in this Union a republican form of government”.

But the new constitution had to be amended with the so-called Bill of Rights, as mentioned, to be ratified by states assemblies. The Tenth Amendment contained in the Bill asserts:

“The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.”

For a very long period, the division of powers in the American system implied that the federal government had received competences on foreign affairs and defense, as well as on external tariffs, immigration and the common currency. The states' governments, on their side, remained competent on most domestic issues, including those related to the economy (natural resources, property, inheritance, commerce, banking and credit, labor and corporations, public works), social affairs (family, morals, public health), as well as judiciary and criminal procedures, electoral laws and local government regulations.

However, the so-called 'elastic clause' opened the door to further enlargements of federal powers. As established in the Constitution:

“The Congress shall have power to make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the government of the United States, or in any department or officer thereof.”

During an initial period, sustained attempts of federal expansion were responded by attempts of secession by different states, thus showing higher levels of citizens' attachment to the states than to the new Union. At the War against Britain, Connecticut virtually seceded. Five states in northeast New England voiced opposition to restrictions on foreign trade and to war presidential powers and formed a convention in 1814 to threaten secession from the Union. Some years later, as the federal Congress passed protective tariffs for the northern states in 1828 and 1832, it was the agricultural and export-oriented Southern states, led by South Carolina and soon joined by Georgia that "nullified" federal decisions within the state borders, only to be militarily imposed by the presidency. Maine also split from New Hampshire on the occasion of the so-called Missouri compromise.

Later, as is well known, the issue of slavery became the occasion of harsh polarization which led to the secession of eleven states in the South and triggered the Civil War in 1861-65. This war was one of the most lethal in history, with an estimated 620,000 deaths, that is, about 2% of total population and a higher number than the total American fatalities in the revolution, the independence, the Mexican and the Spanish-American wars, World War I, World War II, and the Korean war combined.

Interestingly, both the proslavery groups in the South as the antislavery ones in the north invoked states' rights regarding the regulation of property of slaves and of freed or runaway slaves in their respective territories. Actually, West Virginia split from Virginia during the War. After the further Reconstruction period, the previous situation was somehow reestablished regarding the division of powers between the federal and the states' governments. Although slavery was abolished, several Supreme Court sentences in the 1880s and 1890s introduced the 'separate but equal' doctrine legalizing racial segregation in the South.

Actually, most law experienced by the citizens of the United States consists primarily of state law, which can and does vary greatly from one state to the next. Federal law originated with the Constitution, which gives Congress the power to enact statutes for certain limited purposes. Many statutes give

executive branch agencies the power to create federal regulations which are also directly enforceable. In the beginning, federal law traditionally focused on areas where there was an express grant of power to the federal government in the Constitution, like the military, foreign affairs, tariffs and currency. A more clear turn in favor of the federal government was enforced since the beginning of the twentieth century. Federal law expanded into areas like transports and communications. A permanent federal income tax was implemented, through a new constitutional amendment, since 1913. The so-called New Deal policies promoted by president Franklin D. Roosevelt since 1933 included new federal regulations on labor relations and social security, as well as federal subsidies to farmers and other well-controlled governmental grants. Roosevelt consolidated most expansions of federal powers by bypassing states' legislatures and governments and relying on political party machines at city level, as well as by threatening and coercing the justices of the Supreme Court. In the 1960s, racial segregation in Southern states was also curbed by federal laws implying a new balance of power in favor of the government in Washington.

On a pendulant movement, a gradual return of power to the states was visible since the early 1980s with the so-called 'devolution revolution' and the 'new federalism' doctrine. Federal interventions began then to be largely administered not through strictly defined programs but through 'block grants' allowing state governments to spend the money at their own discretion. During the last few decades, numerous judicial sentences involving inter-territorial conflicts, especially on social-moral issues such as the use of medical drugs, abortion, gay marriage, assisted suicide, gun possession and death penalty, have reestablished some balance between the central and the state governments implicit in the federal project.

### **3.2.2. European subsidiarity**

The increasing integration of traditional states into the European Union and the accompanying cession of powers to the EU institutions have questioned the validity of the principle of 'sovereignty'. Any state government within the Union has ceased to be able to control its state borders, defend

its territory and protect the internal market as traditional states had done in order to affirm their undisputed ultimate power.

The European Union laws take precedence over state law and are binding to state authorities. Most EU's legislation for a few decades was shaped in form of 'directives', which must be transformed into state laws by the state governments and parliaments, especially for the operation of the common market. But since the Maastricht treaty of the European Union in 1992, the EU institutions produce 'regulations', which are binding and directly enforceable throughout every member state without any action by state governments.

The issue of how powers and competences should be divided between the multiple levels of government in Europe has been addressed with the help of the 'subsidiarity' doctrine. The concept of subsidiary was forged by social-Christian thinkers as a norm to limit the intervention of political powers in private affairs, while in federal countries such as Belgium and Germany it implied a bias in favor of decentralization.

The Treaty of Maastricht on the European Union established that its members are:

“resolved to continue the process of creating an ever closer union among the peoples of Europe, in which decisions are taken as closely as possible to the citizen in accordance with the principle of subsidiarity ... Under the principle of subsidiarity, in areas which do not fall within its exclusive competence, the Union shall act only if and in so far as the objectives of the proposed action cannot be sufficiently achieved by the member states, either at central level or at regional and local level, but can rather, by reason of the scale or effects of the proposed action, be better achieved at Union level.”

This principle was confirmed by the Constitution and the treaty of Lisbon, which established the following:

“1. The limits of Union's competences are governed by the principle of conferral. The use of Union competences is governed by the principles of subsidiarity and proportionality.

2. Under the principle of conferral, the Union shall act within the limits of the competences conferred upon it by the Member States in the Treaties to attain the objectives set out therein. Competences not conferred upon the Union in the Treaties remain with the Member States.
3. Under the principle of subsidiarity, in areas which do not fall within its exclusive competence the Union shall act only if and insofar as the objectives of the intended action cannot be sufficiently achieved by the Member States, either at central level or at regional and local level, but rather, by reason of the scale or effects of the proposed action, be better achieved at Union level.

The institutions of the Union shall apply the principle of subsidiarity as laid down in the Protocol on the application of the principles of subsidiarity and proportionality. National Parliaments ensure compliance with the principle of subsidiarity in accordance with the procedure set out in the Protocol.

4. Under the principle of proportionality, the content and form of Union action shall not exceed what is necessary to achieve the objectives of the Treaties. The institutions of the Union shall apply the principle of proportionality as laid down in the Protocol on the application of the principles of subsidiarity and proportionality.” (Art. 3b).

These norms have important implications for institutional decision-making. First, the European Commission has to demonstrate that a proposed EU activity passes a subsidiarity ‘test’, implying that it is justified if it addresses a problem with a trans-border character, it does not distort trade, and entails added value. Then, in front of any draft of legislative act of the EU institutions, the state parliaments can consult regional parliaments with legislative power and formulate “reasoned opinions” on its compatibility with the principle of subsidiarity. Just one third of members of a state parliament or one fourth if the issue in question refers to the area of freedom, security and justice, is sufficient to ask for the draft to be reviewed.

These opinions can be addressed to the Commission or, if the draft legislative act originates from them, to the group of member states, the Parliament or the European Central Bank. After preventive actions from state or regional governments, ex post judicial review of the EU legislation concerning compatibility with the principle of subsidiarity could be done by the European Court of Justice. Formally, the Court has jurisdiction in actions on grounds of infringement of the principle of subsidiarity by a legislative act, although it has tended to avoid the impression that it wants to act as a constitutional court.

It could be interpreted that the principle of subsidiarity works only in favor of the states. But in addition to the participation of regional governments in the parliaments of federal states, already alluded to, some regional governments can participate in the Council of Ministers of the European Union and have a say on the EU legislation emanating from that body. Specifically, a state can be represented in the Council of Ministers by a regional minister, as happens regularly with the regions of Belgium and the lands of Germany and, together with the state minister, the lands of Austria, the nations of Britain and the autonomous communities of Spain, particularly on matters of agriculture, industry, environment, research, education, culture, territorial planning, and tourism. A Council of Ministers of the EU can even be presided over by a regional minister.

Also, the Committee of the Regions may bring actions against legislative acts. The subsidiarity principle has been heralded by the Congress of Local and Regional Authorities, a non-EU institution. But its principles have been recently ratified by a Committee of Ministers of the EU member-states with the following declaration:

“One of the bases of a democratic society is the existence of a solid and effective local and regional democracy in conformity with the principle of subsidiarity included in the European Charter of Local Self-Government, whereby public responsibilities shall be exercised, in preference, by those authorities which are closest to the citizens, having regard to the extent and nature of the public tasks and the requirements of efficiency and economy.” (2007).

In fact, the subsidiarity principle operates differently in different policy areas. It has been strongly promoted, in particular, on certain socioeconomic areas on which state governments enforce different regulations and want to preserve their decision powers regarding redistributive policies (for example, on unemployment benefits, in spite of Europe-wide labor mobility). It has also been neatly enforced in areas such as environmental policy.

Some fluctuations in the relative power of the Union, the states and the regions can be identified over time. But the institutional framework for dealing with variable pressures and negotiations is still not as stable in the European Union as in the United States. The Treaty of Lisbon has formally established the right of secession of any state from the Union, which might be used as a negotiation threat. Above all, the possibility of making non-enforceable decisions by a subset of member-states gives any state strong powers regarding the Union to try to prevent its further integration at the European level.

### **3.3. Division of powers**

The federal or quasi-federal institutions of both the American Union and the European Union are based on complex systems of ‘horizontal’ division of powers and checks and balances between separate elected institutions. They use different formulas. While in the United States the main division is between the legislative Congress and the executive Presidency, in accordance to the colonial legacy both in Britain and in the British colonies in North America, in the European Union the broad picture is closer to the semi-parliamentary form of government which is used in France and a few other countries. With any of these formulas, a ‘horizontal’ division of legislative, executive and judicial powers fosters both cooperative and conflictive relations between different bodies elected or appointed in different ways. The building of a sufficiently large political majority in support of inter-institutional decisions is a complex endeavor, which is crucially driven by the action of large-scale, encompassing political parties.

### 3.3.1. United States 'checks and balances'

Initially, when the British colonies in North America declared independence, the Articles of Confederation vested extensive powers in the Congress and made no provision for a separate executive government. But when a new federal union was embraced, a different balance of powers was designed. The structure of the legislative body was arranged with the intention to satisfy the aims of both new unity (in the lower chamber) and protection of preexisting local powers (in the upper chamber). In contrast, the choice of a single-person executive was strongly bent in favor of unification.

In a general sense, the institutional framework adopted by the Constitution of the United States of 1789 was isomorphic with most of the colonial governments and the evolving governments of the newly independent states, including one executive, a bicameral legislature, and an independent judiciary. But it endowed the presidency with powers traditionally associated to European monarchs, which implied indefinite reelection, control of the army, and veto power over legislation. These were larger powers even than those actually available to the British king of the moment, since these had already been significantly reduced by the parliament in a process of balancing inter-institutional relations. Immediately, the American presidency became the focal point of the Union, as well as the core for its further territorial expansion.

It took a long period to establish in practice a real system of mutual 'checks and balances' among institutions. Some of the basic rules for the United States House of Representatives, Senate, Presidency and Supreme Court were not stably fixed until the early twentieth century. For the House of Representatives, seats were allocated to the states in proportion to the population, initially with a total of 65 seats and providing that the number of representatives should not exceed one for every 30,000 inhabitants. During the nineteenth century, the Congress regularly increased the size of the House to account for population growth. But it fixed the number of seats at 435 in 1911. As the U.S. population has more than tripled since then, it is currently formed by one seat per about 700,000 inhabitants in average.

Each state was allowed to choose its own electoral system to elect its House members. Initially, eight of the initial 13 states chose a single state-wide district with plurality rule. This choice was in congruence with the rules used for their own local and state institutions. But the system made a single set of winners take all, which produced single-party sweeps and a high number of single-party state systems. This kind of electoral result gave the representatives of a few large states much decision-making power in the federal House. In contrast, the other five founding states, as well as most of the new states joining the Union in the further process, adopted systems based on smaller single-seat districts, which permit more diversity of state representatives. There were several attempts to generalize the latter rule, but the Supreme Court repeatedly supported the states' rights to choose their own rules. Single-seat districts have been enforced in all the United States without exception for elections to the House of Representatives only since 1970.

The upper federal chamber, the Senate, is formed by two members per state independently of population. With 50 states in the Union, the Senate has currently 100 seats. Initially, the senators were elected by the state legislatures, which usually gave strong leverage in federal matters to state governments. Popular election to the Senate was established as a general formula for all the states only in 1913. Senators are elected for a six year term, but about one-third are elected every two years in concurrence with the House elections.

As mentioned, the President of the United States is appointed by the Electoral College formed by electors chosen in each state with some overrepresentation of the small ones. The procedures to select the electors are decided by the states themselves. Initially, in most states electors were chosen by the state legislature, a formula which disappeared completely only in 1876. Alternatively, in order to choose electors by popular vote, some states replicated the House districts, as well as the state-wide Senate district, a formula which is still used in Maine and Nebraska. All the other states and the District of Columbia choose now their electors by popular vote in a single state-wide district so that only one candidate for president is backed by each state independently of the distribution of votes among other candidates.

Finally, the members of the Supreme Court are nominated by the president and confirmed by majority vote of the Senate. Justices have life tenure, which terminates only upon death, resignation, retirement, or impeachment, thus making difficult for a single president to appoint a majority of the members of the Court. Initially, the total number of Justices was six, it changed several times as the expansion of the Union motivated the creation of new judicial circuits, but it was fixed at nine since 1869.

Nowadays, several mechanisms to produce checks and balances among institutions exist. Both the Congress and the President control each other to some extent. On the one hand, while the members of Congress can be re-elected indefinitely, the President can be elected for only two terms (with a total of eight years, as established since the mid-twentieth century). The Senate must ratify and can reject certain presidential appointments for executive positions, including several members of the cabinet. The Congress also appoints a number of officers and controls administrative agencies (including, for instance, the U.S. Agency for International Development or USAID and the National Aeronautics and Space Administration or NASA). On the other hand, the President can limit Congress powers, especially by means of the presidential veto over congressional legislation. Finally, the Supreme Court submits legislation to judicial revision.

**Unifying political parties.** A crucial development for the working of such a complex institutional framework was the formation of Union-wide political parties. As mentioned, the presidential electoral College was initially designed in the assumption that no single candidate would be able to obtain a majority support across states. However, the system indeed created incentives for building such a broad support around a presidential candidate, even if such organization implied only loose allegiance within elections. A presidential election tends always to be a highly polarized contest, thus favoring the formation of two broad political fractions, groups, movements or parties. Large-scale electoral campaigns began to develop since the 1840s, although the two current major political parties only consolidated after the Civil War. They were also able of maintaining some cohesion and continuity because no competitive socialist party was formed at the turn between the nineteenth and twentieth centuries, in contrast to

most European countries. According to some hypothesis, this was due in large part to the recruitment of workers from masses of immigrants with different ethnic backgrounds and strong individualistic ambitions during the crucial periods of industrialization and urbanization.

The United States political parties use powerful organizational machines at the local level, but on many aspects they are still coalitions of local organizations under a common umbrella strongly provided by the presidential elections. The system of primary elections, which was generalized since the early 1970s, has proved to be able of including a variety of candidacies, policy proposals and ideological orientations within two large tents, in fact encompassing a range of positions comparable to many multiparty systems in Europe, that is, social-democrats, greens and liberals within the Democratic party, and christian-democrats, conservatives and populists within the Republican party.

The support for the Presidency, the majority of members in the House and in the Senate, often belong to different political parties. But counter-weighting mechanisms between institutions with different political party orientations play in favor of power-sharing. For the main institutions to be able to make a joint decision they have to aggregate the different political party majorities in each institution into a single, broader majority. The political support necessary for making certain decisions in such a system of division of powers lies beyond the requirement of a simple majority in each institution. The effort of aggregating different preferences is similar to that which would be required in a single institution making decisions by some qualified-majority rule. This frequently moves the President to try to build broad majorities beyond his own party to approve legislation in order to prevent further rejections. Party voting discipline in Congress is relatively low; for many decades, in about half of the votes in the House, less than 50 percent of the Democrats or the Republicans voted together, although voting cohesion has increased during the last fifteen years.

It is usually remarked that joint decisions by separate institutions whose members represent different interests or preferences can hardly be innovative. Indeed the obstacles introduced by numerous institutional checks may stabilize

socially inefficient status-quo policies. To be put more bluntly, separate elections and divided governments can create a ‘dual legitimacy’ prone to ‘deadlock’, also called ‘stalemate’ or ‘gridlock’, that is, legislative paralysis and inter-institutional conflict. However, it can also be observed that those institutional mechanisms guarantee that most important decisions are made by broad majorities able to prevent the imposition of the will of a small or minority group. As constitution co-author Alexander Hamilton argued:

“It may perhaps be said that the power of preventing bad laws includes that of preventing good ones; and may be used to the one purpose as well as to the other. But this objection will have little weight with those who can properly estimate the mischiefs of that inconstancy and mutability in the laws ... because it is favorable to greater stability in the system of legislation”.

*(The Federalist Papers, No. 73, 1788)*

Several institutional factors can, thus, help explain the relatively long duration and stability of the United States’ political regime of division of powers. As more firmly established in the early twentieth century, the framework of the United States’ regime implies a set of checks-and-balances between institutions that is more clearly defined than at its foundational stages. They embrace, above all, the inclusiveness of the ‘vertical’ division of powers between the federal and the state governments. At the same time, the role of Congress before the Presidency has been enhanced by different means. The biases of the electoral system for the House of Representatives, based on single-winners by plurality rule, is somewhat counteracted by primary elections and other forms of participation, especially at local and state levels, able to incorporate different groups and opinions into the process. Also, in situations of divided government, the propensity of bipartism to produce conflict or paralysis is reduced by significant levels of non-ideological inclusiveness of local and single-issue popular demands and low levels of party discipline, which gives congress a more relevant role in the legislative process.

### 3.3.2. European consensus

For half a century, the institutions of the European Union evolved from relations corresponding to an international organization to others approaching a federal union. During the first thirty years, from 1957 to mid 1986, the central institution was the Council of Ministers, which was formed by representatives of the governments of the member-states. As they considered themselves to be sovereign, each member-state had veto power on collective decisions, which means that most decisions were made by unanimity. Actually, many important strategic decisions were made –also by unanimity– at summit meetings of Heads of Government, which were institutionalized as the European Council in 1974.

Since the creation of the European Union by the Treaty of Maastricht in 1992, under the leadership of the president of the Commission, Jacques Delors, more federal-oriented institutional relations developed. These brought about a reduction of the fields in which unanimity decisions are required. Different provisions were introduced in order to promote decision-making by a combination of qualified-majority of the Council of Ministers and simple majority of the European Parliament.

Nowadays, the basic institutional framework of the European Union has consolidated the two-chamber federal legislative framework with the Parliament or lower chamber representing the European citizens at large and the Council of Ministers as an upper chamber of territorial representation. It has also adopted a kind of semi-parliamentary regime with a dual executive, the presidential European Council and the parliamentary Commission, which is similar to the model used in a few member-states, mainly France.

The European Parliament, together with the Council of Ministers, have significant decision powers, especially on single market issues and most economic, social, environmental, research and technology, and cultural policy areas, as well as in the process of approving the budget of the EU. The two chambers also share significant powers for the nomination of the president and the executive board of the European Central Bank, the president of the European Monetary Institute, and the members of the Court of

Auditors. As mentioned, the Parliament and the Council of Ministers have also significant powers in the appointment and the dismissal of the Commission and its President.

For the direct popular election of the members of the European Parliament, all countries use some formula of proportional representation. Each member state can adopt its own rules, which tend to be similar to the rules used in state elections, but in 1998 the European Parliament called the states to adopt common principles for the elections of its members. The most visible exceptions are Britain and France, which use majority rules for state-wide elections but eventually adopted proportional representation for the European Parliament.

The Council of Ministers of the European Union is formed by representatives of the 27 EU's member states at 'ministerial level' (which means that not only members of the state government but also regional ministers can attend and even chair, as mentioned). The Council is organized in nine sectoral councils, each formed by the corresponding branch ministers of all member states. The most important council is the General Affairs Council, which is formed by the member states' ministers of Foreign Affairs and, in most cases, also the minister or secretary of state in charge of European Affairs. Another prominent sectoral council is the Economic and Financial Affairs Council.

According to the rules which are expected to keep being enforced until 2017, each of the 27 member states is given a number of weighted votes in the Council, from 29 votes to the four largest countries, Germany, France, the United Kingdom and Italy, to 3 votes to the smallest one, Malta, with a total of 345 votes. The distribution of votes is somewhat biased against the larger countries, in correspondence to the principle of territorial representation characteristic of a federal upper chamber. Most decisions have to be made by a qualified majority of at least 255 votes out of 345 (about 74 %), which must include at least a majority of 14 out of the 27 member states. This rule, nevertheless, creates the possibility to form a 'blocking minority' able to prevent a new decision to be made by three large member states together with any other state. An alternative, more demanding

rule which is used for decisions not based on a proposal from the European Commission, requiring 255 out of 345 weighted votes and two thirds (18 out of 27) of the member states. In all cases the votes must represent at least 62 % of the EU's total population.

With the new rules to be enforced in the future, each member state would have a single vote in the Council, but decisions would be made by the so-called rule of 'double majority', which requires 55% of the states (15 states with a membership of 27) gathering together 65% of the EU's population. This rule is more biased against the larger countries than the currently existing formula, thus reinforcing the federal principle of territorial representation in the Council. By making decision-making in the Council more difficult, this rule may contribute to balancing inter-institutional relations in favor of the Parliament.

The European Commission, which is the EU government, is currently formed by one member from each of the 27 member states. The Commission president can be considered the Prime minister of the EU. The president and the commissioners are appointed for a period of five years in order to coincide with the European Parliament term. Within such a period, almost every member state holds elections that may change the party composition, the leadership or the personal composition of the corresponding state governments, as represented in the Council of the EU. This makes the European Commission quite independent from the state governments and the political composition of the other EU institutions. The Commission meets weekly in Brussels.

The Commission has the initiative to set the EU agenda, an extended role throughout the legislative process to ensure that the Treaties are applied, including the right to "formulate recommendations and deliver opinions", a mediating role between the EU institutions and the member states, and the right to take a member state to the European Court of Justice. The Commission has extensive executive powers in areas delegated by the Council, such as Agriculture, as implemented by its management and administrative apparatus. Finally, the Commission represents the European Union in other countries and in many international organizations.

The European Council, which is the presidency of the EU, is formed by the 27 Heads of Government or State, assisted by the ministers of Foreign Affairs, meeting together with the President of the European Commission, the President of the Parliament and the High Representative for Foreign and Security. The European Council is an important agenda setter providing the European Union with both the impetus and the apathy of its uneven development and defining the general political guidelines thereof. Actually, the European Council sets the conditions and calendar to accept new European Union members and associates. Its President, who is a kind of president of presidents, can be considered the President of the European Union and its main representative.

The Court of Justice is formed by 27 judges, one per member state, and eight advocates-general. The judges are appointed for six-year terms and renewed by halves every three years. The Court of Justice is to ensure that the European Union legislation is equally interpreted and applied in all member states and it is given primacy over state and local laws. The Court has jurisdiction to hear disputes among EU institutions, member states, and citizens. In particular, it can develop proceedings for failure to fulfill an obligation (usually brought by the Commission against some member state), for annulment of decisions made by the EU institutions (usually brought by some member states), or for failure to act, as well as for damages and appeals (to be brought by citizens).

**Unifying political parties.** The capacity of decision-making of the European Union institutions, and particularly of the European Parliament, has been crucially developed by the aggregative role of Europe-wide political parties.

Paralleling successive enlargements of the European Union with new member-states, increasing numbers of different political parties have obtained representation in the European Parliament, up to almost 200 in 2009. Candidacies, electoral campaigns and voting motives are largely localistic. Yet the increase in the number of state-wide or regional parties in the Parliament has generated increasing degrees of concentration of deputies in a few European Political Groups. There are remarkably high and increasing

degrees of parliamentarians' participation and internal cohesion of the European Political Groups. The average proportions of individual members of the Parliament voting in accordance to their European Political Group rises over time up to 90%. The largest Groups –the People's, the Socialists, the Liberals and the Greens– have reached the highest degrees of discipline in voting, between 90 and 95%.

Political pluralism and consensus have been the rule in the European Union. The Parliament and the Council usually had different political party majorities due to the tendency in the elections to the former to vote against the incumbent domestic governments and the latter's composition based on those governments. But since the elections in 2004 and 2009 a center-right majority, which is basically made up of members of the People's and the Liberal groups, exists in the Parliament, the Council and the Commission, as well as in the European Council. The typical 'cohabitation', which usually led to broad consensual agreements in the Parliament involving the two larger parties, the People's and the Socialists, has been replaced with a consistent dominion of the center-right through the institutions. In this context, the new figure of the European Council President might take a stronger role of political initiative, somehow making the Commission and its president his collaborator, rather than an independent figure, and reducing the role of the Parliament.

However, broad multiparty coalitions tend to be formed in the Parliament, with different party compositions for different policy issues. In the Council, even if only a qualified majority is legally required, it is common to deliberately pursue attempts to obtain broader agreements, which produces many unanimous votes. Consensual decision-making favors citizens' and representatives' support to the existing institutional framework.

Consensus and agreements among European states are also fostered by the actors' sense of having a long past and an expected long future in common. Concessions can be made on some issues in the expectation of compensations on others. The long history of permanent conflicts and increasingly frequent and bloody inter-state wars, as well as the challenges derived from new technological changes and the subsequent enlargement of the scales of

human interactions, make relevant European actors aware of the potential very high costs of major disagreements within the European Union. The ‘unity in diversity’ is also strengthened by sanctioning mechanisms to enforce EU decisions, which have been in fact accepted as self-obligatory resorts by the member-states’ representatives.

All in all, the US and the EU have similarities and differences in their basic institutional frameworks. In both cases, the ‘federal’ character of the union has led to establish two legislative chambers, respectively representing the population of the union at large and its member states, that is, the House of Representatives and the Senate in the US, and the Parliament and the Council of Ministers in the EU. In contrast, while the executive in the US is concentrated in the Presidency, the EU has developed a dual executive with the Presidency of the European Council and the Presidency of the Commission. In both cases, however, the institutional framework implies a complex system of ‘checks and balances’ inducing broad inter-institutional and political negotiations and agreements.

### 3.3.3. Appendix

**Figure 3.1** Political pluralism in the European Union, 1979-2009

	MEMBER-STATES		POLITICAL PARTIES	EUROPEAN POLITICAL GROUPS	
	NUMBER	EFFECTIVE NO.	NUMBER	NUMBER	EFFECTIVE NO.
1979	9	6.0	41	8	5.2
1984	10	6.6	46	9	5.3
1989	12	8.2	70	11	5.0
1994	12	8.1	95	10	4.6
1999	15	9.5	110	8	4.0
2004	25	10.6	170	9	4.3
2009	27	10.8	163	8	4.5

Note: Data correspond to the initial composition of the European Parliament after every election. The ‘effective number’ (N) is an index of concentration of seats which captures the number and the relative size of the units represented; it is calculated according to the formula  $N = 1/\sum p_i^2$ , where p is the proportion of seats of member-state, party or group *i*.

Source: Josep M. Colomer ed. *Comparative European Politics*, 3rd ed., London: Routledge, 2008.

## IV. From Empire to Federation

Most states in the world have been created as a consequence of disintegration of empires, and some modern empires have been or are being built as an effort of union from previously existing 'sovereign' states. This is the case of the United States of America, which was created by states previously separated from the British empire by uniting themselves into a new Union, and eventually becoming a democratic federation. Likewise, the European Union has been built during the last fifty years by states mostly formed in a previous period at the disintegration of traditional empires.

The building of the democratic empires of the United States of America and the European Union has involved processes of territorial expansion from an initial core of states which have taken place in different periods, but following comparable models and paths. From the initial cores –13 former colonies along the Atlantic coast in North America and 6 member-states in the center of Europe, respectively–, each empire expanded its territory over a number of decades until it multiplied the initial founders' territory by about three or four and the population by two. The assimilation of new territories and states required increasing efforts as they are located at increasing distances from the initial center and have significantly different populations in economic and ethnic terms. In both cases, territorial expansion was able to assimilate new, relatively close units at the beginning, but it had to adopt more flexible formulas of linkage and association with less cohesive territories in the more distant peripheries. For the United States, the process to establish its basic territorial limits developed over more than 60 years, while the European Union has not yet reached that stage after more than 50 years of enlargements.

The expansion of the United States was, given the founding members' eastern location in the continent, mostly westwards. The enlargements of

the European Union, in contrast, have been, due to the central location of the founders, first towards the west and the south and later towards the north and the east. During these processes, some territories at the edges of the already integrated area have become 'frontiers' with uncertain future, which have been the subject of rivalry with other empires. More stable, the borders of the United States were established at the Atlantic ocean in the east, Canada and Alaska in the north, the Gulf of Mexico in the south, and the Pacific ocean in the west. However, some of these borders, which included some relatively arbitrary bounds from the point of view of geographical accidents and population composition, were conflictive and provoked discomfort and malaise on the other side. Specifically, there have been sustained political instability and massive migrations to the United States from Mexico, the islands in the Caribbean sea and Central America.

Analogously, the borders of the European Union are now established at the Atlantic ocean in the west, the Arctic ocean in the north, and the Mediterranean sea in the south. But, somewhat undefined and disputed frontiers still exist in the Balkans, with Turkey, and in eastern regions under the influence of the Russian empire. The full membership to the EU of some of these countries may depend on pending democratization and institutionalization, which may make the area a kind of temporary 'Wild East' of the Union. Not integrating some areas might imply the persistence of conflicts, violence and migrations around the European Union. The Balkans risk becoming the Caribbean of Europe, with comparable features of internal instability, mass emigration and recurrent hostility to the Union, while the exclusion of Turkey from Europe would parallel that of Mexico from the American Union, with its subsequent effects of isolationism and resentment.

From its foundation in the late eighteenth century and for more than one hundred years, the founding states of the American union kept their 'sovereign' rights, very different institutions existed across the territory (including direct rule from Washington) and the territorial limits of the union were undefined. Only a few decades after the inter-state, intra-American Civil War were the limits of the steady expansion of the United States established. It was then, as late as the early twentieth century that the

union managed to organize all the territory in states with elected legislatures and governors, the federal Senate was elected with homogeneous rules in all the states, and the creation of the Federal Reserve forced monetary union.

Starting in the aftermath of the intra-European civil war called Second World War, and during a period of more than fifty years, the European Union has followed a comparable path to the previous American experience to eradicate war and establish security, create a great common market and set the institutional frame for the provision of large-scale public goods over an extended territory.

The abolition of internal borders in the European Union has been the result of a long process. Economic frontiers for trade, investment and work were formally abolished with the official 'completion' of the Single Market (1992), while free movement of citizens, not only workers, was established by the Maastricht Treaty (1993) and reinforced by the Schengen agreement among a subset of the member states (1999). As happened in America about one hundred years before, the abolition of internal borders, which erodes the powers of the states, created an 'area of freedom', but it provoked demands for an area of security and justice which strengthens the powers of the Union.

#### **4.1. Integration and decentralization**

The average state in the USA has nowadays about six million inhabitants. The average state in the EU is much more populated, about 18 million, but the establishment of numerous regional governments with legislative powers within the largest states is approaching the average size of the European territorial communities to the American level, as well as to the average state in the world.

The increase of internal exchanges and the reduction of the strength of internal borders are much favored by the establishment of fixed external borders which gives each territory more alternative options of relations with other territories within the Union. Internal trade and the economic

specialization of different territories tend to reduce the inter-state economic inequalities previously generated by protective state-level policies, their rivalry and conflicts, as well as favor some broad scale cohesion in cultural terms.

In Europe the differences in per capita income between member states are maintained up to a proportion of 4:1, double than in the United States. Actually, income disparities among regions are much higher, up to 12:1, as between Inner London, Brussels and Luxembourg on one side, and Severozapaden in North West Bulgaria and North East Romania on the other. Although there is increasing emigration from relatively disadvantaged regions, their governments also compete for foreign investments, mostly on the basis of lower labor costs, at the same time that they seek redistribution through EU subsidies. But, as happened in the past in the United States, Europe-wide free trade diminishes the previous advantages of large states in protecting large markets to local producers. Free trade in a large area also promotes economic specialization of small regions, which facilitates the reduction of economic disparities in per capita income.

Along these lines in favor of further integration, the EU introduced the concept of 'territorial cohesion' in 1986, together with the goal of completing the Single Market. In particular, the Union aims at reducing disparities between the levels of development of the various regions and the backwardness of the least favored ones, including rural areas, those affected by industrial transition, with very low population density, islands, crossborder and mountain regions. The initial 'structural funds' were supplemented with the so-called 'cohesion fund', which was limited to states with per capita income below 90% of the EU average. In practice, these were Greece, Ireland, Portugal and Spain in Southern Europe in the 1990s, and Bulgaria, Hungary, Romania and Poland in Eastern Europe since their membership.

Increasing European integration induces internal territorial restructuring of the larger states. Nowadays, the six larger states in the European Union have adopted formulas of political decentralization with elected regional parliaments and governments, including Germany (the only one of the

large which was previously organized as a federation), Italy, Spain, France, the United Kingdom, and Poland, as well as Austria and Belgium. State decentralization develops at different paces and with different formulas, but all benefit from the opportunities for alternative inter-territorial relations provided by membership of the European Union and move in the direction of increasing decentralization and asymmetry between some of its units.

Within the framework of a very large federation with significant integration, the initial independence and claims of sovereignty of the founding states, each with its specific institutional formulas, tend to make room for multilateral relations. States' rights in the USA and the principle of subsidiarity in the EU have been proposed as guides for the distribution of powers among a 'vertical' set of government levels.

## **4.2. Building federal institutions**

At the federal level, a complex system of 'horizontal' division of powers and checks and balances between separate elected institutions characterize the institutional architecture of both the United States of America and the European Union. The balance between institutions, including the choice of parliamentary or presidential formulas, was present in the constituent processes of both Unions. The United States structure turns around the relations between the separately elected Presidency and Congress. In contrast, the European Union is organized more like a semi-parliamentary regime with a dual executive, the presidential European Council and the parliamentary Commission. In both America and Europe, the formation of complex political majorities is needed to support institutional decisions and crucially helped by the role of union-wide encompassing political parties, although these are based on strongly autonomous local and state organizations.

The federalization of public policies has not followed the same path on the two sides of the Atlantic. The USA was more strongly motivated by the wars of independence to create a federal army and has accumulated extraordinary military might. The US Constitution gave Congress the power to enact

federal laws ('acts', 'statutes' and 'regulations') that are directly enforceable, while the EU produces both 'directives', which need to be transformed into state laws, and directly enforceable 'regulations'. The federal government in the United States heavily relies on a federal income tax, while the EU fiscal policy is based on sales tax, while still leaving to the states other fiscal policies with presumed higher redistributive capacity. Both Unions gave some priority to the creation of a common currency and monetary policy by the central bank, although the Europeans introduced major regulations for the creation of a single market.

Currently, a significant difference regarding the stage of the evolution of the two Unions on both sides of the Atlantic is reflected in the fact that not all 27 member-states of the European Union are equally integrated. The initial military alliance under the umbrella of the USA, the North Atlantic Treaty Organization, does not include six EU member-states, Austria, Cyprus, Finland, Ireland, Malta and Sweden, while, in contrast, it does include a few non-EU members, Iceland, Norway and Turkey. The common currency, the euro, was enforced since 2002, but maintaining Britain, Denmark and Sweden outside, while the rest of membership up to 24 member-states is planned to be completed by 2015. The Schengen agreements on borders control, police and judicial cooperation started from an agreement among France, Germany and the BeNeLux countries in 1985, it does not include Britain and Ireland (nor the recent members Bulgaria, Cyprus and Romania), while, in contrast, has been signed up by a few non-EU members, Iceland, Norway and Switzerland.

A significant implication of territorial and institutional consolidation of a great federation, like the USA and the EU, is its capacity of developing a foreign policy. The USA was initially created as a union against a foreign enemy, the UK, and its hostilities and alliances with other countries depended on this conflict. For a very long period, its foreign policy focused on defining and keeping its borders. Only after its territorial and institutional consolidation as a democratic federation at the beginning of the twentieth century, could the USA develop a broader foreign policy, especially with its participation in WWI and WWII and the Cold War with the USSR. Likewise, the EU was initially created as a union against a foreign enemy, the USSR,

and in strong alliance with the USA. This alliance somewhat weakened since the 1970s and especially after the end of the Cold War. But as the EU borders are not yet defined, the EU has not developed a broad and consistent common foreign policy.

All these disparities confirm the idea that the European Union is still at an 'imperial stage', characterized by high economic inequality, low attachment of citizens to the Union institutions, and significant diversity of institutional formulas among its members. However, as reviewed in the previous pages, the outline of a potentially more democratic and efficient federal union in Europe able to promote loyalty from its citizens is basically designed and positively tested. The full institutionalization of all territories of the United States, which implied high social internal cohesion, required about 125 years. In the European Union, a consistent, robust and stable constitutional formula has not yet been achieved. In order to do so, the most crucial decision ahead of the European Union is the establishment of clear borders of the union, which appears to be a condition for further stability, consolidation and progress.

## Bibliography

### Territory

### Comparative

ALESINA, Alberto, and Enrico SPOLAORE (2003): *The Size of Nations*. Cambridge, MA–London: The MIT Press.

COLOMER, Josep M. (2007): *Great Empires, Small Nations. The Uncertain Future of the Sovereign State*. London and New York: Routledge. (*Grans imperis, petites nacions*. Barcelona: Proa, 2006. *Grandes imperios, pequeñas naciones*. Barcelona, Anagrama, 2006.)

DAHL, Robert A., and Edward R. TUFTE (1973): *Size and Democracy*. Stanford, CA: Stanford University Press.

ROKKAN, Stein (1999): *State Formation, Nation-Building and Mass Politics in Europe* (ed. Peter Flora). Oxford: Oxford University Press.

TAAGEPERA, Rein (1978a): 'Size and Duration of Empires: Systematics of Size', *Social Science Research*, 7.

TALBOTT, Strobe (2008): *The Great Experiment. The Story of Ancient Empires, Modern States, and the Quest for a Global Nation*. New York: Simon and Schuster.

VAN CREVELD, Martin L. (1999): *The Rise and Decline of the State*. Cambridge: Cambridge University Press.

VON DER MUHLL, George E. (2003): 'Ancient Empires, Modern States, and the Study of Government', *Annual Review of Political Science*, 6.

## USA

- FAUST, Drew Gilpin (2008): *This Republic of Suffering*. New York: Random House.
- GUNDERSEN, Joan R., and Marshall SMELSER (1994): *American History at a Glance*. New York: HarperCollins.
- NUGENT, Walter (2008): *Habits of Empire: A History of American Expansion*. New York: Knopf.
- STEIN, Mark (2008): *How the States Got their Shapes*. New York: HarperCollins.
- TRUBOWITZ, Peter (1998): *Defining the National Interest. Conflict and Change in American Foreign Policy*. Chicago: The University of Chicago Press.
- TURNER, Frederick Jackson (1920): *The Frontier in American History*. New York: Henry Holt & Co.

## EU

- ANSELL, C. K. and G. DI PALMA eds. (2004): *Restructuring Territoriality. Europe and the United States Compared*. Cambridge and New York: Cambridge University Press.
- BARTOLINI, Stefano (2005): *Restructuring Europe. Centre Formation, System Building, and Political Structuring between the Nation State and the European Union*. Oxford: Oxford University Press.
- COOPER, Robert (2003): *The Breaking of Nations. Order and Chaos in the Twenty-first Century*. New York: Atlantic Monthly Press.
- RIKER, William H. (1996): 'European Federalism: The Lessons of Past Experience', in Joachim J. Hesse and Vincent Wright eds. *Federalizing Europe? The Costs, Benefits, and Preconditions of Federal Political Systems*. Oxford: Oxford University Press.
- ZIELONKA, Jan (2006): *Europe as an Empire*. Oxford: Oxford University Press.

## Institutions

### Comparative

COLOMER, Josep M. (2001): *Political Institutions*. Oxford and New York: Oxford University Press. (*Instituciones políticas*. Barcelona: Ariel, nueva ed. 2006.)

— (2010): *Science of Politics. An Introduction*. New York: Oxford University Press. (*Ciencia de la política. Una introducción*. Barcelona: Ariel, 2009.)

FABBRINI, Sergio (2007): *Compound Democracies. Why the United States and Europe Are Becoming Similar*. Oxford and New York: Oxford University Press.

MENON, Anand, and Martin A. SCHAIN eds. (2006): *Comparative Federalism: The European Union and the United States in Comparative Perspective*. Oxford: Oxford University Press.

NICOLAIDIS, Kalypso, and Robert HOWSE eds. (2001): *The Federal Vision. Legitimacy and Levels of Governance in the United States and the European Union*. Oxford: Oxford University Press.

### USA

BENS, Walter ed. (1992): *After the People Vote. A Guide to the Electoral College*. Washington DC: American Enterprise Institute.

GROFMAN, Bernard, and Donald WITTMAN eds. (1989): *The Federalist Papers and the New Institutionalism*. New York: Agathon. (*El Federalista*. México: Fondo de Cultura Económica.)

HAMILTON, Alexander, James MADISON, and John JAY. (1788) (1961): *The Federalist Papers*. New York: New American Library.

JILLSON, Calvin (1988): *Constitution Making: Conflict and Consensus in the Federal Convention of 1787*. New York: Agathon.

LOWI, Theodore J. (1996) (2006): *The End of the Republican Era*. University of Oklahoma Press.

MCDONALD, Forrest (2001): *States' Rights and the Union: Imperium in imperio, 1776-1876*. Kansas: University Press of Kansas.

OSTROM, Vincent (1987): *The Political Theory of a Compound Republic: Designing the American Experiment*. Lincoln: University of Nebraska Press.

RIKER, William H. (1984): 'The Heresthetics of Constitution-Making: The Presidency in 1787', *American Political Science Review*, 79, pp. 1-16.

## EU

ALGABA, E., J. M. BILBAO and J. R. FERNANDEZ (2007): 'The Distribution of Power in the European Constitution', *European Journal of Operational Research*, 176, 1: 752-766.

COLOMER, Josep M. (2002): 'How Political Parties, Rather than Member-States, Are Building the European Union', In Bernard Steunenberg, ed. *Widening the European Union: The Politics of Institutional Change and Reform*. London: Routledge.

— ed. (2008): *Comparative European Politics 3<sup>rd</sup> edition*. London: Routledge.

GUAL, Jordi ed. (2004): *Building a Dynamic Europe. The Key Policy Debates*. Cambridge, UK: Cambridge University Press.

HIX, Simon (2005): *The Political System of the European Union*. Basingstoke: Palgrave-Macmillan.

KEATING, Michael, and John MCGARRY eds. (2006): *European Integration and the Nationalities Question*. London: Routledge.

NORMAN, Peter (2005): *The Accidental Constitution. The Making of Europe's Constitutional Treaty*. Brussels: EuroComment.

NUGENT, Neill (2006): *The Government and Politics of the European Union*, 6<sup>th</sup> ed. Basingstoke: Palgrave-Macmillan; Durham: Duke University Press.

PETERSON, John, and Michael SHAKLETON (2006): *The Institutions of the European Union*, 2<sup>nd</sup> ed. Oxford and New York: Oxford University Press.

## Index of figures

2.1. Territorial expansion of the United States and the European Union	28
2.2. The Holy Roman and German Empire and the founding members of the European Community	30
2.3. States in America and Europe	38
2.4. Regions in the European Union	40
3.1. Political pluralism in the European Union, 1979-2009	72

## Other "la Caixa" Research Department Publications

All publications are available on Internet:

[www.laCaixa.es/research](http://www.laCaixa.es/research)

E-mail: [publicacionesestudios@lacaixa.es](mailto:publicacionesestudios@lacaixa.es)

---

### ■ THE SPANISH ECONOMY MONTHLY REPORT

Report on the economic situation  
(available also in Spanish version)

---

### ■ ANUARIO ECONÓMICO DE ESPAÑA 2009

Selección de indicadores  
Complete edition available on Internet

---

### ■ COLECCIÓN COMUNIDADES AUTÓNOMAS

1. La economía de Galicia: diagnóstico estratégico
  2. La economía de Illes Balears: diagnóstico estratégico
  3. La economía de Andalucía: diagnóstico estratégico
  4. La economía de la Región de Murcia: diagnóstico estratégico
- 

### ■ CÁTEDRA "la Caixa" ECONOMÍA Y SOCIEDAD

1. El tiempo que llega. Once miradas desde España José Luis García Delgado (editor)
- 

### ■ DOCUMENTOS DE ECONOMÍA "la Caixa"

1. El problema de la productividad en España: ¿Cuál es el papel de la regulación? Jordi Gual, Sandra Jódar-Rosell y Àlex Ruiz Posino
2. El empleo a partir de los 55 años Maria Gutiérrez-Domènech
3. *Offshoring* y deslocalización: nuevas tendencias de la economía internacional Claudia Canals
4. China: ¿Cuál es el potencial de comercio con España? Marta Noguer

5. La sostenibilidad del déficit exterior de Estados Unidos Enric Fernández

6. El tiempo con los hijos y la actividad laboral de los padres Maria Gutiérrez-Domènech

7. La inversión extranjera directa en España: ¿qué podemos aprender del tigre celta? Claudia Canals y Marta Noguer

8. Telecomunicaciones: ¿ante una nueva etapa de fusiones? Jordi Gual y Sandra Jódar-Rosell

9. El enigmático mundo de los *hedge funds*: beneficios y riesgos Marta Noguer

10. Luces y sombras de la competitividad exterior de España Claudia Canals y Enric Fernández

11. ¿Cuánto cuesta ir al trabajo? El coste en tiempo y en dinero Maria Gutiérrez-Domènech

12. Consecuencias económicas de los ciclos del precio de la vivienda Oriol Aspachs-Bracons

13. Ayudas públicas en el sector bancario: ¿rescate de unos, perjuicio de otros? Sandra Jódar-Rosell y Jordi Gual

14. El carácter procíclico del sistema financiero Jordi Gual

15. Factores determinantes del rendimiento educativo: el caso de Cataluña Maria Gutiérrez-Domènech

16. ¿El retorno del *decoupling*? Mito y realidad en el desacoplamiento de las economías emergentes Àlex Ruiz

---

### ■ "la Caixa" ECONOMIC PAPERS

1. Vertical industrial policy in the EU: An empirical analysis of the effectiveness of state aid Jordi Gual and Sandra Jódar-Rosell

## **2. Explaining Inflation Differentials between Spain and the Euro Area**

Pau Rabanal

## **3. A Value Chain Analysis of Foreign Direct Investment**

Claudia Canals and Marta Noguer

## **4. Time to Rethink Merger Policy?**

Jordi Gual

## **5. Integrating regulated network markets in Europe**

Jordi Gual

## **6. Should the ECB target employment?**

Pau Rabanal

---

### ■ **"la Caixa" WORKING PAPERS**

Only available in electronic format at:  
[www.laCaixa.es/research](http://www.laCaixa.es/research)

#### **01/2008. Offshoring and wage inequality in the UK, 1992-2004**

Claudia Canals

#### **02/2008. The Effects of Housing Prices and Monetary Policy in a Currency Union**

Oriol Aspachs and Pau Rabanal

#### **03/2008. Cointegrated TFP Processes and International Business Cycles**

P. Rabanal, J. F. Rubio-Ramírez and V. Tuesta

#### **01/2009. What Matters for Education? Evidence for Catalonia**

Maria Gutiérrez-Domènech and Alicia Adserà

#### **02/2009. The Drivers of Housing Cycles in Spain**

Oriol Aspachs-Bracons and Pau Rabanal

#### **01/2010. The impact for Spain of the new banking regulations proposed by the Basel Committee**

"la Caixa" Research Department

## **"la Caixa" RESEARCH DEPARTMENT**

### **Academic Advisory Council**

The Academic Advisory Council guides the Research Department in its work analyzing the economic and social policies that might be effective in ensuring the progress of Spanish and European society. The members of the Council are:

- Manuel Castells  
Universitat Oberta de Catalunya and University of Southern California
- Antonio Ciccone  
ICREA-Universitat Pompeu Fabra
- Luis Garicano  
London School of Economics
- Josefina Gómez Mendoza  
Universidad Autónoma de Madrid
- Mauro F. Guillén  
Wharton School, University of Pennsylvania
- Inés Macho-Stadler  
Universitat Autònoma de Barcelona
- Massimo Motta  
Barcelona GSE - Universitat Pompeu Fabra
- Ginés de Rus  
Universidad de Las Palmas de Gran Canaria
- Robert Tornabell  
ESADE Business School
- Jaume Ventura  
CREI-Universitat Pompeu Fabra

### **General Manager**

- Jordi Gual  
Chief Economist of "la Caixa"

Design, page make-up  
and printing: [www.cege.es](http://www.cege.es)  
D.L.: B. 26782-2010  
ISBN: 978-84-693-3021-0

## The latest issues published in the Economic Studies Series

26. EL EURO: BALANCE DE LOS TRES PRIMEROS AÑOS \*  
Joan Elías (director), Pere Miret, Àlex Ruiz  
y Valentí Sabaté
27. EUROPEAN UNION ENLARGEMENT.  
EFFECTS ON THE SPANISH ECONOMY  
Carmela Martín, José Antonio Herce,  
Simón Sosvilla-Rivero and Francisco J. Velázquez
28. INTERNET: SITUACIÓN ACTUAL Y PERSPECTIVAS \*  
Fèlix Badia
29. EL GOBIERNO DE LA EMPRESA \*  
Vicente Salas Fumás
30. LA BANCA EN LATINOAMÉRICA.  
REFORMAS RECIENTES Y PERSPECTIVAS \*  
Josep M. Liso, Montserrat Soler, Montserrat Manero  
y Maria Pilar Buil
31. LOS NUEVOS INSTRUMENTOS DE LA GESTIÓN PÚBLICA \*  
Guillem López Casasnovas (director), Jaume Puig-Junoy,  
Juan José Ganuza e Ivan Planas Miret
32. LA COMPETITIVIDAD DE LA ECONOMÍA ESPAÑOLA:  
INFLACIÓN, PRODUCTIVIDAD Y ESPECIALIZACIÓN \*  
Francisco Pérez (director), Pilar Chorén, Francisco J.  
Goerlich, Matilde Mas, Juliette Milgram, Juan Carlos  
Robledo, Ángel Soler, Lorenzo Serrano, Deniz Ünal-  
Kesenci, Ezequiel Uriel
33. LA CREACIÓN DE EMPRESAS.  
UN ENFOQUE GERENCIAL \*  
Josep Maria Veciana
34. POLÍTICA AGRARIA COMÚN: BALANCE Y PERSPECTIVAS \*  
José Luis García Delgado y M. Josefa García Grande  
(directores)
35. LA GENERACIÓN DE LA TRANSICIÓN:  
ENTRE EL TRABAJO Y LA JUBILACIÓN \*  
Víctor Pérez-Díaz y Juan Carlos Rodríguez
36. EL CAMBIO CLIMÁTICO: ANÁLISIS Y POLÍTICA  
ECONÓMICA. UNA INTRODUCCIÓN \*  
Josep M. Vegara (director), Isabel Busom,  
Montserrat Colldeforns, Ana Isabel Guerra y Ferran Sancho
37. EUROPE, LIKE AMERICA. THE CHALLENGES OF BUILDING  
A CONTINENTAL FEDERATION  
Josep M. Colomer

\* Available only in Spanish

The processes of building the United States of America since the late-eighteenth century and the European Union since mid-twentieth century are among the major claims for the possibility of a vast, continental-size polity based on democratic principles. While the European Union project is still full of uncertainties, the previous experience of building the United States of America offers the best reference for advancing towards a democratic federation.

In this new volume from the Economic Studies Series of the Research Department of "la Caixa", Josep M. Colomer shows that the territorial limits of the European Union, like those of the American Union in the past, are not determined by geography or destiny but reflect the union's capacity to assimilate and institutionalize its components. Building an empire from previously existing states implies renouncing a single source of sovereignty in favour of dividing power among multiple levels of government.

Josep M. Colomer is an elected member of the Academia Europaea and a life member of the American Political Science Association. Author of more than thirty books in six languages.



Electronic Edition available on the Internet:  
[www.laCaixa.es/research](http://www.laCaixa.es/research)

ELEMENTAL  
CHLORINE  
FREE  
GUARANTEED