

A Test Case of Moravcsik’s “Liberal Intergovernmentalist” Approach to European Integration

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Meet President Charles de Gaulle, Realpolitiker. Andrew Moravcsik’s article is cast as a revision of the almost universally accepted image of France’s imperious leader as a statesman consumed by dreams of national glory and grandeur. It demonstrates by force of overpowering evidence and logic that the crisis of the European Economic Community (EEC) in the mid-1960s precipitated by de Gaulle’s actions had far less to do with Gaullist ideology than with the fact that the General, like lesser figures of this democratic age, had to pay heed to powerful interest groups, in this case French farmers, when making policy. The crisis in question produced the Common Agricultural Policy (CAP) but also culminated in the “empty chair” stand-off and France’s refusal to participate in Community business. It ended thanks chiefly to the Luxembourg Compromise, which enabled any country represented in the Council of Ministers to veto proposed legislation. The Community emerged from the crisis much weakened.

Moravcsik shows that the pressure exerted by the farm lobby shaped not only the new CAP but the broad lines of French policy toward the EEC. His objective in making this point is apparently as much polemical as biographical; he uses the crisis of the 1960s as a lever with which to upend and topple a prevailing, though already tottering, orthodoxy. Since the same purpose also underlies his magisterial history of the integration movement, his article will be examined here against the backdrop of this formidable book as well as on its own merits.¹

1. Andrew Moravcsik, *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht* (Ithaca, NY: Cornell University Press, 1998).

The orthodoxy Moravcsik seeks to discredit is the familiar one of “neo-functionalism,” which in recent years has been re-baptized as “historical institutionalism.” It holds that technocratic entrepreneurship, specifically of the European Commission, the Community’s directorate—which features reciprocal “spillover effects” that produce “path-driven,” prefigured outcomes—is the motor of the integration process. Moravcsik challenges this approach with one that relates progress toward integration to successful bargains between national states acting, stage by stage, to adapt to economic change in a Pareto-positive manner. He views the integration process as something open-ended and economic in origin, a process that is both institutionalized and advanced politically by means of enforceable diplomatic agreements. The evidence presented in *The Choice for Europe* points unswervingly to the conclusion that no other theory is consistent with the historical record. The text is replete with examples of how explanations that tie grand strategy to this great movement toward economic and political unification are often merely conjectural or can be linked only by means of tortured intellectual constructs to the actual process of formulating and implementing policy. Implicit in Moravcsik’s approach is the notion of integration as “liberalization made politically possible.” It is in this connection that he assigns interpretive significance to “geopolitics,” a term frequently used as polite shorthand for the German problem, and “technocratic entrepreneurship,” which serves in his account as a flag of convenience for *dirigisme*.

Moravcsik’s test case is apposite for a couple of reasons. First, it disposes of circumstantial arguments concerning “functionalism,” which is simply irrelevant to the matter at hand. The negotiations that led to the creation of the CAP took place between representatives of the six member states of the Community. The outcome was precisely the opposite of that sought by the Commission—which pressed for liberalization rather than a new system of price supports. And, of course, the Commission also lost out in the larger battle over the power, shape, and future of Community institutions, in which the controversies over CAP figured. The Community’s claws were cut, its roar was silenced, and a long hibernation would begin. Confederalism, not centralism, would be the rule for nearly twenty more years.

But there is another reason for the appositeness of the test case. De Gaulle presents a spectacular *Paradebeispiel*. If even this great visionary had to bow to electoral and material exigency, what, then, of lesser mortals? How could grand ideas have figured in their actions? Moravcsik could have built an equally solid case for interest over ideology by focusing on another prominent man of principle deeply involved in the negotiations for CAP, Ludwig von Erhard. Without Erhard’s intervention the deal might never have been concluded.

Erhard also had to appease a powerful national agricultural association. It was, after all, under the chancellorship of this presumably uncompromising advocate of open markets, as Moravcsik himself correctly points out in *The Choice for Europe*, that the Federal Republic of Germany's domestic price supports were raised to such extraordinary levels that French foodstuffs could flood West German markets without reducing farm incomes. If, however, Moravcsik wanted to have an impact when writing this article, one surely could not quibble with his choice of the elegant, histrionic leader of France over the unhappy, underrated, complex, roly-poly, short-term West German chancellor. Whether Erhard or de Gaulle, the point nevertheless stands: In national policy—at least regarding the issue at hand—economic interest trumped ideological preference.

Moravcsik is careful not to overdraw his portrait. He does not claim that grand ideas were unimportant in overall French foreign policy, but merely that, for electoral reasons, in the case of CAP de Gaulle could not pursue those ideas until French agriculture had been appeased. To underscore the point, Moravcsik draws on the memoirs of Alain Peyrefitte to show that the *marquees* of Gaullist policy—the successive Fouchet Plans for councils of European heads of state powerful enough to override the Commission—had a distinctly secondary role. Their purpose was to “seduce” the public into accepting the high-mindedness of French Europeanism until the CAP bargain had been sealed. Once the goal was reached, the Fouchet Plans went straight to the files. From this example, however, Moravcsik does not, however, conclude from this example that material interests necessarily influenced decision making in other broad foreign policy questions of the era: the North Atlantic Treaty Organization (NATO), relations with the Soviet Unions, *francophonisme*, and so forth.

Moravcsik's subject is, after all, the integration of Europe, and his overarching goal is to demonstrate the validity of his “liberal inter-governmentalist” approach. His theory rests partly on evidence of continuities and partly on that of linkages. With regard to French agriculture, he shows that de Gaulle faced the same problems and arrived at the same solutions as did the politicians of the Fourth Republic. As for linkages, only a couple of the more crucial of those that Moravcsik discusses can be cited in the space available here. He demonstrates, for instance, that neither a persistent “Anglophobia” nor a fit of pique triggered by the U.S.-British missile deal signed at the December 1962 meeting between John Kennedy and Harold Macmillan “caused” de Gaulle to turn down Britain's bid to enter the EEC in January 1963. Moravcsik shows that de Gaulle's decision was actually made prior to the island get-together, and he reasons that it stemmed from a

realistic expectation that Britain, with its small and competitive farm sector, would eventually refuse to subsidize the CAP bargain.

Moravcsik further cites a number of specific instances in which the vaunted Gaullist friendship with the Federal Republic of Germany turned on a continued willingness by Bonn to accept food exports from France. Finally, he argues that the “empty chair” policy made good sense from the French standpoint: De Gaulle believed the Community was essential to solving the problem of French agricultural surpluses, but he wanted to deprive it of the ability to tamper with the CAP settlement. Gaullism was, in Moravcsik’s view, anything but a reckless policy of national economic egoism. Along with the workings of the new institutional machinery of the Fifth Republic, it enabled France to achieve crucial, long-frustrated economic aims. The General succeeded where those before him had failed.

The CAP was undoubtedly a good deal for French farmers, as well as for the beleaguered French taxpayer. But was it necessary or desirable for Europe? And how important was it as a step toward economic and political union? Less, perhaps, than one might imagine. Moravcsik suggests, somewhat offhandedly, that the CAP was not as important in this respect as a packet of French measures pushed through in 1958, among which were the franc devaluation and convertibility, fiscal reform, and an austerity budget. Taken as a whole, they soon made French industry cost-competitive, enabled France to enter the economic union, and, contrary to expectations, induced the French to take the initiative in speeding up the timetable for the creation of a single customs area.

According to Moravcsik, de Gaulle initially hoped that exposure to European competition would have a similarly modernizing influence on French agriculture. The power of the farm lobby made this impossible; Euro-protection rather than liberalization was the result. The CAP deal may well have provided bonds needed to hold the Community together at a crucial juncture, yet its huge and uncontrollable costs would soon take the Community’s budget captive, stifle its development, and foreclose growth options. Should the CAP in fact be regarded as a marker in the integration process? Might it instead have amounted to a detour or even a retreat?

Whatever the answer, the CAP is not particularly suitable as a test case for Moravcsik’s liberal intergovernmentalist approach. The driving force behind European integration has been, as he repeatedly reminds the reader, not political at all, but economic. Integration arose from the impact of changes in world markets on the European economy, which led to an “explosion of world trade” after World War II and over time the “globalization” of today. These economic pressures, he adds, do not result in predictable outcomes; rather, integration develops out of the interstate bargaining process.

Moravcsik's article and book examine five critical episodes in the history of integration: the Treaty of Rome, the CAP, the European Monetary System, the Single European Act, and the Treaty on European Unity signed at Maastricht. This list, one must first note, might well have been headed by the Schuman Plan of 1950 and the European Coal and Steel Community founded a year later. It was then that European integration began, and it was about that time that the theory of "functionalism" gained prevalence. Though unequivocally the result of a bargain between European states—albeit with the United States an ever-present influence on the negotiations—this deal had no important antecedents in market competition and few near-term economic consequences. Instead, as has often been pointed out, the Schuman plan provided a diplomatic breakthrough that led to an epochal reconciliation of France and West Germany, on which subsequent progress toward integration has rested. Although, as Moravcsik demonstrates, little in the written record indicates that progress toward integration involved successive European attempts to "contain" the Federal Republic of Germany economically or politically, he recognizes that the German problem still lurked in the shadows of European negotiations. His account would nonetheless have benefited from an attempt to assess this issue's changing importance over time.

The above remarks aside, the relevance of the CAP to Moravcsik's case for "liberal intergovernmentalism" needs to be taken up once again. Four of the five episodes he considers in his article and book involve commercial, financial, and monetary mechanisms created to facilitate and promote the flow of goods and services by opening markets. Each of them arose as a response to a particular economic challenge: to capture economies of scale in the late 1950s; to end the debilitating and inflationary monetary turbulence following the breakdown of the Bretton Woods system in the early 1970s; to eliminate the paralyzing spread of non-tariff barriers to the free circulation of labor, capital, and goods toward the end of the 1970s; and thereafter to impose sound fiscal and monetary policy as a prelude to the introduction of a monetary union. Moravcsik provides little evidence that interest group pressures played important roles in these issues and leaves largely unexamined the process by which economic cause became political effect.

In his article and, more broadly, in his book, Moravcsik provides compelling evidence that interpretations based on technological entrepreneurship are of limited relevance to the formation and implementation of integration policy, that the theory of functionalism in its various permutations obscures as much as it explains, and that detection of "geopolitical" influence requires a closer reading of goat entrails than of texts. What he calls "liberal intergovernmentalism" surely is better than the other approaches in describ-

ing the mechanism that advances the integration process. One can only query whether the creation of the CAP belongs to the story. Even though it was a necessary political bargain, its consequences were illiberal. Perhaps the list of integration failures should include false starters as well as non-starters like the European Defense Community.

Moravcsik has provided a powerful demonstration that (assuming the Coal and Steel Community created the necessary political prerequisites) the process of European integration was largely economic in origin. Yet he has little to say about the market process itself. A door has been opened for future scholars. Let us hope that some will want to pass through it.