



# **The F-word in European Politics**

Federalism and Democracy

Freyja Steingrímsdóttir

**Lokaverkefni til BA-gráðu í stjórnmálafræði**

**Félagsvísindasvið**



**HÁSKÓLI ÍSLANDS**

**The F-word in European Politics**  
***Federalism and Democracy***

Freyja Steingrímsdóttir

Lokaverkefni til BA-gráðu í stjórnmálafræði

Leiðbeinandi: Maximilian Conrad

Stjórnmálafræðideild

Félagsvísindasvið Háskóla Íslands

Júní 2012

Ritgerð þessi er lokaverkefni til BA-gráðu í stjórnmálafræði og er óheimilt að afrita ritgerðina á nokkurn hátt nema með leyfi rétthafa.

© Freyja Steingrímsdóttir 2012

Reykjavík, Ísland 2012

## Útdráttur

Ýmis atburðarás og þróun stjórnmála hefur leitt til aukins áhuga á möguleikum endurskipulagningar í anda sambandsríkjastefnu til lausnar á stjórnmálatengdum vandamálum víðsvegar um heiminn. Evrópa er þar engin undantekning en fjöldamargir stjórnmálamenn, fræðimenn og aðgerðasinnar hafa bent á slíkar lausnir á þrautum Evrópu allt frá upphafi Evrópusamfélagsins. Svo virðist þó sem hugtakið sambandsríkjastefna hafi hlotið neikvæða merkingu í hugum margra, en færð verða rök fyrir því að það byggi á misskilningi um hvað hugtakið raunverulega felur í sér. Höfuðmarkmið þessarar ritgerðar er að varpa ljósi á tengslin á milli sambandsríkjastefnu og lýðræðis í framkvæmd, í samhengi við Evrópusambandið. Rannsóknarspurningin sem hér er lögð til grundvallar snýr að því *hvaða áhrif endurskipulagning í anda sambandsríkjastefnu myndi hafa á hinn meinta lýðræðishalla Evrópusambandsins*. Fræðilegur rammi er tengir saman hugtökin sambandsríkjastefnu og ríkjasamband markar upphaf ritgerðarinnar. Þar á eftir verður reynt að varpa ljósi á það hvers konar uppbygging gæti falist í evrópsku sambandsríki. Að lokum verða kenningar um lýðræðishalla Evrópusambandsins kynntar til sögunnar og greindar. Niðurstöður benda til þess að endurskipulagning í anda sambandsríkjastefnunnar gæti reynst áhrifarík þegar til að draga úr lýðræðishalla Evrópusambandsins.

## **Abstract**

Political events worldwide have renewed interest in federal reorganization as a means of resolving political problems. Europe is no exception. An assortment of politicians, academics and activists has pointed out federal solutions to Europe's problems since the advent of the European Community. But the word federalism has, for many others, become a taboo, which I argue is due to a misunderstanding of federal ideas and values. The main aim of this dissertation is to illuminate the connection between the realization of federalism theories and democracy in the European context. A research question is laid out asking *what impact a federal reorganization would have on the presumed democratic deficit in the European Union?* A theoretical framework discussing the terms federalism and federation is presented and put in context with the European Union. Thereafter the kind of political architecture entailed in a federal union of Europe will be discerned. Finally an analysis of the current theories concerning the EU's democratic deficit will be presented. It is argued that a federal reconstruction could effectively diminish the democratic deficit in the European Union.

## **Formáli**

Ritgerð þessi er lokaverkefni mitt til BA prófs í stjórnmálafræði við Háskóla Íslands. Hún er metin til 12 eininga (ECTS) af 180 eininga námi í stjórnmálafræði. Leiðbeinandi minn var Maximilian Conrad. Honum vil ég þakka fyrir gríðarlega góða leiðsögn, sérfræðipækkingu og gott samstarf. Einnig vil ég þakka Garðari Þóri Þorkellssyni og Viktori Orra Valgarðssyni fyrir nauðsynlega sáluhjálp á meðan skrifin stóðu yfir sem og Vilhjálmi Ólafssyni fyrir ótæmandi þolinmæði.

## Table of Contents

<b>Útdráttur .....</b>	<b>3</b>
<b>Abstract.....</b>	<b>4</b>
<b>1 Introduction .....</b>	<b>7</b>
<b>2 Theoretical Framework.....</b>	<b>9</b>
2.1 The Theory of Federalism .....	9
2.2 Federalism and Federation .....	11
2.3 Federalism in the European Context .....	14
2.4 Federalism in Practice .....	16
<b>3 A Federal Union? .....</b>	<b>19</b>
3.1 Federal Features of the EU.....	20
3.2 Federal Reorganization .....	26
3.3 The Small State Angle.....	31
<b>4 Federal Reorganization of Europe and Democracy .....</b>	<b>34</b>
4.1 Federalism and Democracy.....	34
4.2 Europe's Democratic Deficit .....	36
4.3 Federal Reorganization and the Democratic Deficit .....	42
<b>5 Conclusion.....</b>	<b>45</b>
<b>Bibliography .....</b>	<b>51</b>

# 1 Introduction

In 1946, Sir Winston Churchill called for a “United States of Europe” believing, like many others, that Europe had to unite to avoid potentially destructive wars in the future.<sup>1</sup> Only a few years later Robert Schuman outlined a plan to commence gradually building a peaceful, united Europe. This plan would eventually lead to the realization that the foundation of a European federation was indispensable to the preservation of peace and harmony in Europe.<sup>2</sup> These two great men were not the first, nor the last, to call for a federal reorganization of Europe. This has been a theme throughout the development of Europe in the 20<sup>th</sup> century and up to the present day. Various politicians, academics and activists have called attention to federal solutions to Europe’s problems since the beginning of the European Community. A federalist approach to European politics has undergone somewhat of a revival in recent years.<sup>3</sup> In particular, the Euro crisis has reinvigorated federalist arguments as well, especially in context with fiscal policy. The word federalism has, for many others, become a taboo or even something alarming or offensive. It seems as though some are more afraid of the term federalism itself than the actual institutional design that it would or could entail in the context of the European Union (EU) today. These troubling times in Europe emphasize the importance of a thorough evaluation of possible federal reconstruction in the European Union.

Although the word, federalism, has gained a somewhat negative reputation it’s important to avoid dismissing it, when Europe’s problems are discussed. Europe is facing one of the biggest crises since the foundation of the European Coal and Steel Community and federalism could have much more to offer in this respect than its critics are willing to admit. This flawed understanding of what a federal political system would, or could, actually be limits the organizational solutions available to some of Europe’s most prevalent predicaments. The topic of discussion that has been introduced here, the possible impact of federal reorganization on the European Union, is too wide to research adequately in a single undergraduate dissertation, but it is a very interesting as well as important topic for further

---

<sup>1</sup> Brent F. Nelsen and Alexander Stubb, *The European Union: Readings on the Theory and Practice of European Integration*, 3<sup>rd</sup> ed. (Boulder: Rienner, 2003), 7.

<sup>2</sup> Nelson and Stubb, 14.

<sup>3</sup> David Benson and Andrew Jordan, “Understanding task allocation in the European Union: Exploring the value of federal theory,” *Journal of European Public Policy* 15 (2008): 78.



examination. The main objective of this paper will be to answer the narrower question; "What impact would a federal reorganization have on the presumed democratic deficit in the EU?" This question's treatment will be threefold. Firstly it entails examination of the conceptual meaning of federalism. Secondly there is a need to answer what federal reorganization would mean in the European context and thirdly an assessment of the alleged democratic deficit will be made. In order to explore the topic, I utilize existing academic research on federalism, federations, European institutions and democracy. It is crucial to examine these concepts thoroughly to gain a clear understanding of the impact of a federal reorganization on EU democracy. Although, these are not new fields of research, the connections between a federal Europe and EU democracy, made in this dissertation, have not been researched exhaustively to the best of my knowledge. In the following pages the concept of federalism, federations, the development of EU institutions and democracy – or lack thereof – will be examined.

To best approach this topic, we will begin by establishing theoretical as well as the practical framework of federalism in context with the EU. Thereafter it is important to investigate the institutional architecture as well as examine the federal features of EU today, and appraise what would have to be reorganized for the Union to become a full-fledged federation. In addition I will examine how small states could possibly benefit from a strong or quasi-federal organization of Europe. Since such states are often considerably overrepresented in such systems, I will argue that they're likely to gain advantage from a federal arrangement. In the third part I will focus on the relationship between federalism and democracy; EU democracy in theory and practice examined, and, from this discussion, I will conclude that there is indeed a democratic deficit in the political architecture of the EU. Following this the possible democratic benefits of a federal Europe will be discussed in the theoretical context of constitutional patriotism. I will argue for federal reorganization as a tool for strengthening EU democracy – rather than, as the majority of political actors suggest, diminishing it. Finally I present my findings in the Conclusion.

## 2 Theoretical Framework

### 2.1 The Theory of Federalism

The history of federalism stretches back centuries.<sup>4</sup> Federalist theory arose from criticism of narrow conceptions of state, power and sovereignty but these conceptions dominated discourse in the late 15<sup>th</sup> century and throughout the 16<sup>th</sup> century leading up to The Westphalian Peace Treaty in 1648.<sup>5</sup> The contemporary federalist idea arose in the 17<sup>th</sup> century with the intellectual contribution of the German Calvinist, Johannes Althusius.<sup>6</sup> Althusius argued for the separation of powers of his local and provincial authorities and challenged the idea of supreme or perpetual sovereignty.<sup>7, 8</sup> Althusius's objections to the supremacy of state sovereignty were set aside and with the Westphalian Peace Treaty in 1648 the idea was firmly established and the modern state system brought forth.<sup>9</sup> However, Althusius was not the last to object to this understanding, federal ideas were here to stay. In the late 18<sup>th</sup> century *The Federalist Papers* were published, which contained no less than 85 essays regarding a federal constitution of the United States. The Federalist Papers, arguably one of the most important documents of modern federalism, drew heavily upon an older European tradition, especially on Althusius's contributions and the writings of the political thinker Charles Montesquieu.<sup>10</sup> Since Althusius's contribution, federal theorists and theories have been as numerous as they have been diverse and have persisted until this day.

Federal theory has therefore been a constant in political thought for centuries, but what exactly is federalism? The word federalism derives from the Latin root *foedus*, which means agreement, bargain or contract. It also derives from *fides*, which means faith or trust.<sup>11, 12</sup> This might seem like a trivial language lesson to some but, arguably, it contributes

---

<sup>4</sup> Micheal Burgess, *Federalism and European Union: the building of Europe 1950-2000* (London: Routledge, 2009), 9.

<sup>5</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 4.

<sup>6</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 4.

<sup>7</sup> Stephen Kaufman, *Federalism Combines Autonomy with Unity in Democracies* (Lanham: Federal Information & News Dispatch Inc., 2006), <http://search.proquest.com/docview/189990729?accountid=135943> (accessed 14. March 2012).

<sup>8</sup> Thomas Hueglin, "Federalism at the Crossroads: Old Meanings, New Significance," *Canadian Journal of Political Science* 36 (2003): 276-278, <http://search.proquest.com/docview/204489930?accountid=135943> (accessed 15. March 2012).

<sup>9</sup> Hueglin, 278.

<sup>10</sup> Hueglin, 276-77.

<sup>11</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 13.

to the understanding of federalism theory. In simple terms federalism refers to the “joining of people, groups and polities in unions, without them surrendering their identities.”<sup>13</sup> Livingston defined federalism in terms of power sharing between central and regional units that are endowed with certain functions and powers that one cannot be deprived of by the other.<sup>14</sup> Elazar, one of the most famous federal thinkers, referred to federalism as the combination of shared rule and of self-rule as an ordination where two or more polities find it requisite and desirable to live within a constitutional framework of sorts that will allow them to hold on to their diversity while securing stability and peace through power-sharing where it is necessary.<sup>15</sup> Hence it is fitting to look back to the Latin origin that suggests an arrangement or contract of sorts as well as trust, which seems to comprise the fundamental basis of federalism. Therefore federalism is a normative standard or a normative theoretical framework for a political arrangement and mutual trust of polities or regions. It draws attention to a political principle or ideal as well as to how power within a territory should be conducted as well as organized.<sup>16</sup>

The federalist idea is epitomized by in the slogan “Unity in Diversity,” the focus of most federalist theories seems to be on securing diversity, preserving plurality of identities while committing to power sharing in a stable political union.<sup>17</sup> Federalism has even been described as the political philosophy of this motto.<sup>18</sup> This classical understanding of federalism subsequently provides the basis for more modern federalism theories like competitive, cooperative and environmental federalism as well as popular topic of fiscal federalism. In recent times federalism has been used as a theoretical approach to explain the integration of societies, especially in the European case, and to decipher its endpoint in more normative terms.<sup>19</sup>

---

<sup>12</sup> Preston King, *Federalism and Federation* (London: Croom Helm Ltd., 1982), 56.

<sup>13</sup> Benson and Jordan, “Understanding task allocation in the European Union: Exploring the value of federal theory,” 80.

<sup>14</sup> William S. Livingston, “A Note on the Nature of Federalism,” *Political Science Quarterly* 67 (1952): 81.

<sup>15</sup> Daniel J. Elazar, preface in *Two Peoples one Land: Federal Solutions for Isreal, The Palestinians and Jordan*, author Daniel J. Elazar (University Press of America, 1991).

<sup>16</sup> King, 76.

<sup>17</sup> Hueglin, 282.

<sup>18</sup> King, 20.

<sup>19</sup> David Benson and Andrew Jordan, “Exploring the Tool-kit of European Integration Theory: What role for Cooperative Federalism,” *Journal of European Integration* 33 (2011): 1.

## 2.2 Federalism and Federation

Although federalism theories seem to agree that there should be some kind of political arrangement and power sharing of plural identities there is some ambiguity when it comes to the details of exactly how this arrangement should be. Burgess concludes, “When the federal idea coincides with reality it has the possibility to be translated into practical action.”<sup>20</sup> But how well has federalism theory been translated into political realities? Where does the practical importance of federalism lie?

It is important to distinguish between federalism and federation. Preston King was the first to note this distinction.<sup>21</sup> For some, such as King, federalism is a normative concept that advocates certain federal principles, whereas federation is one of the practical, institutional realities of these principles.<sup>22</sup> King describes federations as an institutional arrangement where distinct powers are allocated to distinct regional and national components of government within a new sovereign whole.<sup>23</sup> Although many equate between federalism and federation, there is a clear distinction.<sup>24</sup> Since federation is just one variant of federalism, it is more appropriate to speak of federal political systems rather than federations in some cases.<sup>25</sup> Federalism does not necessarily always take an institutional form, there can be federalism without federation – but there can be no federation without some corresponding variety of federalism.<sup>26</sup> There is a range of models other than federations that can be branded as federal political systems but for the purposes of this paper they are perhaps unimportant. In *The Federalist Papers*, Alexander Hamilton described his idea of a federal America, a kind of federal political system, as:

“An assemblage of societies,” or an association of two or more states into one state. The extent, modifications, and objects of the federal authority are mere matters of discretion. So long as the separate organization of the members not be abolished; so long as it exists, by a constitutional necessity, for local purposes; though it should be in

---

<sup>20</sup> Micheal Burgess, introduction in *Federalism and European Union: the building of Europe 1950-2000*, author Micheal Burgess (London: Routledge, 2000).

<sup>21</sup> King, 76.

<sup>22</sup> King, 76-79.

<sup>23</sup> King, 89.

<sup>24</sup> King, 76.

<sup>25</sup> Ronald L. Watts, “Models of federal power sharing,” *International Social Science Journal* 53 (2002): 24.

<sup>26</sup> King, 76.

perfect subordination to the general authority of the union, it would still be, in fact and in theory, an association of states.”<sup>27</sup>

*The Federalist Papers* became the basis for the federal constitution of the United States. Thanks to the academic and political actors who supported federal ideas espoused in *The Federalist papers*, The United States was able to become arguably the most successful federation of modern times.<sup>28</sup> The German Confederation (*Deutscher Bund*) was founded in 1815 for economic as well as security reasons although it underwent some drastic changes with the introduction of the Weimar Constitution in 1919 and now bears the name “The Federal Republic of Germany” (*Bundesrepublik*).<sup>29</sup> Other examples of federal states include Canada, Mexico, Switzerland and Belgium.<sup>30</sup> Federalism has thus provided inspiration for dozens of political systems and federal ideas continue to spark lively debates in an even greater number of countries.

Federalism has become an important part of the theoretical discourse on the organization and structure of the state as well as interstate relations.<sup>31</sup> In recent times federalism has evolved into a political practice; it has been used as a means of organizing the sharing of powers at different levels of governance.<sup>32</sup> A growing number of people are coming to see some federalism as the best institutional answer to the multinational, global reality of the modern world.<sup>33</sup> In various parts of the world federalism has been undergoing a re-evaluation – in many societies marked by deep-rooted linguistic, cultural and ethnic divisions, discourse on federal organization of the political world has surged to the forefront.<sup>34</sup> The analysis of federal political systems brings forth an image of large populations, panoptic territories and territorially based linguistic atomization.<sup>35</sup> The high-

---

<sup>27</sup> Alexander Hamilton, The Federalist #9 in *The Federalist Papers*, [http://thomas.loc.gov/home/histdox/fed\\_09.html](http://thomas.loc.gov/home/histdox/fed_09.html) (accessed 1. April 2012).

<sup>28</sup> Larry Catá Backer, “Restraining Power from Below: The Europeans Constitutions Text and the Effectiveness of Protection of Member State Power within the EU Framework,” *RSSN Working Paper* (2004), 1. <http://search.proquest.com/docview/189887723?accountid=28822> (accessed 16. March 2012).

<sup>29</sup> Wolfgang Renzsch, “German Federalism in Historical Perspective: Federalism as a substitute for a National State,” *Publius The Journal of Federalism* 19 (1989): 18.

<sup>30</sup> Government of Canada Privy Council Office, “Interactive Map of the Federations of the World,” (2009), <http://www.pco-bcp.gc.ca/aia/index.asp?lang=eng&page=world-monde> (accessed 20. March 2012).

<sup>31</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 23.

<sup>32</sup> Benson and Jordan, “Exploring the Tool-kit of European Integration Theory: What role for Cooperative Federalism,” 1.

<sup>33</sup> Ronald L. Watts, “Federalism, Federal Political Systems, and Federations,” *Annual Review of Political Science* 1 (1998): 118.

<sup>34</sup> Watts, “Federalism, Federal Political Systems, and Federations,” 118.

<sup>35</sup> Alfred Stepan, “Federalism and Democracy: Beyond the U.S. Model,” *Journal of Democracy* 10 (1999): 19, <http://www.catedras.fsoc.uba.ar/deluca/Stepan.htm>, (accessed 21. March 2012).

scorers on the index of linguistic and ethnic diversity – India, Canada, Belgium, Spain, Switzerland and the United States – are all federal states.<sup>36</sup>

There are some institutional implications when it comes to federalism, namely in the context, as mentioned above, of the division and organization of power. The idea of power sharing has been a very important part of federalism, there have been many federal theoretical contributions concerning how and why tasks are or should be allocated between political actors and levels.<sup>37</sup> The structure of federal decision-making bodies as well as organization of communication and cooperation between the federal power and its constituents can be challenging. Mature federations seem to have a relatively transparent demarcation of power between different levels of government.<sup>38</sup> Federal organization of power combines a shared government, which has specified central purposes, with sovereign action by constituent components of government that still maintain their diversity and identity.<sup>39</sup> As stipulated by its constitution, each unit possesses powers that are delegated to it through its populace by direct elections, by means of constitution.<sup>40</sup> The purpose of a federal political system is not to eradicate diversity but to reconcile diverse identities and manage them in a central polity – as federalism applies in normative terms.<sup>41</sup> The realization of federalism is thus a way of mediating an assortment of local as well as global citizen inclinations and needs through different levels of government in an ever globalizing world order.<sup>42</sup> Federation is the institutionalization of a compromise between autonomy and unity, established and subsequently protected by a federal constitution.<sup>43</sup>

Federations have some common, defining characteristics; the most prominent being that neither the federal nor the constituent components of government are constitutionally inferior to the other.<sup>44</sup> In section 2.4. some examples will be drawn up to further illuminate the institutional structuring of federations.

---

<sup>36</sup> Stephan, *Federalism and Democracy: Beyond the U.S. Model*, *Journal of Democracy*, 20.

<sup>37</sup> Benson and Jordan, "Understanding task allocation in the European Union: Exploring the value of federal theory," 80.

<sup>38</sup> David E. Wildasin, "The Institutions of Federalism: Towards an Analytical Framework," *National Tax Journal* 57 (2004): 247.

<sup>39</sup> Watts, "Federalism, Federal Political Systems, and Federations," 118.

<sup>40</sup> Watts, "Federalism, Federal Political Systems, and Federations," 120-121.

<sup>41</sup> Watts, "Models of federal power sharing," 23.

<sup>42</sup> Watts, "Models of federal power sharing," 24.

<sup>43</sup> Jennifer Smith, *Federalism*, (Canada: The Canadian Democratic Audit, 2004), 25.

<sup>44</sup> Watts, "Models of federal power sharing," 27.

## 2.3 Federalism in the European Context

It should be clear by now that federalism is not a very threatening concept if its origins are properly traced, its meaning correctly understood and its practical implications examined. If that is the case, why does the word strike such fear into the hearts of even the best informed spectators of EU progression? Why has it become such a taboo that many now refer to it as the “F-word” in European politics?<sup>45, 46</sup> Those who are skeptical of federalism seem to perceive it as a grave threat to national sovereignty<sup>47</sup>, this might have something to do with the image of already established, mature federations like the U.S.,<sup>48</sup> but the theory itself isn’t really descriptive of the dominating, centralized state that skeptics appear to have in mind,<sup>49</sup> as was explained above. Federalism has many implications and there is always room for some imagination, of which there seems to have been no shortage of when it comes to theorizing about a possible federal future of Europe.

Federalism is one of the primary theories of EU integration and significantly shaped the ideas of its founding fathers, although its popularity waned in the wake of neo-functionalism and later intergovernmentalism.<sup>50</sup> Through the history of the European Community federalism has been prominent and federalists have struggled for years to push the EU in a more federal direction.<sup>51</sup>

European federalism gained a great deal of support within various Resistance movements during the Second World War.<sup>52</sup> The European Union of Federalists (EUF) came into being in 1946 out of these movements with the Italian Altiero Spinelli as its leading

---

<sup>45</sup> The New York Times, “European Bankers Urge Leaders to Move Quickly on Debt Crisis,” *neworktimes.com*, 5. September 2011. <http://www.nytimes.com/2011/09/06/business/global/euro-zone-leaders-get-warning-from-ecb.html> (accessed 23. March 2012).

<sup>46</sup> Desmond Dinan, *Ever Closer Union: An Introduction to European Integration*, 4<sup>th</sup> ed. (London: Palgrave Macmillan, 2010), 93.

<sup>47</sup> The New York Times, “European Bankers Urge Leaders to Move Quickly on Debt Crisis.”

<sup>48</sup> Alfred Stephan, “Towards a new comparative Politics of Federalism, Multinationalism, and Democracy: Beyond Rikerian Federalism.” In *Federalism and Democracy in Latin America*. Ed. Edward L. Gibson (Baltimore: The John Hopkins University Press, 2004), 57-59.

<sup>49</sup> Ewen MacAskill, “Fischer in the Eurosceptics Den,” *The Guardian*, 25. January 2001. <http://search.proquest.com/docview/245625894?accountid=28822> (accessed April 19, 2012).

<sup>50</sup> Benson and Jordan, “Exploring the Tool-kit of European Integration Theory: What role for Cooperative Federalism,” 2.

<sup>51</sup> Micheal Burgess, introduction in *Federalism and European Union: the building of Europe 1950-2000*.

<sup>52</sup> Ian Bache, Stephen George and Simon Bulmer, *Politics in the European Union*, 3<sup>rd</sup> ed. (New York: Oxford University Press, 2011), 6.

man.<sup>53</sup> Spinelli created the Ventotote Manifesto in 1941, wherein he expressed his federalist vision for Europe. His motivation was a new kind of Europe compiled of individual units that relinquished part of their autonomy to collective democratic institutions.<sup>54</sup> Spinelli's vision was not just philosophical exercise, but a concrete goal, that he and his federalist collaborators worked vigorously towards, within as well as beyond the institutions of the European Coal and Steel Community (ESCS) that later developed into the European Union.<sup>55</sup> Although federalism received favorable responses in the ruins of the Second World War its popularity dwindled with the re-establishment of the national political systems. As it became clear that ideas of a European Federation would not be predominant in the rebuilding of Europe, the European federalist approach became more gradual, but was never completely quelled.<sup>56</sup> One of the main objectives in the Treaties of Rome in 1957 was to "lay the foundations of an ever closer union among the peoples of Europe," which had definite federal underpinnings.<sup>57</sup> Every Treaty since has furthered integration in some way, represented moves towards deeper integration.<sup>58</sup>

In recent years there has been a great deal of talk on widening and deepening integration of the European Union even further, which in turn has led to a tremendous body of literature on the subject of federalism.<sup>59</sup> A network of European institutions exists, which consists of political parties, innumerable interests groups and an assortment of professional bodies that advance the federal cause in a variety of ways.<sup>60</sup> Of course, many member states of the EU – Belgium, Germany, Austria and Spain for example - are federal political systems, so it is not too strange that ideas connected to federalism often arise in the context of EU structure and cooperation.<sup>61</sup>

---

<sup>53</sup> Bache, Bulmer and George, 6.

<sup>54</sup> Nelsen and Stubb, 91.

<sup>55</sup> Nelson and Stubb, 91.

<sup>56</sup> Bache, Bulmer and George, 6.

<sup>57</sup> Europa – Summaries of EU Legislation, "Treaty Establishing the European Economic Community," 26. October 2010. [http://europa.eu/legislation\\_summaries/institutional\\_affairs/treaties/treaties\\_eec\\_en.htm](http://europa.eu/legislation_summaries/institutional_affairs/treaties/treaties_eec_en.htm) (accessed 26. March 2012).

<sup>58</sup> Bache, Bulmer and George, 159-211.

<sup>59</sup> Watts, "Federalism, Federal Political Systems, and Federations," 118.

<sup>60</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 273.

<sup>61</sup> European Union, "Countries," [http://europa.eu/about-eu/countries/index\\_en.htm](http://europa.eu/about-eu/countries/index_en.htm) (accessed, 26. March 2012).



Federalism theory has been used as a tool to compare the European Union with federal political systems for decades as well as a device for reanalyzing and reinterpreting past and modern processes of EU integration, especially decision-making procedures.<sup>62</sup> It underwent a renaissance of sorts in the 2000s because of its similarities with the recently popular multi-level governance approaches.<sup>63</sup> Hence there appears to have been a continual reference to federalism throughout the history of Europe and federalism has undoubtedly affected the historical development of the EU. In section 3 the federal features of the EU will be examined more attentively.

## 2.4 Federalism in Practice

Although federations have some similar characteristics it's important to note that they can also differ from each other when it comes to institutional design. As was mentioned above, political federal structures seem to have some characteristics in common. Here below some common features of federations will be drawn up and illuminated by providing examples from Germany and the United States.

Federal structures usually have at least two levels of government working on the behalf of their citizens, usually in the form of bicameral legislature.<sup>64</sup> The United States is no exception to this, its Congress is split up into two parliamentary chambers, The House of Representatives, in which representatives are in proportion with states population, and the Senate in which each state has two representatives.<sup>65</sup> In Germany the system is similar but somewhat different. The German bicameral legislature comprises of the *Bundesrat*, which represents the sixteen component state-level governments – the *Länder* – and of the federal *Bundestag*, which comprises of directly voted national representatives.<sup>66</sup> The *Länder* represented in the *Bundesrat* can veto federal legislation and they alone can implement federal law. The *Länder* thus have limited power over legislation but a large amount of

---

<sup>62</sup> Benson and Jordan, "Understanding task allocation in the European Union: Exploring the value of federal theory," 81.

<sup>63</sup> Benson and Andrew Jordan, "Exploring the Tool-kit of European Integration Theory: What role for Cooperative Federalism," 2.

<sup>64</sup> Watts, "Models of federal power sharing," 28.

<sup>65</sup> Richard S. Katz, *Political Institution in the United States* (New York: Oxford University Press, 2007), 142.

<sup>66</sup> Micheal Laver and Peter Mair, *Representative Government in Modern Europe: Institutions, Parties and Governments*, 4<sup>th</sup> ed. (New York: McGraw Hill, 2006), 76-77.

power over implementation. This system entails the obligation of consultation among all levels of government before legislation can be passed and implemented.<sup>67</sup>

Another distinctive feature of federations is an official allocation of authority as well as resources.<sup>68</sup> Checks and balances of powers are critical both in the U.S. and in Germany. In the U.S. great effort has been made to balance power among and within the three branches of government, as well as among the federal government and the states and between states and regions.<sup>69</sup> The federal system in Germany mandates institutional checks and balances against a strong majoritarian federal government.<sup>70</sup> Germans have gone great lengths as well to secure power division and separation between component states and the federal authority. The two parliamentary chambers even share the electing of judges in the Federal Constitutional Court, the *Bundesrat* elects half while the *Bundestag* elects the remainder.<sup>71</sup> Germany is also famous for its fiscal federalism; in the form of robust revenue sharing system, which is a constitutionally mandated.<sup>72</sup> Therefore the Länder have practically no competences over, for example, their own taxation – although the Bundesrat has to approve the rules for revenue sharing.<sup>73</sup>

Another important feature of federations is a supreme constitution that no level of government can change by itself, a legal basis for the division of power and competences.<sup>74, 75</sup> The modern German system was laid out in 1949 in the constitutional document designated as the Basic Law. The German constitution is fairly extensive and very little is left up to interpretation.<sup>76</sup> German Chancellor Angela Merkel claims the Basic Law to

---

<sup>67</sup> Backer, 2.

<sup>68</sup> Watts, "Models of federal power sharing," 28.

<sup>69</sup> James Madison, The Federalist #51 in *The Federalist Papers*, <http://www.constitution.org/fed/federa51.htm> (accessed 2. April 2012).

<sup>70</sup> Ludger Helms, "Introduction." In *Institutions and Institutional Change in the Federal Republic of Germany* Ludger Helms ed. (Great Britain, Macmillan Press Ltd., 2000), 5.

<sup>71</sup> Basic Law for the Federal Republic of Germany, art. 94, <https://www.btg-bestellservice.de/pdf/80201000.pdf> (accessed 20. March 2012)..

<sup>72</sup> Gernard Lembrugh, "The Institutional Framework: Federalism and Decentralisation in Germany," *Comparing Public Sector Reform in Britain and Germany: Key traditions and trends of modernization 1* (2000): 97.

<sup>73</sup> Lembrugh, 97.

<sup>74</sup> Watts, "Models of federal power sharing," 28.

<sup>75</sup> Rudolf Hrbek, "(More) Federal Features for the EU?" *Intereconomics* 38 (2003): 179, <http://search.proquest.com/docview/211588205?accountid=28822> (accessed 19. April 2012).

<sup>76</sup> Basic Law for the Federal Republic of Germany, art. 94.

be one of the best Constitutions in the world.<sup>77</sup> To make changes to the Basic Law, two thirds of *Bundestag* members and two thirds of the votes of the *Bundesrat* are required, thus neither level of government can alter the document by itself.<sup>78</sup> Americans appear no less pleased with their Constitution than Germans. There are more ways to go about making amendments to the U.S. Constitution than the German one. The two houses can propose amendments with a majority of two thirds; the amendment then has to be ratified by three quarters of the member states. Two thirds of state legislatures can also propose amendments that then have to be ratified by three quarters of state legislatures.<sup>79</sup> In most, if not all, federations changes to the federal constitutions cannot be made flippantly and the process is often complicated.

A of court to resolve disputes that might come up between levels of government and to safeguard citizen rights is another important feature of federations.<sup>80</sup> In Germany this is the Federal Court of Justice (*Bundesgerichtshof*)<sup>81</sup> and in the United States the famous Supreme Court of Justice.<sup>82</sup>

Finally, federations all need some processes and institutions to smooth the progress of the collaboration of shared powers, which there seems to be no lack of in either federation.<sup>83</sup>

In the next section we will examine how well these structures and processes enumerated apply to the context of the European Union.

---

<sup>77</sup> Der Spiegel, "A German Referendum in Europe? Merkel Eyes Constitution Revamp to Boost EU Powers," *spiegel.de*, 14. November 2011. <http://www.spiegel.de/international/europe/0,1518,797584,00.html> (accessed 10. april 2012).

<sup>78</sup> Basic Law for the Federal Republic of Germany, art. 94.

<sup>79</sup> U.S constitution, art. V, [www.ratify.constitutioncenter.org/constitution/constitution.pdf](http://www.ratify.constitutioncenter.org/constitution/constitution.pdf) (accessed 20. March 2012).

<sup>80</sup> Watts, "Models of federal power sharing," 28.

<sup>81</sup> Das Bundesverfassungsgericht, "Die Organisation," <http://www.bundesverfassungsgericht.de/organisation/organisation.html> (accessed 10. April 2012).

<sup>82</sup> Supreme Court of the United States, "About the Supreme Court," <http://www.supremecourt.gov/about/about.aspx> (accessed 10. April 2012).

<sup>83</sup> Watts, "Models of federal power sharing," 28.

### 3 A Federal Union?

The EU was founded on the basis of peace and cooperation after devastating warfare. It has persisted for over half a century and has developed towards an astonishing point of sophistication and complexity.<sup>84</sup> What began as a simple agreement of cooperation and peace between six states has now evolved into a Union of roughly 500 million citizens, 27 member states, an intricate web of economic and political integration and highly structured institutions.<sup>85</sup> The core of the concept of the EU after 1945 was, and in many ways still is, the rejection of the European hegemonic balance-of-power principle that time and time again resulted in appalling wars, which climaxed in the two world wars. The rejection of this principle then took the form of closer interconnectedness of critical interests and the shift of focus from the rights of individual, sovereign nation-state's to those of supranational European institutions.<sup>86</sup> For many decades the EU has presented theorists with a difficult puzzle. The EU does not seem to fit neatly into any of the usual theoretical categories and has thus been construed in many dissimilar and competing ways from its formation. This conundrum continues to mystify political scientists and many have settled on the EU as a *sui-generis* or as Jacques Delors put it, an "unidentified political object."<sup>87</sup>

Theorists have tried to fit the EU into federal categories with varying results. Many have maintained that the EU can be understood using federalist concepts and frameworks. The actual federal nature of the EU is, however, contestable. Federal theorists tend to see EU integration as a multi-level, polity-forming process - which can be directly compared with more fully federated political systems.<sup>88</sup> Others, especially the intergovernmental school of thought, are more skeptical in this regard and do not consider the EU to be much more than an intergovernmental organization dominated by national interests.<sup>89</sup>

---

<sup>84</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 254.

<sup>85</sup> European Union, "Basic Information on the European Union," [http://europa.eu/about-eu/basic-information/index\\_en.htm](http://europa.eu/about-eu/basic-information/index_en.htm) (accessed 11. April 2012).

<sup>86</sup> Joschka Fischer, "From Confederacy to Federation: Thoughts on the Finality of European Integration," Speech on the ultimate objective of European integration, Humboldt University Berlin 12. May 2000.

<sup>87</sup> Phillipe Schmitter, "Democracy in Europe and Europe's Democratization," *Journal of Democracy* 14 (2003): 74.

<sup>88</sup> Benson and Jordan, "Exploring the Tool-kit of European Integration Theory: What role for Cooperative Federalism," 79.

<sup>89</sup> Bache Bulmer and George, 13.

Although the EU seems to contain some features of a federal nature, the word federalism has become a sort of taboo when it comes to discussing European processes as mentioned above. The idea of a federal Europe, regardless of how decentralized, is unwelcome to most Europeans.<sup>90</sup> But how can it be that an innocent word like federalism strikes such fear into the hearts of even the best informed observers of EU development? Many political actors feel, or rather fear, that the unavoidable end-point of European integration will be a European Federation.<sup>91</sup> This fear is largely based on the misunderstanding of what federal political structures entail. The negative discourse revolving around federalism seems to involve the implication that a federal Union would mean a tremendously powerful, centralized core that would eventually be the bane of European diversity and egalitarian cooperation. This discourse often exaggerates the threat that the EU poses to national sovereignty, identity, interests and independence.<sup>92</sup> Federalism does not only represent an argument for centralization where it is desirable, as its critics seem to believe but also a strong argument for decentralization where it is possible and practical.<sup>93</sup> Robust centralism is not a natural corollary of federalism.

### **3.1 Federal Features of the EU**

Discourses concerning where the EU is heading and where European integration will conclude have been prominent ever since the launch of the European project. *Quo vadis, Europe?* Is a question with many possible answers but the most salient one is arguably a European federal state.<sup>94</sup> This answer frightens some and irritates others, especially Britons.<sup>95</sup>

There is pressure in Europe, as well as elsewhere, for larger political entities in a continually complicating world. European societies share the same goals; peace, economic advancement and influence in the amphitheatre of international politics. But there also

---

<sup>90</sup> Dinan, 4.

<sup>91</sup> Heidrun Abromeit, "Contours of a European Federation," *Regional and Federal Studies* 12 (2002): 1.

<sup>92</sup> Dinan, 5.

<sup>93</sup> King, 39.

<sup>94</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 262.

<sup>95</sup> Fischer, 2000.

appears to be a fervent desire to make governments more responsive to its individual citizens as well as to articulate group identities and maintain diversity.<sup>96</sup>

Federal ideas have trickled into every essential institution of the European Union.<sup>97</sup> The EU exhibits a number features associated with federal states, which will be enumerated here below – nonetheless it cannot and should not be regarded as a federation.<sup>98, 99</sup> Regardless, it has evolved into a political entity with certain federal characteristics, where sovereignty is shared and divided between subunits and the central level,<sup>100</sup> member states have relinquished a great deal of national sovereignty to foster supranational institutions.<sup>101</sup> There has been a shift over the years from economic cooperation of European states towards a more complete federal Union.<sup>102</sup> Policies have been advanced and institutions enhanced,<sup>103</sup> more and more policy fields are now eligible for qualified majority voting (QMV) instead of requiring unanimity<sup>104</sup> and the power of the European Parliament has steadily grown, particularly since the introduction of direct parliamentary elections in 1979.<sup>105</sup>

The European federal tradition suggests that the EU should be a union of states and citizens in which the limits to the central authority are clearly identified.<sup>106</sup> An important feature of the European tradition of federalism is its connection to the concept of subsidiarity as a principle for allocating function.<sup>107</sup> The core of the subsidiarity principle is to ensure that decisions are taken as closely as possible to the citizens of the Union. Each institution of the EU is obliged to respect and uphold this principle and legislative acts have

---

<sup>96</sup> Watts, "Federalism, Federal Political Systems, and Federations," 118.

<sup>97</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 273.

<sup>98</sup> Benson and Jordan, "Exploring the Tool-kit of European Integration Theory: What role for Cooperative Federalism," 80.

<sup>99</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 260.

<sup>100</sup> Benson and Jordan, "Exploring the Tool-kit of European Integration Theory: What role for Cooperative Federalism," 81.

<sup>101</sup> Dinan, 4.

<sup>102</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 263.

<sup>103</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 263.

<sup>104</sup> Bache, Bulmer and George, 151 and 213.

<sup>105</sup> Bache, Bulmer and George, 213 and 234.

<sup>106</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 14.

<sup>107</sup> Watts, "Federalism, Federal Political Systems, and Federations," 120.

to be justified with regard to its standard.<sup>108</sup> The subsidiarity principle thus entails a decentralization of power.

The balance of power and division of responsibilities in the EU is based on its Treaties, specifically the Lisbon Treaty, which entails the Treaty on the European Union and the Treaty on the Functioning of the European Union.<sup>109</sup> These Treaties go well beyond customary international ones; they have an almost constitutional character.<sup>110</sup> The European Court of Justice (ECJ) has spoken of the Treaties as the 'internal constitution' of the European Community. Although some might find this to be an exaggeration there have been attempts to reinforce the constitutional nature of the EU Treaties, with mixed results.<sup>111</sup> The European Community even agreed to The Constitutional Treaty in 2004 that was devised to merge the existing treaties into one; but due to resistance on many fronts it was abandoned in 2005.<sup>112</sup> Therefore the EU does not have an actual supreme constitution like federations, but does have Treaties with a constitutional quality to them and in which the division and sharing of competences and areas of cooperation are defined.

As mentioned above, federations normally have at least two levels of government working on behalf of its citizens. Task allocation in the EU is tremendously complex and varies greatly between and within policy sectors.<sup>113</sup> There is no European government as such. Responsibilities and influence in the EU have a tendency to flow vertically from member state governments to their supranational delegates. Both the European Council and the Council of Ministers (CoM) represent individual governments instead of national bodies of voters,<sup>114</sup> although the Commission and the European Parliaments (EP) are exceptions to

---

<sup>108</sup> European Union, *Treaty of Lisbon Amending the Treaty on European Union and the Treaty Establishing the European Community*, 13 December 2007, 2007/C 306/01, <http://www.unhcr.org/refworld/docid/476258d32.html> (accessed 13. April 2012).

<sup>109</sup> Bache, Bulmer and George, 225.

<sup>110</sup> Directorate-General for Research of the European Parliament, *What Form of Constitution for the European Union: Strategies to reinforce the constitutional nature of the Treaties* (Luxemburg: European Parliament, 1999), 8.

<sup>111</sup> Directorate-General for Research of the European Parliament, 9.

<sup>112</sup> Bache, Bulmer and George, 226.

<sup>113</sup> Benson and Jordan, "Exploring the Tool-kit of European Integration Theory: What role for Cooperative Federalism," 85.

<sup>114</sup> Andrew Moravcsik, "Federalism in the European Union: Rhetoric and Reality," In *The Federal Vision: Legitimacy and Levels of Governance in the US and the EU*. Kalypso Nicolaïdis and Robert Howse eds. (Oxford: Oxford University Press, 2001), 173-175.

this tendency towards direct representation of national governments in the EU.<sup>115</sup> The main decision-making institutions of the EU are the Commission, the CoM and the EP.<sup>116</sup> These institutions share the responsibility of decision-making in the Union although they work under broad guidelines that the European Council sets for them.<sup>117</sup> The EP and the CoM are share legislative decision-making power<sup>118</sup> as well as budgetary power,<sup>119</sup> in order for legislation to be adopted the CoM and the EP have to agree or at least find an acceptable compromise.<sup>120</sup> Nevertheless the Commission is the only European institution that can initiate legislation;<sup>121</sup> it is a strange hybrid between a government of sorts and a civil service.<sup>122</sup> As seen from the perspectives of representative democracy this co-decision procedure of legislation gives equal weight to the representatives of European citizens and the representatives of European governments.<sup>123</sup> The EU is a strange construct in terms of its institutional division of power. There is no clear executive power holder visible within the structure. Executive power is in the hands of the CoM in certain areas, acting on Commission proposals, in the hands of Commission in other, specific, areas but the member states exercise executive power as well at the stage of implementation of European policies at the national level.<sup>124</sup>

After the Commission initiates and the EP and CoM co-legislate, national governments are required to implement these legislative decisions; the ECJ acts as a watchdog to ensure that they do.<sup>125</sup> Therefore, the Commission, EP and the CoM all have their part in the legislative process, while, in addition, the Commission and CoM exercise executive powers in some areas. Thus, the decision making structure of the EU is intricate and complicated and Brussels has the capacity to impact numerous policy areas of member

---

<sup>115</sup> Moravcsik, "Federalism in the European Union: Rhetoric and Reality," 173-175.

<sup>116</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 263.

<sup>117</sup> Bache, Bulmer and George, 229.

<sup>118</sup> Bache, Bulmer and George, 229.

<sup>119</sup> Gallagher, Laver and Mair, 124.

<sup>120</sup> Maximilian Conrad, "The European Citizen's Initiative. Transnational Democracy in the EU at last?" *Stjórnmal og Stjórnsýsla* 1 (2011): 13.

<sup>121</sup> Bache, Bulmer and George, 229.

<sup>122</sup> Gallagher, Laver and Mair, 120.

<sup>123</sup> Conrad, 13.

<sup>124</sup> Giandomenico Majone, "Europe's 'Democratic Deficit': The Question of Standards," *European Law Journal* 4 (1998): 8.

<sup>125</sup> Bache, Bulmer and George, 242-245.



states directly; albeit without the premise of an actual government in the traditional sense and without a clear division of legislative and executive power.<sup>126, 127</sup>

For most federalists, the ECJ conforms to a federal nature; it has judicial competence as an overseer of law, which takes precedence over the national law of member states as well as directly affecting their inhabitants.<sup>128</sup> Its role is to act as an arbiter of disagreement between the member states as well as the interpreter of the Treaties.<sup>129</sup> Individual citizens of the EU have the right file lawsuits on the basis of the legal supremacy of the ECJ.<sup>130</sup> The court plays a pivotal role in EU institutional framework.<sup>131</sup> Although ECJ decisions are binding and nearly uniformly accepted<sup>132</sup> they usually take the shape of advisory judgment to domestic courts. This means that the national courts have to order the enforcement of the judgment through national legal and compulsory means.<sup>133</sup> The nation-states thus retain full implementation power of EU decisions within their territory.

Like federations the EU has some procedures and organizations to smooth the process of collaboration and the sharing of powers, aiming to augment cooperation between states and institutions. The main decision-making institutions in the EU try to collaborate and consult with all sorts of interest- and lobby groups and incorporate as many views as possible into their decisions.<sup>134</sup> Networks and agencies have been established on many levels to provide a forum for citizens and interest groups to exchange views and experiences.<sup>135</sup> The aim of the adoption of the Charter of Fundamental Rights in Nice was to strengthen protection mechanisms for the fundamental rights of European citizens, and was a positive step towards a union of citizens. The charter is not legally binding for member states outside

---

<sup>126</sup> Bache, Bulmer and George, 236-243.

<sup>127</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 265.

<sup>128</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 263.

<sup>129</sup> Moravcsik, "Federalism in the European Union: Rhetoric and Reality," 170-171.

<sup>130</sup> Moravcsik, "Federalism in the European Union: Rhetoric and Reality," 162.

<sup>131</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 262.

<sup>132</sup> Moravcsik, "Federalism in the European Union: Rhetoric and Reality," 162.

<sup>133</sup> Moravcsik, "Federalism in the European Union: Rhetoric and Reality," 170.

<sup>134</sup> European Union, *Treaty of Lisbon Amending the Treaty on European Union and the Treaty Establishing the European Community*, 149.

<sup>135</sup> European Union, *EU Agencies. The Way Ahead*, (Luxembourg: Office for Official Publication of the European Communities, 2010), <http://www.efsa.europa.eu/en/networks/euagencies.htm> (accessed 30. March 2012).

of the EU competences thus their governments and courts have the last say determining their citizen's rights.<sup>136</sup>

With the Maastricht Treaty many member states decided to transfer their sovereign state right of currency under the responsibility of a European institution. The decision to establish the European Monetary Union represented a major shift of authority to a supranational body in a key policy area customarily associated with national states.<sup>137</sup> The virtual launch of the Euro in 2002 was not only the greatest moment of economic integration in Europe to date, but also an important token of EU's political authority which was then formalized with the Lisbon Treaty 2009.<sup>138</sup> Economic integration is a vital feature of federal states as well as fiscal federalism. So far fiscal federalism has not been prominent in the EU<sup>139</sup> but there seems to be an emerging fiscal basis in the EU parallel to the economic difficulties the continent has been facing for the last few years. A Fiscal Pact was made between the Eurozone countries in late 2011 aimed at ensuring economic and political stability in Europe after the financial crisis.<sup>140</sup> The pact bestows EU institutions with permission for greater budget surveillance and scrutiny in member states and aims at preventing them from breaking deficit rules. Critics of this pact argue that it is just a political ruse aimed at reassuring markets and taxpayers.<sup>141</sup> While there seems to be some progress in Europe towards fiscal federalism, it still has a long way too go as the Euro member states still maintain most of their fiscal flexibility.<sup>142</sup>

Although authority in many policy areas has gradually been transferred to the EU institutions, member states seem reluctant to transfer power in certain other areas. In regulatory areas, such as environmental policy, competition policy, agricultural policy and industrial policy the EU is a dominant force.<sup>143</sup> Nevertheless the member states remain in control of health care, welfare, education, social security systems, general levels of taxation,

---

<sup>136</sup> Stefano Fella, "Unity in Diversity: the Challenge for the EU." In *European Integration in the 21<sup>st</sup> century: unity in diversity?* Eds. Mary Farrel, Stefano Fella and Micheal Newman (Sage Publications Ltd., 2002), 10.

<sup>137</sup> Fella, 9.

<sup>138</sup> Fella, 9.

<sup>139</sup> Bache, Bulmer and George, 419.

<sup>140</sup> BBC, "EU Summit: All but two leaders sign fiscal treaty," *bbc.co.uk* 2. March 2012.  
<http://www.bbc.co.uk/news/world-europe-17230760> (Accessed 27. March 2012).

<sup>141</sup> BBC, "EU Summit: All but two leaders sign fiscal treaty."

<sup>142</sup> Bache, Bulmer and George, 419.

<sup>143</sup> Moravcsik, "Federalism in the European Union: Rhetoric and Reality," 162.

the rights and duties of national citizenship, culture and other domains.<sup>144</sup> While this is the case it is important to note that a number of national federations, Germany and Canada for example, decentralize some of these functions but no existing federation relegates all of these policies to its units.<sup>145</sup> European integration has been impressive; the EU boasts of a spectacular record of growth and achievement.<sup>146</sup> Federalists maintain that integration breeds more integration and will gradually turn the EU into a federal polity<sup>147</sup>, whether this will be the case remains a matter of conjecture. Hence the EU has many characteristics that bear a striking resemblance to the prominent features of federations. Although it is already a federal polity to an extent, it is still far from being an actual federation in the conventional, empirical, sense. The EU is still rather a union of states than a union of individuals, however it remains to be seen where the integration process will lead.

### 3.2 Federal Reorganization

At this point the main federal features apparent in the EU today have been outlined although there are almost certainly more to be distinguished with closer examination. But what exactly would a reorganization of EU institutions and processes into a full-blown federation require? No precise blueprint exists on how to reorganize a *sui-generis*, political entity like the EU into an actual federal state, especially considering the diversity of institutional structures in existing federations. However the major, mutual, features of federations have been defined and examined in the context of the EU and this perhaps gives us some impression on what a federal Europe would look like.

In the year 2000 German Foreign Minister, Joschka Fischer gave a famous speech at the Humboldt University in Berlin during which he outlined a European federal system and strategic prospects for European integration in the years ahead. He began his address by outlining the principles of the EU as well as describing the difficulties that the Union had been facing, which remain relevant to this day. His view was that the challenges with which Europe was coping had put Europe in a difficult situation that would be immensely strenuous to get out of within the existing EU framework, let alone within the nation-state profile. He spoke of the need to pool sovereignty to be able to solve certain problems

---

<sup>144</sup> Fella, 9.

<sup>145</sup> Moravscik, "Federalism in the European Union: Rhetoric and Reality," 166

<sup>146</sup> Moravscik, "Federalism in the European Union: Rhetoric and Reality," 162.

<sup>147</sup> Moravscik, "Federalism in the European Union: Rhetoric and Reality," 162.

efficiently. The best way to do so in his view was by constructing a European Federation.<sup>148</sup> His vision entailed a union with wider powers, greater democratic accountability and responsibility as well as a more straightforward system of decision-making.<sup>149</sup> What he proposed was a framework of a decentralized federal model, inspired by classical federalism. He proposed a transition from a union of states into full parliamentarisation as a European Federation. The first step in the reorganization into a federal union would in all likelihood be strengthening and reordering the European Parliament.<sup>150</sup>

Most federations have two chambers of parliament and two levels of government. This would likely be a suitable arrangement in a federal Europe as well. Fischer suggested this as well, he suggested a European Parliament that would have to represent a Europe of the citizens as well as a Europe of the nation-states. The idea was that this would bring together different national political elites and various national publics. The representation of citizens could in many ways resemble the EP today, where representatives cast off their national inclinations and work for the good of all citizens of the federation. The EP works on the grounds of ideology even though state population determines the number of representatives elected, representatives from different states group together along social beliefs rather than specific interests.<sup>151</sup> Specifically Fischer thought it suitable that the EP would have two chambers. In the first one elected members would also be members of national parliaments. In his view this would lessen friction and fragmentation between the national parliaments and the EP. The other one would represent member states and could either take the form of the American model, where each state has an equal number of representatives or the German model where the number of representatives varies slightly in proportion with the state's population but smaller states are still heavily overrepresented.<sup>152</sup>

Although I understand Fischer's concerns regarding a rift between the European and national parliaments I am inclined to disagree with him concerning the first chamber. The EP members today are democratically, directly, elected throughout Europe and are dedicated to representing European citizens. If the chamber were to consist of members of national

---

<sup>148</sup> Fischer, 2000.

<sup>149</sup> Ewen MacAskill, "Fischer in the Eurosceptics Den." *The Guardian*, 25. January 2001, <http://search.proquest.com/docview/245625894?accountid=28822> (accessed 19. April 2012).

<sup>150</sup> Fischer, 2000.

<sup>151</sup> Gallagher, Laver and Mair, 128.

<sup>152</sup> Fischer, 2000.

parliaments, another link would be added to the chain. This could create an even bigger rift between the citizens and the EP, even though the national parliaments are supposed to represent their citizens. Another problem I have with this is that with power and task division between different levels of governance the national parliaments, and the EP would have very different responsibilities, therefore I do not really see the practical purposes of blending the levels together. Another possibility, which Fischer does not seem to have fathomed, entails the CoM. The CoM is already a sort of a level of “government” or even an upper chamber that represents the national governments of member states that shares decision-power with the EP. The co-decision procedure between the EP and CoM could be seen as a kind of skewed bicameral legislature. The composition of the CoM is quite unusual, it consists of national ministers of policy areas under consideration. The national ministers thus travel in on an issue-basis and therefore are not permanent representatives, directly chosen by national citizens for coordinated election period. The Council would have to change somewhat. The easiest way to do so might be to restructure it into a supplementing level of government with directly elected representatives of governments of the member states, much like how it is done in the upper house in Germany. That is it would, arguably, have to have fixed members voted into power by the member states in coordinated but separate elections. In my view it would also be advisable to level the voting difference between countries, but today the difference between the least populous and the most populous state is 26 votes. This would be an unusually high degree of difference in a federation. Requiring unanimous agreement on certain policy areas would also have to be eradicated, as it is too rigid of a decision-making rule.<sup>153</sup> Federalism in practice is actually meant to break away from this rigidity by creating at least two orders of government.<sup>154</sup> For a legislation to be passed both a majority of representatives in the chamber of citizens and representatives in the chamber or council of member states would have to consent. This type of bicameralism could then even be replicated at lower levels.<sup>155</sup>

Fischer also had a vision for a strong executive or government of the European Federation. His view was that this would either have to consist of a European government

---

<sup>153</sup> European Union, “Council of the European Union,” [http://europa.eu/about-eu/institutions-bodies/council-eu/index\\_en.htm](http://europa.eu/about-eu/institutions-bodies/council-eu/index_en.htm) (accessed 27. March 2012).

<sup>154</sup> George Anderson, “The unanimity trap,” *Forum of Federations*, [http://www.forumfed.org/en/products/magazine/vol6\\_num2/president.php](http://www.forumfed.org/en/products/magazine/vol6_num2/president.php) (accessed 28. March 2012).

<sup>155</sup> Gallagher, Laver and Mair, 76-77.

formed from national parliaments or the European Council, or, by using the existing Commission as a starting point, a directly elected Commission president who would have extensive executive powers.<sup>156</sup> Fischer could imagine several variations between these two possibilities. As was explained here above there is no European government in the conventional sense – although the Commission possesses some executive power in certain policy areas. Another possibility, which falls within Fischer’s Commission category, involves the existing Commissioners, which could then also serve as ministers of sorts with executive capabilities within their policy areas.

According to Fischer – and most federalist thinkers – a European federation would have to be based on a federal constitutive treaty, regulated on a European level.<sup>157</sup> In this treaty, the division of sovereignty would be clear. The division of competences between Europe and the nation-states would thus be guaranteed and no level of government would be subordinate to another in the context of its own defined competences. The treaty would also have to entail the equal division of power between the European institutions. In this treaty the subsidiarity principle would be constitutionally enshrined, since this principle is already a very important feature of the European federalist tradition.<sup>158, 159</sup> The role of the ECJ would then in all likelihood be similar to what it is today; it would have to be responsible for protecting this constituent treaty as an independent judiciary. The Federal European Court of Justice would have to guarantee the Treaty’s predominance at all levels of the federal state. The constituent treaty would also have to centre on basic civil and human rights. His vision was thus of a “lean” European Federation, but still a federation capable of action that would be fully sovereign but still based on self-confident national states.<sup>160</sup>

The EU was founded on the premise of securing peace and stability in the continent as well as on the desire to be a counterweight to the continually dominating U.S. in the international stage.<sup>161</sup> Since EU origins derive from the desire for perpetual peace in Europe it is perhaps difficult to imagine strong pan-European military capability. Nonetheless it is

---

<sup>156</sup> Fischer, 2000.

<sup>157</sup> Fischer, 2000.

<sup>158</sup> Fischer, 2000.

<sup>159</sup> Benson and Jordan, “Exploring the Tool-kit of European Integration Theory: What role for Cooperative Federalism,” 79.

<sup>160</sup> Fischer, 2000.

<sup>161</sup> Bache, Bulmer and George, 89.

unusual for units of federations to retain full power over foreign policy as well as defence like in the EU today.<sup>162</sup> The EU lacks significant defence, military and police policies, which many would argue to be the oldest and most fundamental activities of sovereign states. Discussions on this policy area have been thorny. Nevertheless, the member states managed to agree on a Common Foreign and Security Policy in the TEU, but there has been no leap forward in either the ambitions or the capabilities of Europe.<sup>163</sup> Max Weber described the nation-state as a human community that claims the monopoly of the legitimate use of physical force within a given territory. This description is of course limited and he himself was aware of it. What he meant by this was that although the use of physical force is not the only or even the most important feature of the state it is a means specific to nation-states.<sup>164</sup> Hence a federation without the ability to use physical force is, to some extent at least, unlikely. Fischer was aware of the likelihood that the power over foreign and security policy would have to be shifted somewhat more towards the centre and EU capabilities in this respect developed further for the union to become a bona fide counterbalance in the international political system as well as a factual federation.<sup>165</sup>,<sup>166</sup>

Federalism does not necessarily have to imply strong centralization of authority in every policy area; it requires decentralization as well. Nevertheless, the practical reality of federalism usually entails more centralization of authority than is present in the modern EU. It is conventional for federations to have at least some coordination of welfare and education and cultural policies as well as some authority over taxation, beyond the present VAT taxation, as a means to finance the national state's expenses. The EU's main revenue comes from its own resources, particularly customs duties from outside the EU, a standard VAT tax in Europe and a standardized percentage of gross national income each year that member states agree to pay. Even though this is the case the percentage levied on the member states each year is miniscule compared to national expenditure, usually around the one percent.<sup>167</sup>

---

<sup>162</sup> Fischer, 2000.

<sup>163</sup> Bache, Bulmer and George, 515, 520 and 526.

<sup>164</sup> Max Weber, *Mennt og Máttur* (Reykjavík: Hið Íslenska Bókmenntafélag, 1978), 120.

<sup>165</sup> Bache, Bulmer and George, 520.

<sup>166</sup> Fischer, 2000.

<sup>167</sup> European Commission, *European Union: Public Finance*, 4<sup>th</sup> ed. (Luxemburg: Office for Official Publications of the European Communities, 2008), 238-241.

These changes would by no means mean the termination of sovereign European nation states. The legitimacy of this federal Europe of citizens and states would require the acceptance of the population taking the form of a social contract built on trust.<sup>168, 169</sup> This trust would constitute a strong foundation which would, in turn, secure unity in diversity.<sup>170, 171</sup> Fischer's vision did not entail the abolishment of national sovereignty or identities. He was fully aware of the fact that European realities and histories can hardly be erased and therefore wanted the construction of this federal entity to be done by involving national institutions and practices.<sup>172</sup> The European people would never accept a European federation if it meant the abolition of their nation states and cultural variety. Therefore, Fischer believed it achievable to combine a European identity with key national affiliations in the formation of a transnational political project built on the foundation of rival ideas of socio-economic organization.<sup>173</sup> This aspect is closely related to the democratic possibilities of federation creation and will be examined further in section 4.

Livingston has pointed out that federations emerge in circumstances where social multiplicities are strong enough to necessitate recognition but not so strong as to prevent integration – subsequently producing a compromise between national integration and the preservation of local self-rule.<sup>174</sup> European integration has come this far already and this empirical tendency of furthering integration gradually provides us with an argument in line with Livingston's point; Europe displays considerable social diversity but not so as to inhibit integration which in turn, in time, could eventually lead to federation.

### 3.3 The Small State Angle

Despite what some academics and politicians might assume, small states in the European Union are not powerless in the face of larger ones. Numerous policy areas are still subjected to unanimity in decision-making and, although QMV has been taken up in other areas there

---

<sup>168</sup> Burgess, *Federalism and European Union: the building of Europe 1950-2000*, 13.

<sup>169</sup> King, 56.

<sup>170</sup> Fischer, 2000.

<sup>171</sup> Benson and Andrew Jordan, "Exploring the Tool-kit of European Integration Theory: What role for Cooperative Federalism," 79.

<sup>172</sup> Fischer, 2000.

<sup>173</sup> Paul Gillespie, "Fischer Provides a Framework to Discuss Highly Political Question." *Irish Times*, May 19, 2001. <http://search.proquest.com/docview/309367025?accountid=28822> (accessed 7. April 2012).

<sup>174</sup> Livingston, 89.



is still a strong tradition of consensus-based politics in the EU. The smallest states in the EP are heavily overrepresented in proportion to their population<sup>175</sup> and the European institutions usually work on the basis of state harmony.<sup>176</sup> In the EP Malta gets one Member of Parliament (MEP) for every 66.000 inhabitants whereas Germany merely gets one for every 860.000 residents.<sup>177</sup> Larger EU nation states have criticized these disparities and are continually trying to augment their own powers at the cost of reduced influence of the smaller states.<sup>178</sup> Especially in light of EU enlargement, the number of smaller states has been steadily increasing and they have begun to develop into a stronger counterbalance versus the larger ones.<sup>179</sup> This overrepresentation of smaller states might seem unfair to the naked eye, or even undemocratic, but it has to be kept in mind that it is the smaller states that have to deal with the possible risk of being “swallowed up” or integrated into another considerably more powerful entity.<sup>180</sup> Nevertheless it has been said that this overrepresentation would be more democratically legitimate if the EU were a federation.<sup>181</sup>

The traditional dilemma of small states consists of the contradiction between the desire to retain autonomy and the desire to exert influence.<sup>182</sup> Federalism provides a clever reconciliation for these contradictory cravings; the federal aspects of the EU are even doing so already. Through federalism, small states can retain their identity while securing stability by sharing authority with a larger entity in areas where it is practical to do so. In a federation small states can count on infrastructural and political resources and opportunities that they would otherwise lack to exert influence whilst preserving their national autonomy.<sup>183</sup> The threat of extinction is then considerably lessened by tying the existence of the state to a

---

<sup>175</sup> Bache, Bulmer and George, 293.

<sup>176</sup> European Council, “The European Council – An official institution of the EU” <http://www.european-council.europa.eu/the-institution?lang=en> (accessed 9. April 2012).

<sup>177</sup> Dinan, 239.

<sup>178</sup> Baldur Þórhallsson, “Davið gegn Golíat: Hefur dregið úr möguleikum smárikja til áhrifa innan ESB?” In *Rannsóknir í Félagsvísindum VIII*. Gunnar Þór Jóhannesson ed. (Reykjavík: Félagsvísindastofnun Háskóla Íslands, 2007), 643.

<sup>179</sup> Esko Antola, “The Future of Small States in the EU.” In *European integration in the 21<sup>st</sup> century: Unity in diversity?* Mary Farrel, Stefano Fella and Micheal Newman eds. (Sage Publications Ltd., 2002), 70.

<sup>180</sup> Antola, 71.

<sup>181</sup> Dinan, 241.

<sup>182</sup> Laurent Goetchel, “The foreign and security policy interests of small states in Today’s Europe.” In *Small States inside and outside the European Union; Interests and Politics*, Laurent Goetchel ed., (Boston, Kluwer Academic Publishers, 2002), 17.

<sup>183</sup> Goetchel, 18.

common federal constitution, which no single level of government is able to change on its own. In the face of globalization and continually growing international interdependence small states have found cooperative ways to maximize their influence in international politics, widening and deepening integration and cooperation whilst putting emphasis in the preservation of plurality and multiculturalism seems to be a sensible path for minor players in the global amphitheater.

The practical reality of federations is that smaller states are usually greatly overrepresented in the chambers of parliament that represent the territorial subunits. That is they usually have either equal representation in the chamber of states or are at least massively overrepresented.<sup>184</sup> In Germany each *Land* is to have at least three votes of the maximum six votes, the largest state has 27 times the population of the smallest and yet only has twice the number of representatives in the *Bundesrat*.<sup>185</sup> In the U.S., as was explained above the rule is that each state has two representatives, and the difference in population between the smallest and the largest state there is even greater than in Germany.<sup>186</sup> In Brazil, Argentina, Belgium, Austria and India small states are usually heavily overrepresented as well but to a varied degree.<sup>187</sup>

Smaller states in Europe are already overrepresented in the EP, and with the addition of a second chamber or a restructuring of the CoM the degree of overrepresentation would in all likelihood become even greater. Therefore small states need not be too hesitant towards a Federation of Europe.

---

<sup>184</sup> Stephan, "Towards a new comparative Politics of Federalism, Multinationalism, and Democracy: Beyond Rikerian Federalism." 55.

<sup>185</sup> Arthur Gunlicks, *The Länder and German federalism* (New York: Manchester University Press, 2003), 345.

<sup>186</sup> Stephan, "Towards a new comparative Politics of Federalism, Multinationalism, and Democracy: Beyond Rikerian Federalism." 55.

<sup>187</sup> Stephan, "Towards a new comparative Politics of Federalism, Multinationalism, and Democracy: Beyond Rikerian Federalism." 56.

## 4 Federal Reorganization of Europe and Democracy

After examining the federal reorganization that would be required before the EU could become an actual federation, it is clear that there would be a great deal of change involved, but what effect would this kind of federal reorganization of Europe have on its presumed democratic deficit?

### 4.1 Federalism and Democracy

In the Britannica Encyclopedia, “democracy” is defined as a rule by the people. It derives from the ancient Greek word *dēmos*, which means people, and *kratos*, which means rule.<sup>188</sup> This is certainly a simple explanation of democracy, just a bare minimum. Federations are non-absolutist, which means that they must be democratic to some degree in the least. Their objective is a form of government for the people, by the people, which is inherently democratic.<sup>189</sup> Non-democratic federal political systems do exist but they are the exception rather than the rule. The majority of federal structures offer democratic communities a way of staying intact while preserving a measure of self-rule.<sup>190</sup>

Chrysoschoou identified a federal model of democracy and described it as resting on the formation of a unity of people rather than merely a union of states. This model seeks to reconcile the conditions of greater political union with the claims of the constituent states. In doing so it aspires to set up a co-operative democratic ethos in interaction between the centre and its subunits.<sup>191</sup> The normative implications of federalism require federations to build their legitimate foundation on the consent of all subunits, a contract of trust.<sup>192</sup> Through equal citizenship all citizens of member states are simultaneously rendered directly subject to the authority of the centre point.<sup>193</sup> These citizens are incorporated into the national decision-making structure – the citizens of every region enjoy a degree of direct control over the central government and the government has some direct responsibility to

---

<sup>188</sup> Encyclopedia Britannica Online, “Democracy,”  
<http://www.britannica.com/EBchecked/topic/157129/democracy> (accessed, 30. March 2012).

<sup>189</sup> King, 88.

<sup>190</sup> Smith, 26.

<sup>191</sup> Bache, Bulmer and George, 74.

<sup>192</sup> King, 88.

<sup>193</sup> King, 89.

the people as a whole.<sup>194</sup> Federalism encourages local autonomy as governments on the local level continue to be worthwhile, which in turn encourages participation in public life.<sup>195</sup> This is especially true where there is a principle of subsidiarity, which is, of course, a vital imperative of the EU, and would in all likelihood continue to be so in a European Federation.

Equality is a federal principle as well and it arguably supports democracy because, among other things, there is a democratic assumption that people are political equals. Federalism takes this to a higher level, to the level of the member states to be exact. Federalist equality manifests itself in the fact that each component state is assigned the same set of government responsibilities and the same tasks under the federal constitution.<sup>196</sup> The constitution then assigns all citizens the same rights and responsibilities.<sup>197</sup> Federalism can encourage democratic diversity by creating a system of harmonized but autonomous spheres of influence based on a division of authority among state and federal agents. Component legislatures could hold their executives accountable for their particular publics while a European legislature could operate as a possible barrier against the perils of central executive dominance.<sup>198</sup>

Larger federal governmental structures can be more sensitive than smaller ones to the problems of abuse of individual and minority rights.<sup>199</sup> Remote federal legislatures and courts like the *Bundesgerichtshof*, for example, can protect individual rights and freedoms when national or local entities are unable to do so. Thus it is not that surprising that federalism is empirically associated with reduced political and economic discrimination, especially for “minorities.”<sup>200</sup> Whatever rights the national subunits may possess, they cannot politically or constitutionally violate the rights of the individual citizens of the federation. A federation entails the obligation to enforce citizen rights at both the centre and the constituent parts. The federal level can never delegate all responsibility for the

---

<sup>194</sup> King, 89.

<sup>195</sup> Smith, 27.

<sup>196</sup> Smith, 28.

<sup>197</sup> Smith, 29-31.

<sup>198</sup> Dimitris N. Chrysoschoou, *Democracy in the European Union* (London/New York: I. B. Tauris Publishers, 2000), 144.

<sup>199</sup> James Madison, The Federalist #57 in *The Federalist Papers*, <http://www.constitution.org/fed/federa51.htm> (accessed 2. April 2012).

<sup>200</sup> Fella, 11.

establishment and maintenance of democratic rights to its subunits, but it must guarantee the rule of law in the entire polity, it has to be there as a last resort for citizens.<sup>201</sup>

## 4.2 Europe's Democratic Deficit

We have already established the EU as an 'unidentified political object.' Democratic theorists have been no less perplexed when it comes to examining the democratic qualities of the EU and comparing them to the ideals of national democratic theory. One thing most theorists have managed to agree on is that democracy *is* lacking in the EU, there is a democratic deficit.<sup>202</sup> Even though this is the case there is some ambiguity when it comes to the exact outlining of what this deficit entails. Political scientists can't seem to agree on a precise description of the problem and there are many proposed solutions. European decisions result in laws and regulations, which bind the component states and affect their citizen directly. This kind of power needs legitimation and, in order for the EU to obtain such legitimation, it has to become substantially more democratic.<sup>203</sup>

There are some features of EU democracy that are most commonly enumerated when the democratic deficit is discussed; like deficiencies in representativeness and accountability and a lack of a European political identity – a European demos.<sup>204</sup> These deficiencies can be wrapped neatly into three different deficits; an institutional/parliamentary deficit, a constitutional deficit and a European demos deficit.<sup>205</sup> For the purposes of this dissertation the democratic deficit is thus a combination of these three deficiencies. The institutional/parliamentary deficit is commonly brought up in the context of a relatively weak European Parliament. The European Parliament is not a true legislative body in the conventional parliamentary sense<sup>206</sup>, but rather it has to share its legislative power with both the Commission as well as the CoM. Furthermore it is not a body for enforcing political responsibility, that is, the EP is not a body capable of holding a government responsible to its electorate.<sup>207</sup> The core of every representative democracy is

---

<sup>201</sup> Alfred Stephan, "Federalism and Democracy." In *Federalism and Territorial Cleavages*, Ugo M. Amoretti and Nancy Bermeo eds. (Baltimore: The John Hopkins University Press, 2004), 453.

<sup>202</sup> Chryssochoou, 14.

<sup>203</sup> Moravcsik, "Federalism in the European Union: Rhetoric and Reality," 163.

<sup>204</sup> Bache, Bulmer and George, 69.

<sup>205</sup> Chryssochoou, 4.

<sup>206</sup> Majone, 6-7.

<sup>207</sup> Heidrun Abromeit, *Democracy in Europe: Legitimising Politics in a Non-State Polity* (Berghen Books, 1998), 4.

its parliament, which, in turn is the ultimate source of legitimacy in representative democracies. For this reason, many argue the importance of creating a true parliamentary basis for EU democracy.<sup>208</sup> It is often declared that the EU today is characterized by indirect legitimacy, but for this legitimacy to be an actual reality national electorates ought to be given the opportunity in national elections to express their opinions on European issues. Which is clearly lacking in reality.<sup>209</sup> There has been a gradual correction of the EU parliamentary deficit, EP powers have steadily increased with every Treaty, especially since the introduction of direct elections in 1979, but it still is not a true legislative body. The turnout in EP elections has been exceedingly low since its introduction and the election campaigns are dominated by domestic rather than European, political issues.<sup>210</sup> Therefore the parliament itself does not seem to have succeeded in making itself relevant to most Europeans.<sup>211</sup> It is also important to note the accountability deficit, which is part of the institutional deficit as well. The EU electorate is unable to exercise any real control over those who make decisions within the EU since it can be very difficult for them to determine which level of government is responsible for specific policy outputs. The confusion of responsibilities consisting of the rather complicated decision-making structure and ambiguous power division, makes it difficult for citizens to “throw the rascals out” if voters do not like specific decisions or policies. It can even be difficult to identify the “rascals” responsible.<sup>212, 213</sup> Responsibility in the EU is thus diffuse.

But deficiencies of accountability and representativeness are not the only examples of problems regarding the institutional/parliamentary deficit. Power division between EU institutions, as well as national institutions is hazy.<sup>214</sup> At the national level tensions between national governments and national parliaments are tangible since governments seemingly seek to bypass their parliaments in the context of EU decision-making. Governments are represented in the CoM and the national parliaments are mostly excluded from the decision-

---

<sup>208</sup> Abromeit, *Democracy in Europe: Legitimising Politics in a Non-State Polity*, 4.

<sup>209</sup> Abromeit, *Democracy in Europe: Legitimising Politics in a Non-State Polity*, 5.

<sup>210</sup> Thomas Jensen, “The Democratic Deficit of the European Union”, *Living Reviews in Democracy* 1 (2009), 2.

<sup>211</sup> Gallagher, Laver and Mair, 128.

<sup>212</sup> Jensen, 4.

<sup>213</sup> Chryssochoou, 12.

<sup>214</sup> Chryssochoou, 10-12.

making process altogether, except in the case of ratification and legitimation.<sup>215</sup> EU activities remain under a great deal of influence from national governmental elites that do not make too much effort to include legislative parliaments or to enhance levels of citizen participation.<sup>216</sup> There is a need for transformation “from a system of democratic governments into a democratic system of government.”<sup>217</sup> Power division at the European level is vague and confusing as well. Three European bodies deal with European legislation and they work under the broad guidelines of a fourth institution, the European Council. Two of the institutions that hold legislative power – the Commission and the CoM – can also exercise executive power in specific areas,<sup>218</sup> <sup>219</sup> then member states exercise executive power as well at the national level when it comes to the implementation of EU legislation.<sup>220</sup>

The constitutional deficit lies in the fact that Europe doesn’t possess a common constitution. Although it boasts of comprehensive Treaties with a constitutional quality to them, but there is a need for an actual common European constitution. Globalization is continually undermining the problem solving capacity of single nation states and by extension legitimacy and even sovereignty.<sup>221</sup> As was mentioned above there seems to be a need for larger political entities for solving problems in the modern world. This requires a transformation and reconstitution of democracy beyond the nation state. The most suitable solution available for Europe in this regard would arguably be the reconstitution of democracy at the level of a federal Europe through the making of a common European constitution.

Democracy is of course not only a question of who governs, but also of who is governed.<sup>222</sup> Democratic legitimacy rests on a public process of interaction as well, wherein the demos exercises control, even though it mostly does so indirectly, over the actions of those who govern.<sup>223</sup> The EU is a strange political construct and there is no European

---

<sup>215</sup> Chryssochoou, 10-12.

<sup>216</sup> Chryssochoou, 12.

<sup>217</sup> Chryssochoou, 14.

<sup>218</sup> Majone, 7.

<sup>219</sup> Majone, 8

<sup>220</sup> Majone, 8.

<sup>221</sup> Lasse Thomassen, *Habermas: A Guide for the Perplexed* (London: Continuum International Publishing Group, 2010), 139.

<sup>222</sup> Chryssochoou, 1.

<sup>223</sup> Chryssochoou, 12.

electorate in the proper sense, no European demos.<sup>224</sup> But what does this mean? There is a lack of civil empathy and identification with the European undertaking despite its success in furthering integration, European citizens do not view themselves as members of a single political body.<sup>225</sup> It has been established that the political legitimacy of the EU requires a sense of identification with the integration project on the part of the citizens. This collection of problems is referred to as the European demos deficit.<sup>226</sup> EU Citizenship was established with the Treaty of Maastricht in 1992, the purpose of which was to strengthen and enhance European identity and enable European citizens to participate more vigorously in the integration process. Union citizenship is acquired in addition to rather in the place of national citizenship and thus does not eradicate it.<sup>227</sup> The impact of this has been researched with transnational European surveys and it is clear that although most European citizens are familiar with the concept of European citizenship, few actually realize what it entails.<sup>228</sup> Many do not feel sufficiently informed about their rights as EU citizens<sup>229</sup> Most EU citizens still rank their national identity above a European identity, but there seems to be a growing trend towards self-identification as European as well. Attachment to Europe might therefore slowly be growing in the right direction and a European identity emerging in the decades ahead.<sup>230</sup> Nevertheless there is still a long way to go before a tangible European demos is constructed thus a demos deficit remains a grave problem regarding EU's political legitimacy and democracy. The EU still needs a common European political identity for the democratic deficit to be corrected.

The communitarian school of thought emphasizes the importance of a strong common European identity. For communitarians, the problem is much deeper than a lack of a European political demos – it is a lack of a European community, a community deficit. This approach emphasizes the absence of an ethnical, cultural and historical European

---

<sup>224</sup> Abromeit, *Democracy in Europe: Legitimising Politics in a Non-State Polity*, 4.

<sup>225</sup> Justine Lacroix, "For a European Constitutional Patriotism," *Political Studies Association* 50 (2002): 944.

<sup>226</sup> Fella, 10.

<sup>227</sup> European Commission, *Analytical Report on European Union Citizenship* (Eurobarometer #294, 2010), [ec.europa.eu/public\\_opinion/flash/fl\\_294\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_294_en.pdf) (accessed 27. March 2012), 4.

<sup>228</sup> European Commission, *Analytical Report on European Union Citizenship*, 7.

<sup>229</sup> European Commission, *Analytical Report on European Union Citizenship*, 8-11.

<sup>230</sup> The New York Times, "Quitly sprouting: A European identity," *nytimes.com* 26. April 2005. <http://www.nytimes.com/2005/04/26/world/europe/26iht-enlarge2.html?pagewanted=all> (accessed 5. April 2012).



community. Communitarians assume that a “we-feeling” on normative-affective grounds is required for political integration and democracy in Europe. This feeling, according to them, can only be created through moral dialogue built on such collective norms and beliefs.<sup>231</sup> This kind of moral dialogue is supposed to bring the group closer together and reaffirm the historical and cultural norms. This approach is built on the traditional view of how citizens identify with their national-states, on the national affection of a community. Communitarianism therefore concludes that an ethnical, cultural community of fate can be the only basis for integration and the only way to make EU as democratic as necessary.<sup>232</sup> This essentiality of constructing a normative affective European community of fate when it comes to democratizing the EU has not gone uncriticised.

The problem with this approach lies in the fact that it overlooks the multiplicity of people’s community affiliations as well as other social and economic realities in Europe.<sup>233</sup> Constitutional patriotism has critiqued the communitarian position this basis. This school of thought concludes that there is indeed a need for citizen identification for the democratization of Europe, however, the identification should rather be based on political, moral and legal principles as well as liberal democratic procedures which are entrenched in a common constitution.<sup>234, 235</sup> According to theorists of constitutional patriotism, Europe is far too diverse and fragmented for its integration to be based on the common primordial ties and attachments that communitarians assume necessary.<sup>236</sup> Constitutional patriotism entails a form of democratic citizenship that requires citizens to be socialized into a common political culture but does not assume that this culture must be rooted in the national identity of the people. This way of thinking is much more inclusive than the communitarian way since it only requires societal integration at the political level, allowing groups to retain their cultural affiliations while being included in the community.<sup>237</sup> Constitutional patriotism therefore concludes the democratic deficit to be rooted in a demos deficit in political terms, rather than a community deficit in cultural terms, and assumes that the best way to reduce

---

<sup>231</sup> Amitai Etzioni, “The Community Deficit,” *Journal of Common Market Studies* 45 (2007): 23-25.

<sup>232</sup> Etzioni, 23-25.

<sup>233</sup> Lacroix, 952.

<sup>234</sup> Jan-Werner Mueller, “A European Constitutional Patriotism? The Case Restated,” *European Law Journal* 14 (2008): 545.

<sup>235</sup> Thomassen, 144-145.

<sup>236</sup> Thomassen, 41.

<sup>237</sup> Thomassen, 145.

the demos deficit is to enhance political identification with the European project on the foundation of a common constitution.

It is important to note that some academics do not define a collective European identity as a necessary precondition for European democracy. James Bohman is one of these academics, his concerns revolve around the potential conflict between existing demoi, the already established national identities, and a European demos.<sup>238</sup> He emphasizes non-domination in a decentralized polity based on multiple national demoi to avoid a hierarchy of authority where the European demos would have priority over the already existing demoi.<sup>239</sup> In my view a collective European demos is necessary when it comes to EU democracy. The people of Europe already identify themselves as part of many levels of polities. A Swede, for example, may first and foremost see himself as such, but he might also identify himself with the city or region he lives in, as well as a broader Scandinavian identity. The construction of an actual European demos should not be seen as a threat to national demoi but as a valuable addition to the identity of citizens of Europe. If this sort of political identification were to extend to Europe as a whole, it could diminish the democratic deficit considerably.

It should be noted that although most academics and political actors agree on there being a European democratic deficit, some do not. Majone and Moravscik are the most vocal critics in this respect. Moravscik deems democratic legitimacy as an inappropriate concept to assess the EU from a normative perspective. He maintains that there is no democratic deficit in the EU and that it has been unfairly judged in democratic terms. This might not come as a shock since Moravscik's view on the EU is that it is a pure intergovernmental institution and its integration to be ruled almost solely on member-state interests.<sup>240</sup> Majone takes a similar stance, maintaining that the EU legitimacy rests on the legitimacy of national, democratically accountable governments, since the entire process is guided and controlled by sovereign member states.<sup>241</sup> These are worthy and well-researched contribution, however, their

---

<sup>238</sup> James Bohman, "Democratizing the Transnational Polity: The European Union and the Presuppositions of Democracy," *Working Paper* (2007), 13-14, [www.reconproject.eu/projectweb/portalproject/RECONonlineWorkingPapers.html](http://www.reconproject.eu/projectweb/portalproject/RECONonlineWorkingPapers.html) (accessed 15. April 2012).

<sup>239</sup> Bohman, 13-14.

<sup>240</sup> Andrew Moravscik, "The Myth of Europe's Democratic Deficit," *Intereconomics: Journal of European Public Policy* (2008): 340.

<sup>241</sup> Majone, 12.

intergovernmentalist position downplays the actual supranational character and possibilities of the EU and overlooks empirical evidence of the autonomous features of its institutions.<sup>242</sup> The EU has substantive supranational, autonomous powers as mentioned above and its activities require evaluation of democratic legitimacy.

### **4.3 Federal Reorganization and the Democratic Deficit**

The three faces of EU's democratic deficit have now been established but how would a federal reorganization of the Union affect its democracy? Most solutions to the democratic deficit demand moving forward in the European process.

The three deficiencies, the institutional/parliamentary, constitutional and democratic deficiencies are all closely connected, particularly when examined from a federal perspective. There is a possibility that the deficit could be remedied by a federal reorganization of Europe, namely with the construction of a common, federal constitution. Federal reconstruction, as was explained in section 3, would entail a reordering of the European institutional architecture. The EP would have to become a true legislative body and be the sole – or at least the main – holder of legislative power with a right to initiate legislation. This would enable it to enforce responsibility;” make it a body that could hold the European government responsible to its electorate. Then, of course, there is the need for an actual government, a strong executive to hold responsible. Today democratic considerations come second to maximizing national influence at the EU level. The construction of a truly democratic apparatus at the EU level would mean that some national executives have to relinquish some of their power over the process. The creation of a directly elected European executive would greatly enhance EU democracy.<sup>243</sup> The European citizens would have to be able to identify the rascals responsible and be able to express their dissatisfaction. This kind of accountability would be possible with a clearer division of power and competences. A European federal constitution would have to be a clear blueprint of the division of authority between the legislative, executive and judicial branches as well as between levels of government. This would turn the ‘power confusion’ that plagues the EU today into power division.

---

<sup>242</sup> Bache, Bulmer and George, 12-14.

<sup>243</sup> Fella, 11-12.

Constitutional patriotism actually presents a case for the connection between the creation of a federal constitution and a European identity. For those who subscribe to constitutional patriotism, the building of a European cultural community is ludicrous.<sup>244</sup> They propose the enhancement of cooperation as well as coexistence of the diverse pre-political identities in Europe. They argue that a cultural, historical community no longer amounts to a satisfactory basis for citizenship in our continually complicating multicultural world. The basis for citizenship – a European demos – should be legal, moral and political, rather than historical or geographical.<sup>245</sup> I would argue that pluralist constitutional patriotism could be a solid basis for European citizenship, for a European demos. Since Europeans are not a community of fate, Europe is characterized by multiculturalism and general diversity. Due to this fact, it is almost impossible to create a European identity based on common history or culture. Within federalist framework it would thus be possible to form a European demos - European political identity - on the basis of constitutional patriotism. I would argue that the unity of the EU could be based on this kind of patriotism. The loyalty and identity of the European citizens would be with the legal, moral and political significance of the federal constitution. This would not, however, necessarily have to mean the eradication of national identity, this is where the federal principle of diversity plays a part as well; European citizens could still keep identifying with their national demois of history and fate, keep their diversity, while uniting in the commitment to social justice under<sup>246</sup> a federal constitution at the European level.

Through federalism, democracy can be successfully crafted at a higher level in the difficult and populous world of multinational states as we know them today. Like constitutional patriotism, federalism contains an inclusive formula, it entails accommodation of difference, federal arrangements facilitate successful accommodation and seem to be well equipped to accommodate sub-national demands.<sup>247</sup> Disproportionality at the parliamentary level provides with checks and balances for minorities as well as protection

---

<sup>244</sup> Lacroix, 945.

<sup>245</sup> Lacroix, 946.

<sup>246</sup> Glyn Morgan, Hayek, Habermas and European Integration. *Critical Review* 15, (2003): 4, <http://search.proquest.com/docview/217250213/1363018A8D6591CFD15/2?accountid=28822>, (accessed 10. April 2012).

<sup>247</sup> Nancy Bermeo, "Conclusion: The Merits of Federalism." In *Federalism and Territorial Cleavages*. Ugo M. Amoretti and Nancy Bermeo eds. (Baltimore: The John Hopkins University Press, 2004), 468.

for smaller units within a larger entity.<sup>248</sup> If a polity is large, multinational and linguistically diverse, like the EU today, its chances of being democratic improve significantly with the adoption of a federal political system.<sup>249</sup> Thus even if no European demos presently exists – at least not at the desirable level – it might be brought into being as a political identity by the experience of a common constitution and government, as was the case in a number of countries, such as Switzerland.<sup>250</sup>

Unfortunately, democratic perfection is unattainable – as can be seen by a quick look around the world. Perfect democracy is a utopian illusion, but federalism in Europe could – and in all likelihood would – enhance European democracy at every level as I have argued above, especially if put in context with the theory of constitutional patriotism. As for the question “*Quo vadis, Europe,*” the completion of European integration can only be successfully formulated if it is done on the basis of a vertical division of sovereignty between Europe and the nation-state, between the supranational, national and sub-national leading to a Europe of citizens rather than solely a Europe of nation-states.<sup>251, 252</sup>

---

<sup>248</sup> Bermeo, “Conclusion: The Merits of Federalism,” 470.

<sup>249</sup> Bermeo, “Conclusion: The Merits of Federalism,” 468.

<sup>250</sup> Gallagher, Laver and Mair, 148.

<sup>251</sup> Fischer, 2000.

<sup>252</sup> Benson and Jordan, “Understanding task allocation in the European Union: Exploring the value of federal theory,” 79.

## 5 Conclusion

Federalism might not be a panacea for a divided, democratically limited society of states in the EU but it seems to have many appealing attributes to offer in this regard.

The meaning of federalism can be found in its Latin derivation, which implies both contract and trust. Federalism revolves around securing diversity, preserving the plurality of identities while pooling sovereignty and power in a stable political union. Federalism is thus a normative theory that can be realized in a federal political system. It has evolved into important political practice around the world and is gaining supporters who see it as an answer to the fragmentation of the ever globalizing world order. The institutional implications of federalism have been explained and examples from existing federations put forward to illustrate them more clearly. It is evident that the institutional implications of federalism are extensive and its executions diverse. In the European context federalism has not been popular since in the aftermath of the Second World War but has nonetheless been gaining ground since the dawn of the new millenium. Europe has not remained untouched by the complications of globalization and the call for a larger, stronger political entity to efficiently tackle these problems is growing louder. When societies fragment and the nation-state's abilities and responsibilities become more difficult people automatically look to their nearest authorities to respond to their individual and cultural needs. With federalism it becomes possible to reconcile these diverse identities and to manage them within a unified political system, through a federal constitution. Existing federal political systems are characterized by their considerable populations, territories and linguistic and cultural fragmentation. Hence, as a theory, federalism seems perfect for application in the European context, even though, as soon as the F-word is uttered, irritation ensues.

There has been a continual reference to federalism throughout the history of the European project and it has influenced Europe's history tremendously, every Treaty from the launch of the project has brought European citizens closer, deepened integration. Even though this is the case, many have wondered where this unidentified political entity is heading. The EU is not a federation, however, it does possess certain federal features that have been enumerated to some extent here above. The EU emphasizes the division of powers and competences between – as well as across – levels of government and its member states work on the grounds of common Treaties that have some constitutional

qualities, such as legal supremacy. The introduction of a common currency constituted a major shift from the national to the supranational as well as political significance to European institutions. Although economic integration is impressive, the fiscal basis of the Union is still relatively weak. The policy areas that the EU has competences over are limited in number and scope and the processes are dominated by government elites. The balance of power between EU institutions is lacking and the decision-making processes are intricate and, in some sectors, inflexible. Even though the division of power and a system of checks and balances are emphasized in the Union the EP is not a true legislative body and there is still a long road ahead towards full parliamentarianism. The EP is not bicameral as is the norm in federations and there is no European government in the conventional sense, i.e. no strong directly elected executive.

The debate on federalism was rejuvenated with Fischer's millennium speech in Berlin where he proposed a federal reorganization of Europe in the long run. This kind of federal reconstruction would undoubtedly be strenuous and would require the alteration of a significant number of European institutions, the most important being the EP. There would have to be a shift towards full parliamentarianism realized in a bicameral legislature of citizens and member states and a strong executive would have to be directly elected, whether it would be a European government or a Commission president. A federal Europe would entail wider supranational powers and more democratic responsibility and accountability. Furthermore it would entail clearer power division and more straightforward decision-making, centralization where it is desirable and decentralization where it is possible and practical. The most important alteration, could also be the simplest one, formulating a European Constitution. In it the subsidiarity principle would be enshrined, the division of sovereignty enhanced, and the tenet that no level of government is subordinate to another entrenched. By no means would this be cause for alarm for single identities. On the contrary, this reorganization would not eradicate national identities but rather, by involving national institutions and traditions, secure continuing multiplicity, in unity. Smaller states in Europe could, through the establishment of a federal constitution, retain their autonomy while reaping the benefits of a larger political entity and be rid of the danger of having to give up their identities. This would not only be a sensible path for smaller states, but for minority groups within nation-states as well, since federations are empirically associated with more

political and economic equity as the central level becomes an emergency measure to use if national-governments aren't respondent to their fundamental needs and rights.

My findings rely on the assumption that there is indeed a democratic deficit in the EU. I conclude that this deficit is threefold, composed of institutional/parliamentary, constitutional and demos deficit. The institutional/parliamentary deficit consists of parliamentary legal weakness, power confusion and the lack of a strong European executive. The constitutional deficit entails the need for a common constitution to enhance legitimacy of, and allegiance to, the Union. The demos deficit is more controversial, since there are differing views on what kind of political identification is necessary, and on whether such identification is desirable at all. The arguments of constitutional patriotism in this respect are quite convincing and I am inclined to accept that a demos should be rooted in a political, moral and legal identity with the normative content of a common European constitution rather than fleeting, fragmented cultural community of fate. European citizenship already exists in legal terms but it has to be supported by a federal Constitution for individuals to really identify with it politically and morally. These deficits are continual in the EU we know today. With federal reconstruction these could all be remedied, at least to some extent. A constitution built on the principles of federalism as well as theories of constitutional patriotism would entail a significant reordering of EU institutions that would remedy the institutional/parliamentary deficit, and naturally the constitutional deficit, by doing this a European political identity, a European demos in the sense of constitutional patriotism, is likely to be brought into being. When constitutional patriotism coincides with federalism, a unified but diverse, democratic political community that accommodates all kinds of cultural affiliations becomes attainable.

Federalism could therefore significantly strengthen EU democracy, and could even diminish all three facets of the democratic deficit drastically.

Although I have tried to cover all the main bases when it comes to what would have to be reorganized for the EU to become a fully federal structure, it is important to note that my analysis is somewhat superficial. In only a few dozen pages, it is impossible to research all the aspects that would have to be reordered exhaustively. It would be a very interesting project to examine these aspects further, especially in the narrower context of the numerous committees, sub-institutions and communication processes in the EU. For further



research it would also be interesting to analyze more recent variations of federalism – which unsurprisingly derive from classical roots – and try to discern if they possibly pose different institutional or democratic implications. My hope is that the connection between federalism and democracy in the European context, especially as a possible key to some of Europe’s biggest troubles, will be examined more extensively in the future.

After completing this dissertation I have become increasingly certain that the so-called “F-word” should not be regarded as a cause for fear but rather for celebration in this day and age. A peaceful, unified Europe, constitutionally and normatively invested in the preservation of diversity and democracy would be a joyful endpoint of European integration. What we need is not less federalism in Europe, but more.

## Bibliography

- Abromeit, Heidrun. "Contours of a European Federation," *Regional and Federal Studies* 12 (2002): 1 – 20.
- Abromeit, Heidrun. *Democracy in Europe: Legitimising Politics in a Non-State Polity*. Berghan Books, 1998.
- Anderson, George. *Forum of Federations*. "The unanimity trap."  
[http://www.forumfed.org/en/products/magazine/vol6\\_num2/president.php](http://www.forumfed.org/en/products/magazine/vol6_num2/president.php) (accessed 28. March 2012).
- Antola, Esko. "The Future of Small States in the EU." In *European integration in the 21<sup>st</sup> century: Unity in diversity?* Mary Farrel, Stefano Fella and Micheal Newman eds., 69-85. Sage Publications Ltd., 2002.
- Bache, Ian, George, Stephen and Bulmer, Simon. *Politics in the European Union*. 3<sup>rd</sup> ed. New York: Oxford University Press, 2011.
- Backer, Larry Catá. "Restraining Power from Below: The Europeans Constitutions Text and the Effectiveness of Protection of Member State Power within the EU Framework." *RSSN Working Paper* 2004,  
<http://search.proquest.com/docview/189887723?accountid=28822> (accessed 16. March 2012).
- Baldur Þórhallsson. "Davíð gegn Golíat: Hefur dregið úr möguleikum smáríkja til áhrifa innan ESB?" In *Rannsóknir í Félagsvísindum VIII*. Gunnar Þór Jóhannesson ed., 635-646. Reykjavík: Félagsvísindastofnun Háskóla Íslands, 2007.
- Basic Law for the Federal Republic of Germany. Art. 94. <https://www.btg-bestellservice.de/pdf/80201000.pdf> (accessed 20. March 2012).
- BBC. "EU Summit: All but two leaders sign fiscal treaty," *bbc.co.uk* 2. March 2012.  
<http://www.bbc.co.uk/news/world-europe-17230760> (Accessed 27. March 2012).
- Benson, David and Jordan, Andrew. "Exploring the Tool-kit of European Integration Theory: What role for Cooperative Federalism." *Journal of European Integration* 33 (2011): 1-17.
- Benson, David and Jordan, Andrew. "Understanding task allocation in the European Union: Exploring the value of federal theory." *Journal of European Public Policy* 15 (2008): 78-97.
- Bermeo, Nancy. "Conclusion: The Merits of Federalism." In *Federalism and Territorial Cleavages*. Ugo M. Amoretti and Nancy Bermeo eds., 457-480. Baltimore: The John Hopkins University Press, 2004.
- Bohman, James. "Democratizing the Transnational Polity: The European Union and the Presuppositions of Democracy." *Working Paper, Reconstituting Democracy in Europe* 2007.

- Burgess, Michael. *Federalism and European Union: the building of Europe 1950-2000*. London: Routledge, 2000.
- Burgess, Micheal. Introduction in *Federalism and European Union: the building of Europe 1950-2000*. Author Micheal Burgess. London: Routledge, 2000.
- Chryssochoou, Dimitris N. *Democracy in the European Union*. London/New York: I. B. Tauris Publishers, 2000.
- Conrad, Maximilian. "The European Citizen's Initiative. Transnational Democracy in the EU at last?" *Stjórnmal og Stjórnsýsla* 1 (2011): 5-22.
- Das Bundesverfassungsgericht. "Die Organisation." <http://www.bundesverfassungsgericht.de/organisation/organisation.html> (accessed 10. april 2012).
- Dinan, Desmond. *Ever Closer Union: An Introduction to European Integration*. 4<sup>th</sup> ed. London: Palgrave Macmillan, 2010.
- Directorate-General for Research of the European Parliament. *What Form of Constitution for the European Union: Strategies to reinforce the constitutional nature of the Treaties*. Luxemburg: European Parliament, 1999.
- Elazar, Daniel J. Preface in *Two Peoples one Land: Federal Solutions for Israel, The Palestinians and Jordan*. Author Daniel J. Elazar. University Press of America, 1991.
- Encyclopedia Britannica Online. "Democracy." <http://www.britannica.com/EBchecked/topic/157129/democracy> (accessed, 30. March 2012).
- Etzione, Amitai. "The Community Deficit". *Journal of Common Market Studies* 45 (2007): 23-42.
- Europa – Summaries of EU Legislation, "Treaty Establishing the European Economic Community," 26. October 2010. [http://europa.eu/legislation\\_summaries/institutional\\_affairs/treaties/treaties\\_eec\\_en.htm](http://europa.eu/legislation_summaries/institutional_affairs/treaties/treaties_eec_en.htm) (accessed 26. March 2012).
- European Commission, *European Union: Public Finance*, 4<sup>th</sup> ed. Luxemburg: Office for Official Publications of the European Communities, 2008.
- European Commission. *Analytical Report on European Union Citizenship*. Eurobarometer #294, 2010. [ec.europa.eu/public\\_opinion/flash/fl\\_294\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_294_en.pdf) (accessed 27. March 2012).
- European Council. "The European Council – An official institution of the EU." <http://www.european-council.europa.eu/the-institution?lang=en> (accessed 9. April 2012).
- European Union. "Basic Information on the European Union." [http://europa.eu/about-eu/basic-information/index\\_en.htm](http://europa.eu/about-eu/basic-information/index_en.htm) (accessed 11. April 2012).

- European Union. "Council of the European Union." [http://europa.eu/about-eu/institutions-bodies/council-eu/index\\_en.htm](http://europa.eu/about-eu/institutions-bodies/council-eu/index_en.htm) (accessed 27. March 2012).
- European Union. "Countries." [http://europa.eu/about-eu/countries/index\\_en.htm](http://europa.eu/about-eu/countries/index_en.htm) (accessed, 26. March 2012).
- European Union. *EU Agencies. The Way Ahead*. Luxembourg: Office for Official Publication of the European Communities, 2010.  
<http://www.efsa.europa.eu/en/networks/euagencies.htm> (accessed 4. April 2012).
- European Union. *Treaty of Lisbon Amending the Treaty on European Union and the Treaty Establishing the European Community*, 13 December 2007, 2007/C 306/01, <http://www.unhcr.org/refworld/docid/476258d32.html> (accessed 13. April 2012).
- Fella, Stefano. "Unity in Diversity: the Challenge for the EU." In *European Integration in the 21<sup>st</sup> century: unity in diversity?* Mary Farrel, Stefano Fella and Micheal Newman eds., 1-14. Sage Publications Ltd., 2002.
- Fischer, Joschka. "From Confederacy to Federation: Thoughts on the Finality of European Integration." Speech on the ultimate objective of European integration, Humboldt University Berlin 12. May 2000.
- Gallagher, Michael, Laver, Michael and Mair, Peter. *Representative Government in Modern Europe: Institutions, Parties and Governments*. 4<sup>th</sup> ed. New York: McGraw Hill, 2006.
- Gillespie, Paul. "Fischer Provides a Framework to Discuss Highly Political Question." *Irish Times*, May 19, 2001.  
<http://search.proquest.com/docview/309367025?accountid=28822> (accessed 19. April 2012).
- Goetchel, Laurent. "The foreign and security policy interests of small states in Today's Europe." In *Small States inside and outside the European Union; Interests and Politics*. Laurent Goetchel ed., 13-27. Boston, Kluwer Academic Publishers, 2002.
- Government of Canada Privy Council Office. "Interactive Map of the Federations of the World," 2009, <http://www.pcobcp.gc.ca/aia/index.asp?lang=eng&page=world-monde> (accessed 20. March 2012).
- Gunlicks, Arthur. *The Länder and German federalism*. New York: Manchester University Press, 2003.
- Hamilton, Alexander. The Federalist #9 in *The Federalist Papers*.  
[http://thomas.loc.gov/home/histdox/fed\\_09.html](http://thomas.loc.gov/home/histdox/fed_09.html) (accessed 1. April 2012).
- Helms, Ludger. Introduction in *Institutions and Institutional Change in the Federal Republic of Germany*. Ed. Ludger Helms. Great Britain, Macmillan Press Ltd., 2000.
- Hrbek, Rudolf. "(More) Federal Features for the EU?" *Intereconomics* 38 (2003): 179-182.
- Hueglin, Thomas "Federalism at the Crossroads: Old Meanings, New Significance." *Canadian Journal of Political Science* 36 (2003): 275-294.

- Jensen, Thomas. "The Democratic Deficit of the European Union," *Living Reviews in Democracy* 1 (2009): 1-8.
- Katz, Richard S. *Political Institution in the United States*. New York: Oxford University Press, 2007.
- Kaufman, Stephen. *Federalism Combines Autonomy with Unity in Democracies* Lanham: Federal Information & News Dispatch, Inc, 2006.
- King, Preston. *Federalism and Federation*. London: Croom Helm Ltd, 1982.
- Lacroix, Justine. "For a European Constitutional Patriotism." *Political Studies Association* 50 (2002): 944-958.
- Lembrugh, Gernard "The Institutional Framework: Federalism and Decentralisation in Germany." *Comparing Public Sector Reform in Britain and Germany: Key traditions and trends of modernization* 1 (2000): 85-108.
- Livingston, William S. "A Note on the Nature of Federalism." *Political Science Quarterly* 67 (1952): 81-95.
- MacAskill, Ewen. "Fischer in the Eurosceptics Den." *The Guardian*, 25. january 2001, <http://search.proquest.com/docview/245625894?accountid=28822> (accessed 19. April 2012).
- Madison, James. The Federalist #51 in *The Federalist Papers*. <http://www.constitution.org/fed/federa51.htm> (accessed 2. April 2012).
- Madison, James. The Federalist #57 in *The Federalist Papers*, <http://www.constitution.org/fed/federa51.htm> (accessed 2. April 2012).
- Majone, Giandomenico. "Europe's 'Democratic Deficit': The Question of Standards." *European Law Journal* 4 (1998): 5-28.
- Moravcsik, Andrew. "Federalism in the European Union: Rhetoric and Reality." In *The Federal Vision: Legitimacy and Levels of Governance in the US and the EU*. Kalyпсо Nicolaïdis and Robert Howse eds., 161-187. Oxford: Oxford University Press, 2001.
- Moravcsik, Andrew. "The Myth of Europe's Democratic Deficit." *Intereconomics: Journal of European Public Policy* (2008): 331-340.
- Morgan, Glyn. "Hayek, Habermas and European Integration." *Critical Review* 15, (2003): 1-22, <http://search.proquest.com/docview/217250213/1363018A8D6591CFD15/2?accountid=28822>, (accessed 10. April 2012).
- Mueller, Jan-Werner. "A European Constitutional Patriotism? The Case Restated." *European Law Journal* 14 (2008): 542-557.
- Nelsen, Brent F. and Stubb, Alexander. *The European Union: Readings on the Theory and Practice of European Integration*. 3<sup>rd</sup> ed. Boulder: Rienner, 2003.

- Renzch, Wolfgang. "German Federalism in Historical Perspective: Federalism as a Substitute for a National State." *Publius The Journal of Federalism* 19 (1989): 17-33.
- Schmitter, Phillipe. "Democracy in Europe and Europe's Democratization." *Journal of Democracy* 14 (2003): 71-85.
- Smith, Jennifer. *Federalism*. Canada: The Canadian Democratic Audit, 2004.
- Stephan, Alfred. "Federalism and Democracy." In *Federalism and Territorial Cleavages*. Ugo M. Amoretti and Nancy Bermeo eds., 457-480. Baltimore: The John Hopkins University Press, 2004.
- Stephan, Alfred. "Federalism and Democracy: Beyond the U.S. Model." *Journal of Democracy* 10 (1999): 19-34, <http://www.catedras.fsoc.uba.ar/deluca/Stepan.htm>, (accessed 21. March 2012).
- Stephan, Alfred. "Towards a new comparative Politics of Federalism, Multinationalism, and Democracy: Beyond Rikerian Federalism." In *Federalism and Democracy in Latin America*. Edward L. Gibson ed., 29-84. Baltimore: The John Hopkins University Press, 2004.
- Supreme Court of the United States, "About the Supreme Court," <http://www.supremecourt.gov/about/about.aspx> (accessed 10. April 2012).
- The New York Times. "European Bankers Urge Leaders to Move Quickly on Debt Crisis." *newyorktimes.com*, 5. September 2011. <http://www.nytimes.com/2011/09/06/business/global/euro-zone-leaders-get-warning-from-ecb.html> (accessed 23. March 2012).
- The New York Times. "Quietly sprouting: A European identity." *nytimes.com* 26. April 2005. <http://www.nytimes.com/2005/04/26/world/europe/26iht-enlarge2.html?pagewanted=all> (accessed 5. April 2012).
- Thomassen, Lasse. *Habermas: A Guide for the Perplexed*. London: Continuum International Publishing Group, 2010.
- U.S constitution, art. V. [www.ratify.constitutioncenter.org/constitution/constitution.pdf](http://www.ratify.constitutioncenter.org/constitution/constitution.pdf) (accessed 20. March 2012).
- Watts, Ronald L. "Federalism, Federal Political Systems, and Federations." *Annual Review of Political Science* 1 (1998): 117-137.
- Watts, Ronald L. "Models of federal power sharing." *International Social Science Journal* 53 (2002): 23-32.
- Weber, Max. *Mennt og Máttur*. Reykjavík: Hið Íslenska Bókmenntafélag, 1978.
- Wildasin, David E. "The Institutions of Federalism: Towards an Analytical Framework." *National Tax Journal* 57 (2004): 247-272.