

groups of colonists united by shared beliefs and language. Over many centuries, Switzerland evolved as a community that shared a sovereign political will; the German language areas were decisive to the formation of the Swiss nation, and even today, the 'solidarity' among its component parts is not strained by limitless fiscal bail-out obligations. New York and Texas, Appenzell and Zurich, even local governments may go bankrupt, which has an enormously disciplining effect. Germany admittedly has a problematic fiscal equalisation mechanism, and there is still the huge fiscal West-East transfer, made possible only by shared national loyalty.

Compared to these conditions, one can see the foolhardiness of the European Stability Mechanism (ESM) and the European Central Bank's *de facto* support of the euro bond. Neither has a chance of surviving, even if combined with a tightly knit fiscal union, once the consequences for the payer nations become evident. After all, there was already a fiscal union in the shape of the Maastricht Treaty and a brake on debt-making in the form of the Stability and Growth Pact. Both

crumbled once the first stress test came. The latest agreements won't fare any better. And why have an ESM if the 'fiscal union' disciplines the fiscal behaviour of national governments?

Why cling to such illusions—illusions that will destroy Europe's heritage? Why not create a union of free nations with free trade and openness vis-à-vis the wider world? And by all means keep NATO. The imperial era of European states is long past, but it can still make significant contributions to the world as a major cultural and economic player with its soft power. This can be done without a standardising Brussels-built apparatus that proceeds like a tank and slowly crushes Europe's elementary animal spirits. The impossibility of that approach may well be demonstrated, once and for all, as early as next year.

Endnote

- 1 Eric L. Jones, *The European Miracle: Environments, Economies and Geopolitics in the History of Europe and Asia* (Cambridge: Cambridge University Press, 1981).

DOES 'EUROPE' REALLY EXIST?

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Europe is at a critical and decisive crossroads. Will it pull itself together and pull through or will it break apart? Will the centrifugal forces of national culture and custom defeat the alien centripetal forces of political and economic planning? Is Europe moving forward towards a supranational unity or backward towards fragmented inter-governmentalism? These are the questions being asked by economists, political analysts, and the public. While these are legitimate questions in the face of the cogent urgency and immediacy of the crisis gripping the Old Continent, a more important question is:

Does such a thing we call 'Europe' really exist? Has it ever existed? Is Europe more than just an idea of a few nineteenth-century visionaries and idealists such as Giuseppe Mazzini or a peninsula of the Asiatic continent?

Since the early twentieth century, intellectuals assumed that the unity of Europe was a matter of course, notwithstanding the evident signs of the cultural and political crises infecting the continent. Their premises were falsified and their hopes dashed on the battlefields of the Great War. The political discourse of the 'concert of European states' based on the principle of the balance of power, which had been promoted

by the Congress of Vienna in 1814–15, had finally revealed its destructive contradiction. New discourses and a new rhetoric were sought to promote the idea of a united Europe, the premises of which were tested and found wanting in a second major conflict among European states. In the aftermath of World War II, the supporters of the Schuman Declaration envisaged that economic cooperation and regulation, particularly of the coal and steel industry, would have led to a political integration capable of offsetting the latent and longstanding seeds of discord existing among states and hence hasten the political, social and economic recovery of post-War Europe.

The long road—starting from the treaties of Paris and Rome in the early 1950s and leading to those of Schengen in 1985 and Maastricht in 1992, and which marked the transition of Europe from economic ‘community’ to ‘union’ with a common currency—is known to all. The project was flawed from the beginning, with too much emphasis placed on the political and economic aspects of the European Union; the interests of the few were placed above those of the many. The latter were allured to the fantasy of a united supranational Europe by fictitious discourses of common heritage supported by a particular interpretation of European history, and of stories of longstanding human interaction within continental orders. The rhetoric of a common Graeco-Roman and Christian heritage, ancient transhumance, and collective security, particularly in the aftermath of the Balkan crisis, proved to be compelling and persuasive arguments. Cultural and political differences wrought by historical processes were glossed over or dismissed as mere aberrations. In the referenda of the early 1990s—when the citizens of the various European states (as there was and is no such thing as a ‘European citizen’) were, in an exercise of direct democracy, called upon to express their opinion in regard to a European Union—the majority voted in favour, clearly proving that the will of the majorities is not always an expression of what is just and right.

Since 1999, Europe has been torn between supranationalism and nationalism: While all states have one single supranational monetary policy, each continues to pursue distinct national fiscal policies. Friction is inevitable as policies, as any economist or policymaker knows, are never culturally neutral. To make matters worse, since the fall of the Berlin Wall in 1989, Europe has favoured enlargement over consolidation by admitting former communist states who were just beginning to restructure their economies to meet the demands of market-driven capitalism. Thus the weak peripheries have begun to weaken the core, and the inherent contradictions of the European Project have come to the fore: The European south (Greece, Italy, Portugal, Spain—along with Ireland) has begun to falter, unable to keep up with the demands of the European Union’s monetary policies. The old cultural divisions between the Protestant north, the Catholic south, and the Orthodox east have re-emerged. The Franco-German solution is to force faltering state economies to adopt austerity measures if they wish to be ‘rescued’ by the European Central Bank. But history shows that austerity breeds resentment and resentment breeds revolution.

The influx of refugees and illegal migrants from Africa and Asia has contributed to exacerbate the situation by causing a resurgence of nationalist sentiments in various states, sentiments that compete with the coalescence of a supranational European sentiment, and hence, citizenship—as the debate over the drafting of a European constitution demonstrates.

So does Europe have future? Well, it depends on how we wish to write its history. Moving beyond the rhetoric (and fiction), which inevitably informs historical discourse, one must ask whether Europe has ever had a past that can be regarded as distinctly and authentically ‘European.’ In the current state of affairs, Europe is just a geographic entity devoid of any spirit that can be regarded as authentically European. The Europe we have is the product of the culture of an elite, the faltering project of a union that is on the brink of unravelling.