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Year XV, Number 1, March 2003

*New Series*

# The Federalist Debate

Papers for Federalists  
in Europe and the World

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*The problem of establishing a perfect civil Constitution  
depends on the problem of law-governed external relations among nations  
and cannot be solved unless the latter is*

Immanuel Kant

# The Federalist Debate

is published three times a year and is promoted by the Jeunes Européens Fédéralistes (JEF), the Union Européenne des Fédéralistes (UEF) and the World Federalist Movement (WFM) under the auspices of the Einstein Center for International Studies (CESI)

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I - 10092 - Beinasco

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## *Annual Subscription Prices*

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15 euros - 18 dollars

### *Institutions and Supporters*

30 euros - 40 dollars

### *Money Transfer (no cheques) to*

The Einstein Center for International Studies  
acc. n. 10/10853, IBAN IT15 W010  
2501 0001 0000 0010 853 BIC IBSPITTM  
San Paolo I.M.I., Filiale Torino Piazza San Carlo

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# The Federalist Debate

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# The Euro-American Relations and the Construction of Peace

*Lucio Levi*

The US-Iraqi war after the one in Afghanistan is a new chapter of an announced series of wars against terrorism of uncertain success and duration. It is not sufficient to recognize that the American government was entitled to aggress Afghanistan because it offered hospitality and support to Al Qaeda. It is also important to understand the target of that attack. The American government failed to explain it. And it is far less convincing when it tries to explain the relation between the attack on Iraq, described as a pressing threat to US security, and the struggle against terrorism.

It is difficult to imagine that Iraq can employ mass destruction weapons while it is under the UN pressure to disarm. On the contrary, it could resort to them if its survival is threatened by an invasion.

Is war the most efficacious way to combat terrorism? The results of the attack on Afghanistan seem to contradict this thesis. A stable government has not been established. Those who are supposed to have inspired the terrorist attack on the US have not been captured or eliminated. Moreover, a new war against an Islamic country is likely to foster new acts of terrorism and to sharpen tensions in the Middle Eastern region.

Terrorism is an enemy hidden within our societies. It threatens us in the streets of our cities and in our houses. It can inflict enormous damages, even without mobilizing armies or

mass destruction weapons, and can endanger peace and democracy. Its strength lies in the consent it enjoys in a considerable part of world public opinion. A plan to defeat terrorism, beside the necessary repressive aspects, should address with absolute priority the dramatic gap between North and South. The main goal to pursue is therefore global justice.

The Security Council resolution 1441 aims at Iraqi disarmament. But the US government pursues an additional goal, overthrowing Saddam Hussein and establishing a democratic regime conceived as a step towards the democratisation of the Middle East. This is not an objective that can be achieved through violence and puppet governments imposed by the Americans.

The choice of war is not the expression of the capability of the US to assure world order. Quite the contrary. It is the expression of the decline of the hegemonic power of the US. However important the control on the Middle-East oil resources or the need to find a diversion to its economic weakening and to the alarming amount of its foreign debt, the US action is brought about above all by the need to enhance its own security after 9/11. War reflects the attempt to perpetuate the US supremacy through another form of terror: that of the overwhelming destructive potential of its armed forces.

What the US has not been able to achieve is the

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large international coalition of forces that supported it at the time of the Gulf War in 1990-91, that was waged under the aegis of the UN. With the only abstention of China, it included all the permanent members of the Security Council. The doctrine of preventive war reflects the position of a superpower that believes it has the monopoly of force and justice and places itself above the international community and international law.

\* \* \*

The concomitance of the military mobilization in the Middle-East with the European Convention that is drawing up the European Constitution stresses the need for a EU foreign and security policy. Europe could have an impact on the events on which world peace depends. But it is weakened by the division in two groups of its nation-states, one supporting the US position, the other opposing it. This is not because America divides Europe, but because national governments are reluctant to question their faded sovereignty. With a single foreign and security policy, Europe could speak with one voice. With a European Constitution and a European government, the unanimous vote could be abolished and decisions could be taken according to the majority principle. The consequence of this decision-making process could be immediately perceived, since, within the EU, a majority of states and an overwhelming majority of citizens are against the American unilateralism.

In the world there is only one place where a new actor can arise which has the international influence necessary to steer the destiny of humankind in a new direction. This place is Europe. Only Europe can condition the unilateral initiatives of the US government,

channel the negotiations to solve international disputes within the framework of the UN and start a process leading to a new world order. Only Europe can open an increasing space to the establishment of other regional groupings of states, that can lead to the transformation of the Security Council into the Council of the great regions of the world. Moreover, it is only through regional unifications that the most backward countries of the South can achieve the economic dimension necessary to promote development and greater political influence on world affairs. Lastly, as regards terrorism, it can be defeated only if the industrialized countries can offer the peoples of the South a trust in the future through a plan of peace, development and democratization.

\* \* \*

The Campaign for a European federal Constitution is involving an increasing number of civil society organizations which find in the European Convention a historic opportunity for the promotion at international level of values such as peace, solidarity, democracy and justice. The abolition of war in Europe through a federal Constitution can point the way leading to peace in the world. The introduction of a single European actor in the world state system can have a real impact on the US position and strengthen the authority of the UN and international law.

Twenty years ago the peace movement won the battle for the removal of the "euro-missiles" when the prospect of a European Federation was still distant. Now the welding of the peace movement and the federalist movement can produce a grand project that, through the European unification, aims at transforming the UN into the tool and the engine for the construction of world peace.

# Can War Be Averted in Iraq?

*Immanuel Wallerstein'*

The simple answer is no, because the U.S. hawks won't take anything the Iraqis say or do as an acceptable reason to call off the war dogs. I feel we are in the midst of the novel by Gabriel García Márquez, *Chronicle of a Death Foretold* (*Crónica de una muerte anunciada*), a story of death as a social ritual. The United States is going to war with Iraq primarily in order to go to war with Iraq. It is for this reason that nothing that the inspectors say, nothing that the other members of the Security Council (including Great Britain) say, certainly nothing that Saddam Hussein may say will make any difference.

The war with Iraq was publicly requested during the last years of the Clinton administration in a statement of some 20 hawks, including Cheney and Rumsfeld. We now know that within days of the Sept. 11 attack, President Bush gave his imprimatur to such a war. All the rest has been pretense and maneuvering. The open defiance of the United States by North Korea in the last three months, and the evasive response to this defiance by the U.S. government, provide further evidence that the real issue is not Iraq's non-compliance with various UN resolutions.

So, why do Bush and the hawks feel that a war is essential? They reason in the following way. The United States is not doing so well these days. In the words of some analysts, the U.S. is in hegemonic decline. Its economy is in an uncertain state. Most of all, it cannot be sure that it will outcompete western Europe and

Japan/East Asia in the decades to come. With the collapse of the Soviet Union, it has lost the major political argument it had to persuade western Europe and Japan to follow all its political initiatives. All it has left is an extremely strong military.

Madeleine Albright, when she was Secretary of State, became at one point furious at the reticence of some of the high-ranking military to endorse her view of what should be done in the Balkans, and is reported to have said, "What is the point of having the strongest military in the world, if we can never use it?" The hawks make that viewpoint the centerpiece of their analysis. They believe that the U.S. has the strongest military in the world, that the U.S. can win any military encounter it undertakes, and that U.S. prestige and power in the world-system can only be restored by a show of force. The point of the force is not to achieve regime change in Iraq (probably a minor benefit, considering what might replace the current regime). The point of using the force is to intimidate the allies of the United States, so that they stop their carping, their criticisms, and fall back into line, meekly as the schoolchildren they are considered to be by the hawks.

The Bush administration has not been divided between unilateralists and multilateralists. They are all unilateralists. Those we call "multilateralists" are simply those who have argued that the U.S. can get its position formally adopted by others (the U.N., NATO), and that, if such resolutions are adopted, the

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policy is that much easier to implement. The "multilateralists" have always said that, if they fail to get the votes in the U.N. or elsewhere that they need, the U.S. can always go it alone. And the so-called "unilateralists" have bought this line because of the reserve clause. The only difference between the two groups is their estimate of how likely it is to get others to support the U.S. line. What we have therefore is a multilateralism that takes the form: the U.S. is multilateral to the degree that others adopt the U.S. unilateral position; if not, not.

The basic problem is that the hawks really believe their own analysis. They believe that once the war in Iraq is won (and they tend to think this will be done relatively easily), everyone else will fall into line, that the whole Middle East will be reconfigured to the desires of the U.S. hawks, that Europe will shut up, and that North Korea and Iran will tremble and therefore renounce all aspirations to weaponry.

The whole world is yelling at the U.S. that the situation is far more complicated than that, that a U.S. military invasion of Iraq will probably make the world situation worse, and that they are reaping the whirlwind. They do not listen, because they do not believe that this is so. They are impressed with the power of the bully. It is called *hybris*.

The folly of this war that has been so abundantly foretold is that, in addition to causing untold and essentially unnecessary suffering for all sorts of people (and not only in Iraq), it will actually weaken the geopolitical position of the United States and diminish the legitimacy of any of its future positions on the world political scene. We are living in a truly chaotic world, and U.S. pretensions to an impossible "imperium" amount to increasing the speed of an automobile going downhill with brakes that are no longer functioning properly. It is suicidal, and not least for the United States itself.

<sup>1</sup> Fernand Braudel Center, Binghamton University, <http://fbc.binghamton.edu/commentr.htm>, Commentary No. 105 - Jan. 15, 2003.

# The Case for a World Environment Organization

William R. Pace & Victoria Clarke<sup>1</sup>

In the ten years since the 1992 United Nations “Earth Summit” in Rio de Janeiro, Brazil, the environmental health of our planet has not only not improved, but, in fact, has worsened. Climate instability, drastically depleted fisheries, catastrophic droughts, devastated forests, disappearing freshwater resources, polluted waterways, and poisonous mega-cities threaten delicate ecosystems and, indeed, the inhabitants of the earth.

A proliferation of weak international environmental treaties and national laws has failed to address the problem of global environmental decline.

The lack of adequate international environmental governance (IEG) is a result of a fundamental injustice in the current state of global governance: tremendous power and resources have been concentrated in international finance and trade without a corresponding legal and institutional authority for the environment, social concerns and human rights. The increasing power and influence of major international finance and trade institutions such as the World Bank and World Trade Organization (WTO) that took place over the course of the 1990s contrasts sharply with a weakening of the, already-lesser, UN environment and development programs (UNEP, UNDP).

The existence of powerful international trade and financial regimes without comparable legal and institutional structures for social and environmental standards allows the World Trade

Organization (WTO) to act as the *de facto* arbiter on environmental issues. However, the WTO is an institution that not only lacks a core competency on environmental issues and policy, but views the environment as a commodity to be exploited rather than a resource requiring management and conservation. The result is that environmental, social and human rights issues, treaties and commitments are trumped by finance and trade interests. Rather, it should be the case that these considerations get prioritized ahead of finance and trade.

Many non-governmental organizations (NGOs) argue for the elimination of the World Bank and the World Trade Organization (WTO). Even some governments criticize these institutions. However, as world federalists, our perspective is that the solution is not the elimination of such organizations, but instead to strengthen international environment, sustainable development and human rights bodies while simultaneously making all international organizations more democratic and accountable. In order for the environment and social issues to be adequately addressed in the international legal order, they will have to be given equitable legal and institutional authority. We believe one response for international environmental governance is to create a World Environment Organization (WEO)<sup>2</sup> and to strengthen and upgrade the UN’s social and development organizations so that these institutions can act as a counterbalance to the powerful finance and trade institutions. A WEO would be a designated and empowered advocate for the environment

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that could serve to ensure effective policy and decision-making and provide an adequate response to environmental management. WFM does not favor simply adding bureaucratic and wasteful layers to a constitutionally weak “program” structure.

World federalists believe international democracy requires not one centralized world government, but the legal and institutional structures to underpin a responsive, accountable system of democratic global governance. The WEO we advocate is, therefore, not a world government or an institution advocating a single policy approach, but a governance organization that would increase the effectiveness of environmental management at multiple levels – national, regional, global.

It is not that a system of IEG does not exist, indeed, there is a strong basis of international environmental law. However, this foundation is diffused through various existing institutions and a myriad of multilateral environmental agreements (MEAs). The fundamental weakness of these legal and institutional arrangements is a lack of a central coordinating authority to exert influence on other arenas of international political power. The various bodies that address environmental issues in some cases have conflicting mandates and lack sufficient authority and funding to prioritize the environment. Additionally, in contrast to the WTO structure, the system of IEG has weak enforcement and compliance mechanisms.

Developing countries are resistant to the creation of a new organization that would deal only with environmental issues. Among their valid concerns are that IEG or a WEO might set conditionalities that could impinge on their right to develop economically or undermine their sovereign rights over natural resources. Developing countries concerns are reinforced by industrialized countries' lack of action on the Rio

Principle of Common but Differentiated Responsibilities that was identified at the UN's Earth Summit in 1992. Instead of IEG, developing countries highlight the need for international sustainable development governance. Our world federalist perspective fully acknowledges the South's concerns; however, the need for sustainable development governance does not negate the need to strengthen environmental governance through the creation of a WEO. Indeed, a WEO could potentially benefit developing countries as it would provide them with a forum for uniting and addressing their concerns as well as create a headquarters, thus reducing the number of meetings necessary for the current system of IEG.

In the lead up to the 2002 Johannesburg Summit, a few governments offered progressive proposals for IEG through a WEO. A German government commission produced a report outlining an institutional system that included proposals for an Earth Organization, an Earth Commission and an Earth Funding Organization<sup>3</sup>. France also emphasized the need for a WEO, announcing at the start of its European Union presidency in 2001 their support for a World Environment Organization. France's president Chirac reiterated this position in his statements to both the Financing for Development Conference in Monterrey, Mexico in March 2002 and again at the Johannesburg Summit.

In spite of the profile given to the issue of a WEO, the Johannesburg Summit failed to even consider launching a multi-year, high-level intergovernmental process to address main priorities and necessary commitments for adequate institutional arrangements for sustainable development and the environment. The negotiations for “institutional frameworks for sustainable development” on the agenda of the 2002 Johannesburg Summit witnessed another round in the global governance battle of finance and trade versus the environment, social and

human rights issues. The disappointing outcomes of the WSSD not only exhibited the imbalance in global governance; it also demonstrated an alarming lack of political will to address these broad and critical institutional issues.

Although governments lack the political will to begin serious discussions of a WEO, much can be done to address the practical needs for global governance for the environment. One of NGOs' roles is to continue to keep discussions of such politically unpopular topics alive. The World Federalist Movement International Secretariat (WFM) believes that fundamental issues relating to the development of international democracy and global governance are inextricably linked to the issues of international governance for sustainable development and the environment and the establishment of a WEO. NGOs need to continue to draw attention to the fact that a system of global governance is evolving without due consideration of social, environmental and human rights issues. Some cynically say that the current system of international environmental governance - with its myriad of MEAs and lack of a central authority - has been designed with the intent that it be weak and ineffective. However, there is increasing awareness amongst NGOs and many governments that global governance must be addressed. In the spirit of the "new diplomacy", NGOs should work together with like-minded governments, such as Germany and France, to correct the democratic deficit in global governance and move towards the creation of a WEO. A politically viable first step could be upgrading UNEP to a UN specialized agency.

Although some may say that proposing a WEO denies political realities, WFM would point out

that historic progress is occurring in other sectors. The recently established International Criminal Court (ICC) could have wide ranging implications for international sustainable development and environmental law. While the ICC will not be a court for environmental disputes, the establishment of the ICC, and its coming into force only four years after the adoption of the Rome Statute, demonstrates that international justice may soon be employed to address social, environmental and economic rights as it is now being done for human rights. It demonstrates the world is ready to move rapidly towards an effective system of international law once a goal has been articulated.

Of course, a World Environment Organization alone will not solve the problems of international environmental governance and global governance. There also needs to be fundamental reform of the WTO, consistent implementation of the Rio Principle of Common but Differentiated Responsibilities, advancement of the legal and institutional system for international sustainable development governance and more. Correcting the imbalance in global governance and the broader issue of the democratic deficit will require a multi-pronged approach. Although establishment of a WEO may be a long-term project, WFM believes that fundamental issues relating to the development of international democracy and global governance are inextricably bound up in these issues of international governance for sustainable development and the environment and the establishment of a World Environment Organization. Establishing a WEO would be one step towards a more balanced, effective and accountable system of global governance.

<sup>1</sup> For more information or for an expanded and more detailed version of this paper, contact the World Federalist Movement International Secretariat at [wfm1@igc.org](mailto:wfm1@igc.org)

<sup>2</sup> Or a "Global Environment Organization" (GEO) or "Sustainable Development Organization"

<sup>3</sup> German Advisory Council on Global Change (WBGU), "World in Transition: New Structures for Global Environmental Policy," September 2000. Full text available at: [http://www.wbgu.de/wbgu\\_jg2000\\_engl.html](http://www.wbgu.de/wbgu_jg2000_engl.html)

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# IPU Reform

## Basic Proposals Adopted

*Claudia Kissling*

In September 2002, the Inter-Parliamentary Union (IPU) decided upon the broad lines of an internal reform aimed at making the IPU more relevant, topical and visible. This centenary body, the only worldwide organization of parliaments, seems to be mostly forgotten even in specialized circles, although it has made enormous contributions to international decision-making throughout its 113-year history. The internal reform process currently under way is designed to lead the IPU

towards a new role, namely, becoming the parliamentary dimension of the United Nations. Unfortunately, not the whole membership is aware of the enormous significance of this issue for the Union itself as well as for international democratization. Moreover, the IPU is still struggling to achieve a sound financial basis since the USA has not paid its contributions for some time now. Against the background of internal opposition, it can be regarded as a success that the

### What the IPU is

The Inter-Parliamentary Union ([www.ipu.org](http://www.ipu.org)) is the world organization of Parliaments. Founded in 1889 as the first international political organization, it since then has developed from an organization of individual parliamentarians of mostly European States towards a worldwide organization of 144 Parliaments and five Associate Members (regional parliamentary assemblies). At the end of the 19th and the beginning of the 20th century, it principally worked for the international regulation of arbitration, the establishment of the Hague Court of Arbitration and the setting-up of the League of Nations and its Court, the Permanent Court of Justice. After World War I, it kept to its origins as an organization working for peace and cooperation among peoples and was still highly appreciated in specialized circles and at the League of Nations. After World War II, however, the rise of inter-governmental organizations led to its being relegated to the back row of international affairs. Since the beginning of the 1970s, the IPU has restarted to struggle for an appropriate position of the community of Parliaments within the realm of international relations, especially the United Nations. It was during these last 30 years that it had its most important recent successes, even though mostly unnoticed by world public opinion. Thus, the Union established a complaint procedure for the violation of human rights of parliamentarians, prepared and accompanied the CSCE process at the parliamentary level, worked for an equal representation of women in Parliaments and set up a technical assistance program for Parliaments of mostly new democracies. The strengthening of cooperation between the IPU and the United Nations and the renewed discussion on the democratic deficit of international relations within specialized circles in the 1990s paved the way for the Union to assert its claim of becoming the parliamentary dimension to the United Nations.

policy-making body of the Union, the Inter-Parliamentary Council, was able to achieve a political compromise, which consists of restructuring the Union as a committee-focused parliamentary forum, thus doing away with criticism that the IPU is a "mere debating club with meager results". The basic reform proposals now have to be transformed into statutory rules, to be decided upon at the next IPU Conference in Santiago de Chile in April 2003.

The main procedural changes include first the renaming of the Inter-Parliamentary Conference, the main deliberative body of the IPU, to IPU Assembly, and the Inter-Parliamentary Council to IPU Governing Council. Second, the two yearly Conferences are now divided into a spring session of five days for all organs of the Organization on the invitation of a member Parliament, as it has been the case for both Conferences until now, and an autumn session of three days in Geneva – or New York –, where only the Assembly, the Governing Council, the new Standing Committees and the Committee on the Human Rights of Parliamentarians will meet. The agenda of the Assembly during the first session will continue to include the cherished general debate, which has however been streamlined by giving it an overall theme. Both sessions will provide for a panel discussion incorporating a hearing with a senior official of a major international organization. The Committees will continue to be in charge of elaborating resolutions on specific agenda items beside the focused general debate<sup>1</sup>. The four existing Study Committees<sup>2</sup> will be reduced to three so-called Standing Committees, named respectively (i) Peace and International Security, (ii) Sustainable Development, Finance and Trade, and (iii) Democracy and Human Rights, reflecting as such those issues to which the IPU is best able to contribute. Moreover, decisions are now prepared by a report and a draft resolution written by two MP co-rapporteurs. This procedure was already tested during the Council meeting in September and worked fairly well. In

addition, there will be the – already existing – possibility of adopting one emergency item in order to enable the Organization to express its opinion on major political events of a topic nature.

Furthermore, the size of delegations to the Governing Council will increase from two to three members insofar as they consist of both genders. Failing this, they will be limited to two. This is a result of the strong position of women parliamentarians within the IPU. They also succeeded in having the Council adopt concrete statutory amendments at the Geneva session in September, which have to be accepted by the Conference in Chile next April. These amendments would make the inclusion of at least one woman in each Assembly delegation mandatory, reduce any non-mixed delegation by one person and have its votes calculated on a lower basis from the third consecutive Conference onwards. In addition, only parliamentarians from States where women have both the right to vote and the right to stand for election would be eligible for election to the Executive Committee, the administrative organ of the IPU. Finally, subsidiary bodies of the Council<sup>3</sup> will be reviewed – apart from the Committee on the Human Rights of Parliamentarians, which has set up a sophisticated secret and public procedure, based upon negotiation and pressure, to deal with complaints concerning violations of MPs' human rights.

The proposals appear to be of an exclusively technical nature. However, much can be achieved if the internal reform translates into greater external visibility during the two-year trial period and beyond. The failure of this endeavor has been the major obstacle during the last thirty years, ever since the IPU began to struggle for greater relevance in the international community of States in the early 1970s. Much has been and will be a question of content. The IPU's reputation at the beginning of the 20th century was mostly due to progressive, revolutionary outcomes based on

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scientific work carried out by its academic membership. Nowadays, the enormous workload has changed parliamentary work profoundly and has mostly excluded university professors from parliaments. Another obstacle to innovative proposals may be the large membership of the Union, which has been striving for universality for the last fifty years. The naturally differing views between North and South regions, as well as governing majority and opposition in Parliament make it difficult to come up with new results going beyond those negotiated by governments. Notwithstanding these constraints, the IPU has managed to produce some generally acknowledged results over the past few years, such as a resolution on a new approach to economic sanctions in October 2000. Nevertheless, the scientific background has to be strengthened in the future with a view to adopting innovative proposals. One starting point could be developing further some sets of UN General Assembly resolutions which are of special importance to the IPU, such as those on national and international democratization, thereby proving the willingness and capability of parliamentarians to oversee Government action.

Moreover, for the IPU to be relevant, the unique inter-state character of the IPU as the world organization of parliaments has to be reflected in a special status at the United Nations. Apart from consultative status with ECOSOC, which was granted to the IPU in 1947, resulting in its being

treated like an NGO ever since, a cooperation agreement of a more general nature was concluded with the UN in 1996. Over the last few years, the IPU was struggling to obtain observer status in the General Assembly, including the right to circulate its official documents in the General Assembly at its own expense. Both rights finally were granted on 19 and 21 November 2002 respectively<sup>4</sup>. A first step thus has been taken, but this certainly is not enough. Another question in the context of IPU impact is that of leadership. It is obvious that the IPU in the future will need a President with vision and mission. The single three-year term of office already considerably reduces the influence a President can bring to bear. The IPU is a political organization, so decisions are often taken in accordance with geographic preferences. The new President, elected at the Geneva meeting, the Chilean Sergio Paéz Verdugo, has yet to prove his strong commitment to leading the IPU towards a UN parliamentary dimension and his ability to mobilize support. Finally, the IPU should consider working more closely with NGOs dealing with these subjects, such as the World Federalist Movement, and even with other nonofficial parliamentary organizations. The proverb "unite and govern" is also valid in the context of people's power. On the other hand, NGOs should strongly lobby parliamentarians, in developed and developing countries alike, to raise awareness and remind them that they are the voice of the people, including in international affairs.

<sup>1</sup> For the next Conference in April 2003, which will function according to the old procedure, the topics of "Parliaments' role in strengthening democratic institutions and human development in a fragmented world", selected as a consequence of the UNDP Human Development Report 2002, which did not mention parliaments in the context of democracy at the global level, and "International cooperation for the prevention and management of transborder natural disasters and their impact on the regions concerned" were chosen.

<sup>2</sup> On (i) Political Questions, International Security and Disarmament, (ii) Parliamentary, Juridical and Human Rights Questions, (iii) Economic and Social Questions, and (iv) Education, Science, Culture and Environment.

<sup>3</sup> Ad hoc Committee to Promote Respect for International Humanitarian Law, Committee on Middle East Questions, Committee for Sustainable Development, CSCM (Conference on Security and Co-operation in the Mediterranean) Co-ordinating Committee, Group of Facilitators for Cyprus.

<sup>4</sup> UN Resolutions A/RES/57/32 and A/RES/57/47.

# What President for What Europe?

Tommaso Padoa-Schioppa

When the countries of Central and Eastern Europe enter the Union next year, the vision of the founding fathers of a united European continent will finally become a reality. The process embarked upon at Copenhagen represents for Europe's *geography* what the Brussels Summit (May 1998) represented for its *currency*. After monetary and territorial union, the current phase of European integration is now inescapably *political*; its results will dictate whether Europe shapes history, or is shaped by it. The debate on the future of Europe is already underway.

Many discussions have centred on the question of a suitable Presidency for Europe. The argument goes that if Europe is to shape history, it must become a political Union. It must be capable of providing security at its boundaries and of contributing to a world order of peace and justice, through a single representation at the United Nations (UN) and a credible threat of force where necessary. To achieve these objectives, there needs to be a Great President of Europe. The Great President would chair the European Council, in which the Heads of State and Government regularly meet, and would also ensure that their decisions are duly implemented. The Great President would represent Europe on the international stage, finally answering the question once posed by Henry Kissinger: "If I want to call Europe, what is the phone number?"

It is clear that Europe would benefit from

having an internationally recognised representative who could pick up the phone and talk to the likes of George Bush or Vladimir Putin. However, the argument that to be united politically Europe requires such a President needs some clarification. Firstly, in terms of currency, trade and competition policy, Europe is already strong without a Great President, a point clearly illustrated when Brussels blocks high level mergers (e.g. General Electric and Honeywell), or retaliates over American protectionism (e.g. steel tariffs). Secondly, with the President of the Commission, Europe already has a President, with a level of democratic legitimacy equal to Italy's President of the Council of Ministers or France's Prime Minister. Like them, he is appointed by a higher body (European Council), and is accountable to an elected parliament. He has fewer powers only because the Union has fewer competences, not because of a deficiency of investiture. Finally, it would be futile to give this Great President responsibility for foreign and security policy if the Union itself does not have sufficient power in these areas. Such a Great President would soon become a "Paper President".

In sum, the discussion about Europe's Great President ignores - perhaps intentionally - that in order to be stronger in more areas, the Union needs to be given both the ability to decide and the means to act. The ability to decide essentially means more majority voting; it is clear that the Union only goes forward when the paralysing condition of unanimity

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for decision-making is removed. Even with all the goodwill in the world, as long as it exists, the veto will be used. Moreover, the veto not only blocks particular decisions, it also affects the Union itself because its mere possibility changes the nature of the discussions and the negotiating positions of Member States. Second, to implement decisions, the Union must be given the means to act. Whereas now the Member States provide the Union with resources “on loan”, the Union must be granted its own independent resources in terms of budget, military apparatus, foreign embassies and a seat at international organisations such as the UN. A decision lacking execution amounts to warm words, but no action.

Without the ability to decide or to act, creating a Great President will not make the Union stronger. Worse, if such a President were created outside the present framework, it could threaten the institutional balance, since it would be very difficult for the new President to avoid conflict with the existing power structures. Far from adding strength to the Union, such a President could hence weaken it.

Should we therefore forget the idea of a President of the Union? No, but several aspects need to be clarified. In the last few months, two different proposals over the new President’s institutional status have been put forward. In both proposals he would chair meetings of the Heads of State or Government, in which decisions over peace and war should be taken. However, one proposal suggests that he should be the President of the Commission and another the President of the European Council. Whereas the first proposal amounts to one single President (“One-headed Union”), the second would involve two, as in this scenario the Commission President would retain his role

(“Twin-headed Union”) for policy areas presently under Community competence. The consequences, which go to the heart of the very nature of the Union, are difficult to evaluate.

However, assuming that both proposals aim to create a Europe capable of influencing world affairs, let us try to make clear what kind of President the Union requires. Firstly, the President’s role should not be limited to the intermittent task of chairing the meetings of the European Council; it should be a full-time job. The President should supervise the preparation of the European Council and provide political leadership after decisions are taken. Secondly, the President would need an administrative structure of his own: specialist policy advisors, information services and access to EU Ambassadors around the world. When a military operation is under way he must have the power, albeit under the direction of the Council, to act as Chief of the Armed Forces, and that may include having a finger on the nuclear trigger. Thirdly, such presidential power needs continuity, in contrast to the current system of rotating presidencies; it cannot change face, name, address and style of management every six months. Europe’s constant musical chairs in front of world leaders such as George Bush and Jiang Zemin, or at multilateral fora such as the G8 and the UN Assembly only serves to reduce our political weight and weaken our position. Fourthly, the President must have full democratic legitimacy. This cannot be ensured if the President were to be chosen by the Heads of State or Government, figures who are elected for serving a national interest rather than the interests of the Union as a whole. In theory legitimacy could be gained from a direct general election; but would it be possible to run a televised electoral campaign with simultaneous translation into twenty different languages? It seems more reasonable

that this legitimacy comes from a vote of confidence by the European Parliament, the only body that is both elected by the people and vested with the European interest. Finally, the President must only be given appropriate powers; decisions about peace and war should of course not be taken by him, but by the European Council, with the agreement of the Parliament. The President should prepare, inspire and execute decisions, and should embody the policy of the Union, but he should not wield the power of peace and war. This is in line with established political regimes, where power is articulated differently for

peacetime government and conflict situations.

If agreement could be reached on the above role of the President, differences of opinion over the institutional context would lose importance. It would then seem natural to choose the most linear proposal, which in my opinion would be to enhance the President of the Commission. Efforts to create a stronger Union with a twin-headed leadership seem much more difficult than increasing the present profile of the Commission President, which must include foreign and security policy.

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# Divide et Impera

*Giacomo Filibeck*

The letter in support of George W. Bush's foreign policy, signed by seven European heads of government and by President Vaclav Havel, which the Greek Presidency knew nothing about, has shown Europe's citizens what they sometimes do not seem to see: that Europe does not have any common foreign policy.

The resounding statements by the EU foreign policy chief Javier Solana, the adoption by the European Parliament of a resolution against the war, the endless mediating to arrive at a common position and even the provision of the Treaties regarding the CFSP are nothing but a fig leaf covering the division between the governments of the European Union.

As soon as an important decision has to be made with real influence for the future, European leaders suddenly abandon the false unity proclaimed and only heed their own national interests and, in some cases, even their own personal ambitions for power. They mistakenly believe that in so doing they are exercising the privilege of sovereignty, but instead they are making Europeans the subjects of a sovereign on the other side of the ocean. This suits those who say that the division of Europe is the only way to preserve democracy. Divide and rule, the maxim of our Latin fathers, is today turning against their descendants.

Europe's heads of state and government are accepting the game being played by George W. Bush, so that precisely when the United Europe should speak with one voice, its rulers take

different paths. Some obediently line up behind the American president while others display a will for autonomy, even though they do not show any real intention of taking the necessary steps to render this effective. Such a division is serious.

But the division that is threatening Europe most of all is not the one between European leaders. Rather, it is the increasingly unbridgeable divide between the rulers and the ruled. The overwhelming majority of Europeans are radically opposed to this announced war and to the imperialistic and unilateral approach of the US administration. It is a mistake to see this dissension as the umpteenth expression of faint-hearted pacifism of those who have conferred on others - together with the benefits - the costs of managing the world order.

This rejection of war is a reminder of the devastation caused by those who in the past believed they could dominate the world by using force. But there is also the knowledge that we must build a more just world, based on the rule of law and not on the use of violence. *Make law, not war* is the slogan that best conveys this feeling and that underlies the call for democratically governed globalisation and sustainable development. It is a United Europe that is seen here as the only possible defender of these principles at world level.

And yet Europe's leaders remain deaf to the call. Instead of devoting their work in the European Convention to building a genuine

## *Comments*

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European foreign policy or a government capable of overcoming the divisions between Europe's national states, as occurs in every democracy, they prefer to continue staunchly defending the empty shell of national sovereignty. And this is the case, alas, not only for those eight European countries that signed the "letter of the Eight" but also for France and Germany.

The greatest victim of their blindness is precisely the European Convention, called on in the Laeken Declaration to answer the following question: "Does Europe not, now that it is finally unified, have a leading role to play in a new world order, that of a power able both to play a stabilising role worldwide and to point the way ahead for many countries and peoples?" The answer to this from Europe's

governments these past few days has been a clear 'no'. It is not a coincidence that this letter was inspired not only by the United States whose ambition is to remain the lonely superpower but also by Great Britain and Spain, countries which look askance at the prospect of Europe's political unification.

Either an initiative emerges within the Convention to give Europe a government and a single foreign policy or there will be no hope for those who believe that another world is possible. Sooner or later it will no longer be possible to bridge the gap between those who rule and those who are ruled: this will mean, above all, the defeat of the representative democratic system, with all the possible consequences that this would entail for our future.

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# Europe by the People

*Carsten Berg*

The demand of greater and more effective involvement of EU-citizens is not new. Before the founding of the EU's predecessor and the recently abolished Coal and Steel Union, Charles de Gaulle declared in 1949: "I think that the organisation of Europe has to proceed from Europe itself. I consider that the start shall be given by a referendum of all free Europeans."

A referendum as the definitive founding act of a political Europe! This is what the Italian European federalist Altiero Spinelli imagined, when in 1984 he proposed the creation of an EU constitution which would have to be ratified by the people in a Europe-wide referendum. The supporters of this federal idea were already a generation ahead and had to wait patiently until the time was ripe for more democracy in the EU: and that did not happen until recently.

After half a century of European integration it has become common sense that Europe needs to overcome its democratic deficit. The Laeken Declaration laid the foundation of the Convention which among other things is charged with examining: 1) how Europe can be more democratic, more efficient and more transparent, and 2) what might be the route to a European constitution. This concrete task has inspired the creative thinking and the courage of many Europeans. Many members of the Convention have spoken in support of a Europe-wide referendum on the results of the Convention's work: Convention President Giscard d'Estaing stated at the opening of the assembly at the end of February that treaties

should be concluded by countries, but constitutions by peoples – and that he therefore approved the idea of a European referendum. Giscard's deputy Amato has declared his support for an "informal referendum". Another vice-president, Dehaene, has emphasized that he is in favour of a "European constitutional referendum" as long as this is held all throughout Europe.

Both within and on the fringes of the Convention, many members have spoken in favour of the Europe-wide referendum including the British House of Commons MP David Heathcoat Amory, the German Bundestag representative Meyer, and Austria's former transport minister Einem. The idea of a referendum is especially strong among members of the European Parliament delegation to the Convention: Lamassoure, Duff, Timmermans, Brok, Voggenhuber, Kaufmann and Garrett have explicitly expressed their support for a European referendum.

People of all European Countries value their freedom of choice and feel the need to have a say in decisions affecting their lives. A European Constitution will most positively influence European people's lives and it will be the best way to reach a common basic agreement as it codifies the way we want to live together in Europe tomorrow. A Europe-wide referendum is an explicit recognition of the principle of the sovereignty of the people which ought to underpin the construction of a federal Europe. It connects the two principles of individual

freedom and common agreement.

In addition the following aspects are worth considering:

1. A proper European Constitution with a whole set of new institutional arrangements and legal personality requires a broader legitimacy than only the signatures of some heads of state. Today we are not talking about another treaty change but about the creation of something close to a new state. Citizens will accept this new kind of statehood from day one only if they have been asked to endorse it.

2. Opening the perspective of a Europe-wide referendum makes a new dialogue possible. It will integrate EU-citizens in the drafting-process. With the prospective plebiscit on the Conventions's result, its members are "forced" to draft a comprehensible text which is so simple and openly democratic that it will receive the citizens' vote. Given the necessarily quick decision to put the new Constitution to the people, broader public communication between the Convention members should be expected.

3. The discussion around the referendum will be stimulated by the media and politicians. The exchange of arguments will make the citizens more competent, more motivated and more ready to learn the way in which Europe works. Thus, the role of citizens will be strengthened.

A classic argument against the Europe-wide referendum is that there is no such thing as a "European public" and a "European People". The European referendum is an ideal means of creating a European debate across the national borders. European politics will only become relevant to the citizens of Europe when they have the opportunity of real participation in this very essential decision. If this does not happen, they will continue to feel alienated and

apathetic and the EU will remain a bureaucratic, elitist organisation.

In the words of de Gaulle: "...Europe will be born the day on which the different people, in their depth, decide to join. It will not suffice that members of parliaments vote the ratification. It requires popular referenda, preferably held on the same day in all countries concerned".

Legal technocrats argue that we cannot have a European referendum because a European Constitution providing for that has not yet been implemented. Obviously, this very conservative argument can be refuted if there is the political will for a referendum. It would be no problem for national parliaments – given the political will – to implement ways to make it possible for every country to hold a political referendum on one day all over Europe.

If one really wants to appreciate and grasp the potential impact of the referendum-idea it will be important to focus on the *communication process* across Europe that is triggered during the conventional drafting process and also in the months leading up to the vote, which is forecast for June 2004 along with the EP-elections, and not exclusively on referendum-day.

The immense historical challenge for federalists is to intensify the dynamic communication process explaining the need for a federal constitution. Our ideas are convincing, thus there is no reason to hide. First steps were initiated by JEF on the 9th of November 2002, with the successful organisation of "referendum-action" in Lyon, Florence and Frankfurt simultaneously. Courageous actions like these are carried by the European idea that Federalists have been cultivating for decades. This European spirit releases the necessary energy to overcome the fears of the sceptics and to win the referendum challenge fulfilling the dream of Europe as made by the people and for the people.

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In summary: the trend towards the federal idea of a European referendum has received massive support from the most varied sources in recent months. The advantages of this process detailed above are capable of reducing some of the greatest deficiencies in European democracy: participation, legitimacy, transparency and efficiency. Faced with the monumental

significance of a European constitution we can expect already today that there will be at least a number of national referenda in EU-countries. Therefore our specific federalist responsibility is to further show evidence for a Europe-wide referendum that is to be fought as a European rather than a national contest. Let's face it and become active.



NEW WEB SITE:

**[www.federalist-debate.org](http://www.federalist-debate.org)**



*Happy surfing!*

# European Trade Unions' Role in the Economy in Course of Globalization

Antonio Mosconi

*1. Economic globalization, a result of the scientific revolution, poses a challenge to workers and creates a new demand of politics at supranational level*

The fundamental trait differentiating today's globalization from the mercantile internationalization which developed between the nineteenth and the twentieth century, lies in its correlation with the scientific revolution, that is with the technological paradigm based on the spanning-across role of information technology, communications and transports. Its effects amplify and accelerate the phenomena of disgregation of the international economic order, caused by the decline of the American hegemony and by the dissolution of the Soviet Union. The national states, even the United States, are not capable of facing the global problems, for which there is no adequate government level yet ("we have plenty of *governance*, but not a world government", the American Nobel prize winner for economics Joseph E. Stiglitz remarks). In parallel with the growing visibility of the states impotence a feeling of insecurity is spreading, which shows up in job precariousness, in market volatility, in xenophobic and micronationalist reactions by those sectors of society which feel themselves threatened by the ongoing processes, in the rising of a worldwide public opinion opposing globalization, but confused as to which political line is to be adopted. In this "movement", very different inspirations and aspirations converge, from those hopeful to restore a protection and a regulating capacity of the national states, to those realizing that it is not a matter of opposing

globalization but of governing it. To give a direction to the "movement" is a political task, but for it to express a global project a strong thrust by the social forces is necessary.

*2. When the scientific revolution and the economic globalization distressed the nations' Fordist-Keynesian regulatory function, Trade Unions chose Europe*

The Fordist intuition's fundamental nucleus concerns salary. It constitutes not only a production cost, but also the purchasing power necessary to provide an outlet to production itself. Keynes provided a theory to Ford's intuition and a regulating criterion: if savings (the non-expenditure in consumer goods) were greater than investments, the state should fill the resulting deflationary void by stimulating consumption and private investments, and making public investments up to the point of attaining an equilibrium of full employment; going beyond this point would cause the falling into the opposite evil of inflation. Although this is a static model, Keynes certainly was not unaware of the phenomenon of technological innovation and its ever-increasing speed. At the beginning of the Great Depression he observed: "we are struck by a new illness, whose name some readers may still ignore, but which they will hear much about over the next years: technological unemployment. This means that unemployment due to the discovery of labour-saving devices is growing at a more rapid pace than that with which we are able to find new jobs for that same labour". The regulation approach

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stresses the state's role in guaranteeing the macroeconomic consistency and its more structural presence in institutions, in order to build the collective bases of production, to give impulse to technical progress, to overlook the collective risks in finance, to promote equity in income redistribution, to compound capitalist interest and social progress.

Well, while the technological paradigm made it possible to organize production and distribution in a network-like fashion on a global scale, the regulatory system remains entrusted to the national states now lacking control over financial movements (many times greater than the real exchanges and investments), and competing with each other for attracting factories to be delocalized by transnational companies; this is the cause and excuse for the progressive erosion of the rights of workers and citizens in the fields of welfare state and taxation and environment policies. States ultimately dominated by the extremist free-trading dogma imposed by the United States, which indeed allows for just one, improbable regulation, the imperial one.

It is in this framework, and with the aim to regain at the European level at least part of their contractual and regulating autonomy lost inside their national states, that the Trade Unions have been struggling in many countries for accepting immediately the euro, asking the workers for sacrifices in exchange for a greater contractual capacity in the future. It is not by accident that the industrialists have been much less united than the workers on this line.

*3. A non-governed globalization (the ideology of extreme free-trading) negates the value of equity, despises legality, makes democracy passive*

Extreme free-trading has produced in the last twenty years an increase of inequalities among countries and among citizens of every country. This phenomenon has been more painful in the

United States, armed custodians of that ideology, than in Europe, which was left in part at least immune, more due to the effects of unions' struggles than by virtue of an alleged diversity of its capitalistic DNA. Globalization governed by market forces alone represents an ideology functional to the interests of those wanting in reality to be its only governors. Thus the United States exerts a power disproportioned to the effective (and constantly declining) weight it has today in terms of population, economic strength and political consensus in the world. This power is exerted first and foremost through an intolerable pressure over the institutions of global governance (in the economic field the International Monetary Fund, the World Bank and the World Trade Organization).

The most significant disequilibrium produced by such a globalization, with no other rules but those dictated by the transnational companies, is the asymmetry between the groups that can operate beyond their national borders and those that cannot. The financial capitals and direct investments (the factories) migrate boldly towards more profitable conditions. Any liberalization (always one-way) is deemed insufficient, while workers experience difficulties in cross-border mobility, already limited anyway by economic straits, by debts and by the downright forms of slavery that arise from it.

Trade with low-income countries increases the premium in rich countries for qualified workers, further impoverishing at the same time the less-qualified ones. Job seekers become more yielding with regard to pay level, allowing the employers to raise the amount of non-wage-related costs imposed on the workers. Greater inequality, greater insecurity, lower salary and longer unemployment hit the workers and weaken the trade unions. Competition in international trade makes it more difficult for states to bear the costs of maintaining different social models and thus exerts a pressure on national norms and

institutions, up to affecting acquired levels of social protection.

National laws and intergovernmental agreements are no longer credible, because the states can ensure their enforcement only over those subjects having scant or no possibility of migrating abroad, while international organizations are not endowed with an efficient and legally-recognized sanctioning power. With global activities, be they legal, illegal or criminal, the states are not capable of enforcing laws, collecting taxes, protecting social cohesion sought after by labour laws and social pacts. Instead of acknowledging that the problem can only be solved by proceeding from international to supranational right, as in part has already been done in the European Union, the tendency is to assume the market as the general and absolutely dominant institution. The question of lawfulness then becomes central again, in particular as far as the two global operators *par excellence* are concerned: the transnational company and organized crime.

The extreme free-traders believe that globalization leaves no room for mediations, and so they are a danger for the preservation of democracy, as its rules are sidestepped. Their opponents would like to restore the national state, the only one so far that has tried to organize a regulatory system counterbalancing the market. The first position must be opposed, the second overcome.

*4. Trade Unions' global commitments: to collect the credits the workers have from the EU and to fight for international democracy*

The workers, having accepted the Maastricht parameters, bore the greater costs for joining the euro. The budget policy (taxes, public expenses and public debt) is no longer applied as an instrument for redistribution, social justice and correction of market failures in crucial sectors,

like scientific research, education and continuing training, health, environment protection, preservation of security and legality. Budget deficit (with no distinction between running expenses and investments) cannot be greater than 3% of GDP. Public debt must be brought down to no more than 60% of GDP. Despite the impressive decrease of interest rates, due to the expectations generated by the stability pact and the creation of the euro, the member states are not allowed the necessary maneuvering freedom to put in place public expense policies, neither structural nor anti-cyclical. It is true that Art. 104.3 of the EU Treaty grants the Commission some flexibility in evaluating public accounts taking into consideration the expenses' composition (greater benevolence for investments rather than running expenses); it is also true that in the stability pact it is written that the balancing of public accounts has to take place in the medium term, thus introducing the notion of economic cycle. However, the activation of Keynesian policies by the national states is now made impossible in actual fact by the degree of integration of the European market. If, for example, Italy decided incentives for supporting car demand, the non-Italian competitors would enjoy two thirds of the same. If Germany financed, as in part it did, its Eastern regions' development through policies of deficit spending, it would be the value of the euro to suffer, and the savings of all Europeans to be penalized. That is why only a European budget policy would be effective. It is actually in such a perspective that European workers have invested. In order to get a return from their investment, however, they will have to fight again, this time for a European government, endowed with the authority and the appropriate means for actuating a budget policy. To give the euro a soul. To redeem the future.

The future is promising two things: a better capability to defend the European model of social market from the assault by the unruly

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market, and a European policy for development and employment. It is not a matter of Europe being a closed fortress, that is, of a neo-protectionism of continental dimension: the extra-Community exchanges (including the ones internal to the transnational companies) represent a small portion of the European GDP. This portion, due to further decrease with the EU enlargement, consists mainly, on the imports side, of energy and raw materials. The main producing countries (from Russia to the Arab states) are in favor of accepting euros in payment of supplies to the EU. The only reservation they have is the absence of a European government. So, the Union is potentially in a position to consider negligible for its economy the effects of the dollar fluctuations. Moreover, the Union is potentially in a position to regain its maneuvering freedom both in the monetary and in the fiscal fields; that is to say that it could regain most of the Keynesian macroeconomic regulating ability lost by the European national states. The Delors plan, which has remained a dead letter, constitutes a very good example of what a European democratic government could realize. That is why the struggle for a democratic government of the EU represents the first strategic line for the European Trade Unions.

The second strategic line shall look further ahead, but must be actuated at the same time as the first. People's trust in the institutions that are now governing globalization has never been so low. After the financial crisis in South-Eastern Asia the IMF has lost credit even in the United States, even if it was dictating its behaviour. However, the American government hinders

every reform project, in order not to transfer its ruling power from the Fed to a supranational organization, which will exercise it through the force of right instead of the right of force. The same can be said about the World Trade Organization, the only institution endowed with sanctioning powers, which can impose, with no democratic control, supranational constraints on the authority of every one state subjecting trade to other political objectives. Applying ever increasing doses of democratic control inside these institutions constitutes the only way for the Trade Unions to protect the interests of the workers in this new scenario, pressing upon capitalism as far as it has ventured and sheltered.

Vital questions require once again the awareness and militant commitment of workers all over the world to face and solve them:

- the environmental non-sustainability of globalized development with today's technologies
- the blow inflicted by "competition" to insurance, redistribution and welfare state stabilization mechanisms
- the absence of an efficient power countering global trusts and organized crime
- the monetary disorder, the destruction of every control and protective net for financial markets, and the non-existence of a last-resort lender at world level
- the primacy granted to the freedom of exchanges over any other consideration

We are certainly not at the end of the Trade Unions! A new phase of the civil and democratic struggle is calling.

# Will the Current Crisis Lead to the Destruction or Transformation of the World?

*Charlotte Waterlow*

The current crisis has taken three main forms: first, the destruction by bombing of a large part of New York City on September 11, 2001 by Afghan terrorists; second, the infiltration of American postal mail with deadly anthrax powder, and third, the retaliatory bombing and threat of ground invasion of Afghanistan by American forces, with the background support of the British. This retaliation, and all that it implies for the future of Islam in Afghanistan, has stirred up rage throughout the Muslim world (of the six billion inhabitants of the world one billion are Muslims). Will they seek revenge on America and its British ally? Could this lead to the destruction of much of the human race? To answer this question we must cast an eye over the scroll of history.

The long scroll of history may be divided into two phases. The first is that of traditional civilizations (in the plural) – Egypt, China, Mesopotamia, Japan, Greece and Rome, the Arab world, mediaeval Europe, the Mayas and Aztecs in Latin America. This phase lasted about 5,000 years. Essentially, with the partial exception of Greece and Rome, there was little change throughout the millennia. Religion laid down the principles of the physical structure of the universe – thought to consist only of what could be seen with the naked eye – and of its spiritual structure – from God to gods, angels, imps and devils. It also laid down the models for the social structures of humans, from Emperors to slaves and women; its physical structures, from palaces to hovels; its means of communication, from horseback riding to carriages and sailing ships, and its weapons of

war, from bows and arrows to swords and spears. Men looked backwards to ancient revelations and scripts, regarded as infallible, for inspiration and guidance. This applied to the loftiest concepts of the nature of man to the most detailed rules of daily life. To question the concepts was heresy, to break the rules was wicked. Thus heretics and disobedient children, women, servants and slaves were often punished with torture and/or death.

The second phase, the modern age, dawned about 200 years ago, with the eruption of two major developments: the concept of Human Rights, proclaimed in the French and American Revolutions, and the rise of science. Both these developments meant that for the first time in history humankind ceased to look backwards for the guidance of infallible creeds and teachings; instead, a mighty impulse arose to think in terms of growth, development and transformation. To give a few examples: the first railway train replaced horseback riding in England in 1825; guns, tanks, aeroplanes and bombs replaced swords and spears for fighting; secular, democratic systems of government replaced role by "The Divine Right of Kings"; women became "liberated" to be equal persons with men; slavery has been all but abolished, together with the caste system in India. Marriage for love has replaced arranged marriages. Social rights include universal education and health care. The ethos of the modern world is summed up in Article 26 of the United Nations' Universal Declaration of Human Rights (see below): "Education shall be directed to the full development of the human personality".

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The sudden leap into the modern world – sudden in the annals of the long scroll of history – has inevitably been profoundly liberating and exhilarating, but equally it has inevitably been profoundly disturbing and painful.

Secularly, agnosticism, atheism and psychology have replaced or are replacing the religious dogmatism, fanaticism, conflicts and punishments of the past. The idea that the repressed pain and murk in the psyche should be brought to the surface and faced before the person can fulfil the real potential of his personality is new in history. In olden days he would have been tortured and/or executed. The adolescent who is struggling to fulfil his or her potential is often filled with a sense of inferiority, insecurity, anger and aggression. The modern obsession with football is perhaps a harmless way of dealing with some of these emotions. The harmful way is expressed in aggression, the sheer desire to dominate, the search for a spurious social security and sense of "community" by ganging up with people of like types – language, customs, religion, race, "colour". In the two centuries of psychological adolescence the two world wars in history have taken place, and countless lesser wars have been fought with weapons of a satanic nature, from monstrous guns to airborne bombs and now deadly chemical weapons – all undreamed of in pre-modern days. Some of these wars have been religious wars, or coloured by an ancient religion – for example, those in Ireland, Palestine, Sri Lanka, the Indian sub-continent. But these modern religious wars have perhaps been more political and psychological than religious at root, based on ancient trauma.

The second motivation of modern adolescence has been greed, fostered by science. The standard of life of the typical modern person, wherever he or she may be living, is based on scientific inventions undreamed of in traditional societies – electricity, trains, cars, aeroplanes, nuclear power,

chemicals for all sorts of purposes, including healing (dissection of the human body was not practised until 16th century) telephones, printing and latterly 'email' and other forms of instantaneous communication around the globe. The negative results of greed which underlie much modern life are two-fold. First, the world's natural resources are being used up at an alarming rate. The world's population has exploded from an estimated 500 million in AD 650 to 6 billion in AD 2000, and at the present rate of increase it is estimated that it will be 10 billion by the year 2050, unless birth control becomes universal or monumental disasters occur. The combination of an exploding world population with declining resources of coal, oil, water, minerals, trees which absorb carbon dioxide and thus reduce the threat of global warming, the use of land for cash crops instead of crops for local consumption in the poor countries, has produced the ominous threat that in one or two generations the world may not be able to feed its inhabitants adequately. Add to this the threat of global warming – the release of carbon dioxide into the atmosphere by the wholesale destruction of the tropical rain forests in Africa and Asia, and the newly emerging threat of wiping out millions or billions of people by nuclear bombs or poisonous chemicals. In the light of these developments the collapse of the human race in this century becomes a serious possibility. After 200 years of psychological adolescence the crisis point is dawning: *grow up or blow up!*

What does "growing up" involve? First, to feel and express love, compassion and concern for others, to radiate the smiling kindness which shines from the faces of Nelson Mandela and Archbishop Tutu, to be unconcerned with the development of one's own ego and to be profoundly concerned with the situation of our fellow man, woman and child. Second, to want to act to improve the lot of human kind, whether through some exalted field like scientific research, or through washing dishes, through physical

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healing or psychological counsel, through education, art or other creative activities. Third, to want to forgive rather than to punish, to create and bless rather than hurt and destroy.

There are many symptoms in the adolescent, tortured world of the early 21st century of growing up into maturity. Perhaps the most striking is the creation of the United Nations Organisation in 1945, immediately after the most vicious war in history. All the countries of the world are members of it except for one small Pacific island – Nauru. It is based on an ethical statement, "The Universal Declaration of Human Rights" of 1948, ratified by all member states, which embodies the qualities of maturity outlined above. As mentioned above, for the first time in history men and women everywhere are being encouraged to develop their personal potential, to be creative, to love. This is surely the keynote of maturity.

Some 80 Conventions or Treaties have been formulated by the United Nations on the basis of this ethic. Two are specifically concerned with the implementation of Human Rights. The rest include Covenants on the Rights of the Child, the Rights of Women, the use of mercenaries and of inhumane weapons. An International Court of Justice was set up in 1919 to deal with disputes between states, and an International Criminal Court is about to be established to deal with criminal acts by individuals against humanity. In addition there are some 16,000 "Non Governmental Organisations", citizens groups such as Oxfam, Amnesty International, Greenpeace, the Women's International League for Peace and Freedom, both bolstering and lobbying the United Nations.

To this brief sketch of the global scene created by the United Nations must be added another new post war institution, that of "the European Community". In 1950, on the initiative of the French, the German, Italian, Belgian, Dutch

and Luxembourgian Governments agreed to form a "European Community", in which their coal and steel industries, the sinews of war, would be scrambled up in a common organisation so that they could never have war again. It might be described as the greatest act of forgiveness in history. Soon nine other states joined, including Britain and Eire, and now ten more in central and eastern Europe are preparing to join. The concept of "Community" is fundamental. Such words as "Organisation" and "Association" imply law; "Community" implies love. Nelson Mandela has called for the development of an African Community. The United Nations may develop from an "Organisation" of nation states, bound together by law, into a Community! The Community has in fact taken a further step forward and changed its name to "European Union".

The "Cold War" between the former Soviet Union and the USA and Western Europe which prompted the development of nuclear weapons and poison gas (at Porton Down in Wiltshire, England) is over. The ethics of justice, caring community are penetrating every corner of the world like a healing fluid. Science and Human Rights are preparing the way for the experience and the vision of universal spirituality which is already beginning to replace the canonical theology and often militant behaviour of the traditional religions.

The present crisis of the New York bombing and the sudden spread of deadly chemicals may therefore be regarded as a turning point. Either the world and the living things on it will be destroyed, or humanity will "come of age" and create a world community or union based on the spiritual love which is implicit in the concepts of the United Nations and the European Union. Meanwhile it is incumbent on the more mature countries involved in the present crisis to "Return good for evil".

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# Terrorism, A Threat To Civil Society

*Visvanathan Muthu Kumaran*

After the end of the Cold War, the traditional war is no longer the primary threat. We now face all kinds of new changes such as environmental threats, refugees, international crimes, drug dealings, HIV/AIDS, the effects of the failed states which have global ramifications, and terrorism.

No citizen of the world can feel safe now and the threat knows no borders. It not only threatens public safety but also the very foundation of the civil society. The most frightening of terrorism, in this era of modern communications, is that terrorists might gain access to and use of weapons of mass destruction, especially nuclear, biological or biochemical weapons. They pose new and frightening peril that no longer is minimised or ignored. It needs to be combated at all costs. Terrorism must be fought but the campaign needs to be situated in a larger war against the cult and culture of violence, in all its forms. This will be a war that will not be won in weeks or months but will be a long, difficult struggle year in and year out. Our objective should be total victory - to vanquish all those willing to take innocent lives for extremist ideologies.

The essence of terrorism is not the violence it unleashes but it is the unilateral imposition of the will or agenda of one interest group over the rest.

The rate of turnover of conventional weapons by the world military forces has increased drastically in recent times and many of the

weapons are finding their way into the open market. It is inevitable that in the future any group, which is determined to go ahead, will be able to purchase or steal powerful conventional weapons, which will be very sophisticated. The fact that the states are more involved in backing terrorist groups than in the past also means that it is easier for the later to gain access to sophisticated arms in significant quantities.

All the countries should make determined effort to deny the networks of terror and their suspected state promoters any access to mass destructive weapons. The fact that a US rocket could be smuggled out of West Germany some years ago indicates that a determined group of terrorists can indeed seize such sophisticated arms and use them against the humanity. Probably the most controversial possibility is that of terrorists being able to construct their own crude nuclear device since much of the data needed to design a nuclear bomb are now freely available as was documented by a highly published TV programme. In March 1975, the TV channel featured a 20-year old undergraduate from the Massachusetts Institute of Technology who had designed a technically conceivable nuclear bomb.

There should be an international coalition against terrorism not only to punish those responsible - and those who harbour them - but also those involved in planning and co-ordinating the future acts of terrorism. Selective targeting of terrorist outfits, inconvenient to oneself, can only degenerate

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into yet another project of war. It is true that hardly any terrorist movement has succeeded in attaining the goal and it is also true that very few terrorist movements have been crushed by brute force alone.

For decades now, the American Foreign Policy, especially during the Cold War, has involved the sacrifice of millions of lives in far away lands. Everybody is aware that the US has used its military muscle to impose its global economic agenda and its ruthless pursuit of foreign policy. Our world subscribes to unwritten dogma that loss of life is more tragic in some contexts, in some countries, whereas it is treated as a routine matter in most countries.

Once the Cold War era ended, the New World Order has turned out to be one in which the US has come to occupy and wield a dominant influence, including at the United Nations.

To the US, it was deemed legitimate to sacrifice people at a distance to lay the foundation for American hegemony over the entire world. Beirut was bombed by the US-made warplanes by the Israelis for 69 days, during the Ariel Sharon's invasion of Lebanon in 1982. Iraqis blasted for 40 days during George Bush's Desert Storm in 1991. The Palestinians are constantly living with the threat of attack from Israel with tactical support from the US. Recently, the bombing of Afghanistan was justified by invoking Article 51 of the UN Charter and the UN Security Council Resolution 1373: the US deliberately misread both, to launch military action, and this year it however skipped even the flimsy and dubious sanction in proposing the invasion of Iraq.

Israel is not only a vivid example of the West's double standards but also a reminder that terror can work if it is properly organised in the guise of a state under the pretext of survival. Further, the US has reneged on the Strategic Arms

Limitation Talks and also the Strategic Arms Reduction Talk agreements that it signed with the then USSR and continued with the successor of the CIS states. It failed to rectify all the major treaties including the Kyoto Agreement and it withdrew from the International Criminal Court. In April 2002, it ousted Mr. J. Bustin, the Director General of the UN Organisation for Prevention of Chemical Weapons, because he refused to take orders from the US delegation. In July, it forced UNHCR Commissioner, Ms. Mary Robinson, to resign for her criticism of the US Human Rights Violations during the so-called war against terrorism.

As long as double standards and injustice continue to plague the global community and vitiate the rhetoric of peace, terrorism will continue to bedevil the human race.

Mr. Naom Chomsky, the most distinguished dissident in the Western World, asks: "Where is the world heading?" and then asserts: "The millennium has begun with two monstrous crimes: the terrorist attacks on 11 September, 2001 and the reaction to them, which will surely take a far greater toll of innocent lives. How can a Nation that sits on stockpiles of weapons of mass destruction be in a position to blackmail others"?

No one is bothered to properly understand the underlying conditions of Oppression and Injustice that breed terrorism. There is no denying the fact that scourges of famine, of illiteracy, of ill-health, of injustice and of human insecurity contribute to the conditions in which terror is allowed to flourish.

The process of globalisation is unavoidable and it is expected to help with increasing more wealth everywhere in the world. But we will have to make sure that the increased wealth is distributed equitably, not only among the countries but within the countries, and to

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achieve this, there is need for a more efficient, democratic framework to manage globalisation. The WTO, IMF, the World Bank and the other organisations have to be more transparent and must respond more efficiently to the needs and concerns of the poor people in the least developed and developing countries.

Mrs. Lucy Webster, in her article on *Priorities to combat Terrorism*, in the latest issue of *The Federalist Debate*, has very rightly pointed out that all people need opportunities to participate in their own future and also the need to dry up pools of despair among the educated middle class youth. Her most important viewpoint is that a true international commitment to end terrorism will not be sustained if the UN is simply committed to a military solution.

Any kind of intolerance towards those whose thought is different is an anachronism in the modern world. The need of the moment is mutual respect and tolerance for all people of all religions. The world of today has achieved much, but for all its declared love for Humanity, it has based itself far more on hatred and violence than on the virtues that make man Human. As John Stuart Mill wrote: "I am now convinced that no great improvements in the

lot of man kind are possible, unless a great change takes place in the fundamental constitution of their mode of thought."

The future looks bleak as far as forms of political violence in general and terrorism in particular are concerned. Many factors that have led to the elevation of terrorism as a serious threat to civil societies will be exacerbated in the future. To fail to respond firmly to the threat would be to give up a cherished way of life without fighting for it.

I plead with you as a fellow federalist that we, as true federalists, will strive hard to work in implementing the most recent resolution *On the Threat of Terrorism*, which was passed at the XXIV World Federalist Movement Congress at London, in July 2002, towards building a safer, more peaceful and more just world for the future and succeeding generations.

The great leader Mahatma Gandhi once remarked: There is no path to Peace - Peace is the Path. The International Community should speak these words of wisdom and not wait for Peace to happen but start investing in Peace from Today since: "Tomorrow is not promised to anybody".

# From e-Government to the Electronic Republic

*Rik Panganiban*

New information communication technologies (or "ICTs") present previously unimaginable possibilities for democracy-building that need to be confronted and integrated into the strategies of the supranationalist federalist movements. I argue that information communication technologies present both incredible opportunities and daunting challenges to our work as federalists and democracy advocates that we need to prepare for. In this short paper, I begin by discussing how ICT's are being used by governments currently. I point out new possibilities presented by ICTs as well as potential pitfalls and challenges to democracy. Finally I recommend ways forward for our movements.

## **About ICTs**

Information communication technologies can be loosely defined as scientific innovations in electronic software and hardware that allow individuals to communicate with each other with minimal or no regard for spatial distance and time. Among the technologies usually discussed in relation to ICT's are : the Internet, local area networks and intranets, the World Wide Web, electronic mail, online discussion and bulletin boards, webcasting of audio and video information, online databases, and various forms of wireless communications. However the state-of-the-art changes nearly daily, so the list continues to grow.

## **"e-government"**

Currently, many governments and inter-governmental institutions already use ICT's extensively to further their work. Using ICT's to

provide government services is referred to popularly as "e-government." Let me list briefly what kinds of services governments are providing through these technologies.

First, some governments are opening up their meetings to outside observation through the Internet, particularly through the webcasting of audio and video. For example, if you have a fast enough internet connection you can view the proceedings of the Scottish Parliament online, live.

Second, information about the government, forms, and other public documents that were once very expensive to reproduce and distribute can now be made available widely and cheaply using the Web. For example, the Swiss government has created a very well designed website to enable its citizens to find out which level of their federation is the most appropriate to deal with a particular matter, where to download the relevant forms from the web, and what e-mail address can be used to contact a particular government official.

Third, meetings between officials, individual citizens and civil society groups are now possible remotely through online chats and bulletin boards. The United Kingdom, the European Union, and the World Trade Organization all have online bulletin boards where citizens can respond to government initiatives.

## **The Electronic Republic**

But what are the future implications of these "e-government" services? To explore this, let us look

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at the stages in the evolution of the democratic system of governance. Lawrence Grossman in the book *The Electronic Republic* speaks of four phases in the development of the democratic political system. The first phase he calls "direct democracy" as typified by the ideal of the Athenian *agora*, where every citizen was able to be directly engaged in the political life of the Athenian city-state. The second stage he referred to as "populist democracy" as typified in the American context by Thomas Paine and Thomas Jefferson. They imagined small agricultural communities being governed by the people loosely connected to each other. This ideal was followed almost immediately by the system of a "federalist representative democracy" typified at the time by a distrust of the fickle and uninformed opinions of the general *populace* tempered by more informed and sensible representatives.

The last stage Lawrence Grossman terms the "electronic republic," a new form of democracy that uses information communication technology to give representative decision-makers direct, nearly instantaneous access to will of the people. The current experiments in "e-government" only hint at the future potential of the electronic republic.

Forward thinkers such as EarthAction's Nick Dunlop are preparing for this new form of democracy. Dunlop for the past year has been working on his "e-Parliament" proposal that aims to create a whole new global politic. In Dunlop's vision, national parliamentarians from around the world would be able to come together online at the e-parliament on issues of common interest, drafting legislation and coming to agreements on a range of global issues from the International Criminal Court to Global Warming.

Beyond this, ICT's make some form of permanent global parliament more imaginable. Once considered a logistical nightmare, the direct election of a global parliamentary assembly is now

at least conceivable through the use of ICTs. Whether or not "e-voting" will become secure and widespread enough to make this possible will have to be seen. Eventually, such a global parliament might not even need to physically meet except in "virtual space."

### **The Dark Side**

Unfortunately there are also several potential negative effects of information communication technologies on politics. What are the potential dangers of the electronic republic?

It can entrench existing economic inequalities in society by allowing only those with the resources to access ICT's and the knowledge to use them effectively to have a greater voice in the government.

The Electronic Republic can also emphasize some of the worst qualities of modern politics: the addiction to polling data, the glitz and glamour of politics without substance. With information communication technologies, politicians will be able to gauge on a day by day, even minute by minute basis the popularity of their programs. It should be noted that nationalist, fascist and neo-nazi political parties are often the first to use new technologies to organize each other.

Information communication technologies can provide governments a new means of citizen control and surveillance, enabling governments to monitor and record the activities and communications of their citizens in ways never before possible, such as through monitoring of e-mail traffic, web sites, and other ICT's. The most egregious example is "ECHELON", an automated global interception and relay system operated by the intelligence agencies in five nations: the United States, the United Kingdom, Canada, Australia and New Zealand. According to reports, ECHELON is capable of intercepting and processing many types of transmissions, throughout the globe, intercepting as many as 3

billion communications everyday, including phone calls, e-mail messages, Internet downloads, satellite transmissions, and so on.

Governments can also censor the messages put out by citizens by controlling who is allowed to obtain web domains and sites and shutting down sites containing messages unfavorable to the government. China and Cuba are some of the worst offenders in this regard, strictly controlling access to the internet. Saudi Arabia and Singapore ban all online activity except through officially sanctioned internet providers.

So there are some definite challenges to be overcome to ensure that ICT's are used to enhance democracy worldwide, not to diminish civil liberties and freedoms.

### **Recommendations**

So how does this change our work as international democracy advocates? Given the rapid development of information communications technology, I argue that our campaigns must modernize in turn or risk becoming irrelevant. I recommend a number of strategies to accomplish this.

First, we should use e-government discussions at the national, regional and international levels to promote the kind of participatory, transparent, and accountable structures we support. The United Nations has begun preparations for a major World Summit on the Information Society which will take place in December 2003 in Geneva. This Information Society Summit is a prime venue for us to bring attention to the need for democratic, federalist international structures.

Second, we should promote the greater use of information communication technology by international institutions such as the European Union, the World Trade Organization and the International Criminal Court, so citizens are able to learn about, observe, and communicate with

these often remote and obtuse organizations and their officials.

Third, research in-depth the possibilities and potential uses of e-government type technologies for our international democracy efforts. We must develop answers to pressing questions such as:

How do you implement e-voting fairly, securely and effectively?

How do you conduct online polling, bulletin boards, and other public forecasting techniques to guide international public policy?

Fourth, we must integrate information communication technologies into our own campaigning and governing structures through broadcast e-mails and listservs, online discussion boards, well-designed websites, and collaborative drafting of documents online. There are approximately 211 million active internet users worldwide; 379 million people have internet access at home. ICT's open up new audiences and potential partner organizations to work on our causes, particularly those in the South who are using e-mail and the Web more and more in their work and private lives.

And lastly, we should oppose governments' use of the internet to diminish citizen's rights and civil liberties and chill online "speech." There are a number of campaigns we can support that work on these issues.

### **Conclusion**

To conclude: technology is power. Information is power. ICT's as tools can help or hurt our own work toward a more just, democratic world under federalist principles. These technologies can not replace more traditional modes of communication and collaboration – physical meetings and real world interactions. But they can greatly enhance our own work toward more democratic structures at the regional and international levels.

The revolution will be webcast.

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# Léopold Sédar Senghor and the European Federalists

Jean-Pierre Gouzy

I met Léopold Sédar Senghor in the fifties, a time when I fulfilled the function of general Secretary of the French *Union française des fédéralistes* (UFF) which became, in 1955, the French section of the supranational *Mouvement fédéraliste européen* (European Federalist Movement - MFE). In both cases it was the French branch of the European Union of Federalists (UEF).

Léopold Sédar Senghor belonged to the National Council of the UEF/MFE as a Member of Parliament for Senegal, then as a former French minister. But at the same time and more especially he belonged to the *ad hoc* Assembly, that is to say the Assembly of the “small Europe” which was still in the first faltering moves to be born from the womb of the Coal and Steel Community (CECA). He had received, together with his colleagues, from the six governments at the origin of the process to create a European Community the mandate to present them with a project or draft for a political community.

The *ad hoc* Assembly met from September 1952 to March 1953. Paul-Henri Spaak, who was its chairman, presented his draft within the time limit to the French Prime Minister Georges Bidault (who gave it an icy welcome) at a solemn meeting as is usual in such circumstances.

Article I of the Draft specified “By the present treaty is formed a European Community of a supranational character founded on the union

of the Peoples and States... it is indissoluble”. An assembly elected by universal suffrage represented the peoples. A second assembly represented the States. An “Executive European Council” was in charge of “the government of the Community”, its President being elected by the Assembly of the States (also named the Senate) by a secret ballot and by a majority of the members who composed it; in his turn the President appointed the members of the Councils. The executive could be censured. Its decisions were “binding in all their elements”. A council of national ministers was retained, but according to the text this was only “to harmonise the actions of the European Council and those of the governments of each State”. The Community had “a legal personality” and was to be represented at international level by the President of the Executive Council. Community resources could be raised through taxation.

But especially, and here we return to Léopold Sédar Senghor, that Community (art. 90) could make treaties “with a State overseas united by constitutional ties to a member-State”. These treaties of association could provide for (art. 91) “the participation of the representatives of the governments of associated States to the Council of National Ministers and Representatives of the citizens of these States in the Senate, either with partial rights or with full rights”.

The draft of a European Political Community

prepared by the *ad hoc* Assembly, but to which the *Quai d'Orsay* opposed a total, allergic refusal, was definitely laid aside after the defeat, on August 30th, 1954, of its elder brother, the project of treaty on the European Defence Community, which by its article 138 was to be its legal foundation.

So, in some respects, with the current debates of the Convention presided over by Mr. Valéry Giscard d'Estaing, and after the failed attempt of the so called "Europarliamentarian project" of a Treaty of European Union, of which Altiero Spinelli had been the proponent in 1984, we are back to square one, and we are confronted with the same Shakespearian dilemma we met in the fifties "to be or not to be" Europeans in the fast changing world we are heir to. And this even if the challenges are not the same today and in spite of the undeniable legal, economic and monetary advances we have achieved at a time when a considerable enlargement is just in the offing.

In 1954, Senghor wrote "we have much to learn from Europe, not to mention Asia, in the field of political thought and action. We do not mean to proscribe all European ideologies (not to be assimilated) to retain only the most creative and fruitful elements. To take a pertinent example, it is not a matter of reciting the socialist catechism – and I take the epithet in its primary sense for the use of the average Frenchman –, but of returning to its very roots, to rethink socialism

for Negro-African brains in the light of the realities of the XX century *hic et nunc*".

At an international Conference which was organised on July 5th and 6th, 1958 at the *Hôtel du Palais d'Orsay* by the UEF on "the events in France and the political construction of Europe" (the French were to vote on September 28th following, on the referendum on de Gaulle's project of a Constitution for the 5th Republic). Messrs. Léopold Sédar Senghor and Diori Hamani, General secretary of the *Rassemblement démocratique africain*, introduced the debate on the evolution of Overseas Territories and their place in a Euro-African system. According to Senghor, to create a real Community between Europe and Africa meant that both European colonialism and African nationalism were to be condemned. Opening the federalist perspective which was explicit in his speech, Senghor concluded the debates with these words: "Africa should know that there is no independence in isolation. The Europeans must accept equality in spite of their technical and material superiority, since from the cultural point of view they have already accepted the originality of African culture". The course of events has not moved according to Senghor's hopes... even if the Conventional ties which have successively been woven at Youndé and Lomé, and the decision taken at Durban last July to transform the OAU (Organisation of African Unity) into a more realistic African Union, leave some rays of hope for the future.

# Asserting Federalist Europe Internationally

*John Williams*

The immediate unavoidable question of European politics, is: What does the European Union constitutionally require to assert Europe's international identity? The answers to this question crystallise what federalism offers Europe. These answers set the agenda for responding to the question: Who should represent a genuine European Union Common Foreign and Security Policy?

It is a basic question that Euro-federalism has yet to fully resolve. Born in the same circumstances as Atlanticism and adopting Atlanticist concepts of international relations cold-war conduct, Euro-federalism has yet to develop its own potential in the post-cold-war era divorced from this Atlanticist frame of reference. Its failure to make this adjustment stems from failing to realise the underlying dichotomy between European and American global interests.

A Chicago Global Centre survey of American public opinion pinpoints this. Although Americans rated Europe as possessing greater importance to the United States than Asia (42% versus 28%) in 1994, a year later there was a fourteen point shift in favour of Asia. These statistics cannot be dismissed as exceptional. Hence, despite imminent economic depression, the Republican mid-term success stemmed from the American electorate's empathy with the Bush Administration's conduct of foreign policy. Contrasting substantially from the anti-war European consensus on Iraq, this foreign policy bi-partisanship that Bush has achieved highlights the gulf between American and

European global perspectives which get mirrored in more fundamental spheres of international affairs.

This reflects the diminution of Euro-centric content in Washington's foreign-policy-making elite. This is inevitable. The pressures of American domestic politics upon Washington's foreign-policy elite are the ultimate determining factor in Nato's, and consequently European security's, decision-making. Posed in such a context, the question that federalists need to ask should be: Is the implementation of Europe's security by Nato compatible not just with Europe's security needs in terms of democratic federal accountability, but also compatible in terms of achieving a democratic global balance-of-power along federalist lines?

It isn't. Nato's democratic inadequacy as Europe's primary security system stems from it being unrepresentative of Europe's geo-strategic security needs. Ostensibly representing of Europe and its citizenry together with those of the United States and Canada, in reality Nato is governed by the United States and the ultimate democratic will of its citizenry, not Europe's. If Nato had to choose between saving Manchester, Bonn or Chicago, Nato would opt for Chicago, a legitimate decision given Washington's sense of democratic priorities. Far from being cynical, this ultimate reality affirms Washington's legitimate right to make that choice. Even if all member states had genuinely equal decision-making influence, Nato's decision-making, the mere fact that Nato's decision-making

## *Borderless Debate: The EU International Identity and the Enlargement*

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structures are strictly inter-governmental, based on consensus rather than on procedural voting moreover, makes it unsatisfactory from a federalist perspective.

This doesn't just militate against federalist logic; it also militates against medium to long term European security. Russia's apparent acquiescence in Nato's expansion is a hostage to Europe's security fortune, not pragmatism's triumph. Thus Vladimir Putin's secrecy over the components of the nerve gas to resolve the October 2002 Moscow siege, brutal in its detachment from humanitarian considerations though it was, had an undeniable logic in response to Washington's global hegemony consolidating itself by Nato's expansion. This response legitimatised itself almost immediately after the event by the Guardian's revelation of Washington's massive development programmes in bio-warfare and chemical weaponry.

Such developments, stemming from European insecurity generated by an outside power, bring the relevance of federalist democratic principles to post-cold-war European security into harsh geo-political focus. According to these principles, each level of government has its own direct relationship with the citizens. Its laws apply directly to the citizens and not solely to the constituent states. Thus, quite apart from its decision-making structures and processes being inter-governmental rather than supra-national, Nato's lack of geo-political coherence invalidates it as a unit of democratic accountability.

It is in this context that federalists need to propose democratic decision-making structures and processes to replace Nato's consensus driven decision-making infrastructures devoid of democratic accountability. These proposals need to be formulated strictly according to federalist principles rather than in terms of

accommodating Atlanticist preconceptions.

Placed in such a context, the Draft UEF contribution to the European Convention is perhaps wanting in not posing the required conceptual challenges. These challenges demand a clear-cut choice between cold-war and post-cold-war international relations logic. For instance, in Part 2 it states: "Whenever possible, the EU should act in close partnership with the US and its other friends and allies world-wide. The EU needs access to NATO assets to avoid duplication of equipment and structures, but should also, when necessary, be capable of acting independently of NATO in the interest of peace and human rights."

This statement, reflecting current euro-federalist convention, accommodates Atlanticism at the expense of both federalist principles and geo-political logic.

In terms of asserting the medium to long term federalist logic of establishing Europe as the initial counter-balance to the United States as the basis for achieving world government, the statement should read: "Whenever within Europe's best international interests, the EU should act in close partnership with the US and its other friends and allies world-wide. In the short to medium term, EU needs access to NATO assets to avoid duplication of equipment and structures. In the medium to long term, the EU, together with Russia, must activate and transform the Organisation for Security and Co-operation in Europe as the post-cold-war European Security framework replacement for Nato. Transformed and institutionalised thus, the OSCE should be offered to the United Nations as the basis for developing a global security system."

Excessively idealistic though this revised statement might appear, it is one that takes into account ultimate federalist goals. Such a revised statement, detaching the European Union's CFSP from its ingrained Atlanticist frame of

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reference, would give the UEF's contribution to the European Constitutional Convention added coherence.

Far from being politically unrealistic, such a revised statement of euro-federalist goals would re-enforce euro-federalist influences within the European political establishment. A European Voice interview with Greece's Alternate Minister of Foreign Affairs Tassos Giannitsis substantiates this. Rejecting such questions as "WHERE is Europe heading?" and "Where are Europe's borders?", Giannitsis opts to

pose the question "What kind of Europe do we want?" Concluding the interview, he replies: "The values we wish Europe to express set the foundation of 'the kind of Europe we want' and also signpost 'where Europe ends'. Europe ends at the point where policy choices start jeopardizing its consistency and its appeal as a model of economic, social, and political organisation."

It is a conclusion that European Federalists need to increasingly reflect upon in the context of Atlanticism's influence on European political integration.

# Making Enlargement a Success

*Maja Augustyn*

The European Council in Copenhagen in December 2002 has concluded the negotiations for the accession of ten countries in Central-Eastern Europe and the Mediterranean to the European Union. At the time of the elections for the European Parliament in 2004, the European Union will have 25 Member States. It has been more than twelve years since the first declaration about the Enlargement to the East fell from the mouth of politicians on the EU side and on the side of the nowadays Candidate Countries. It has been more than four years since the negotiations were initiated. During this period, many times we have heard about the "historical duty", "historical necessity", "historical reconciliation", which the Eastern Enlargement is supposed to be. The Cold War is over, and a new time is supposed to come, in which all nations of Europe should be living in peace and unity. But for Europe, and for European integration, it will be important what happens after the Enlargement. It will show only after a few years whether Enlargement will be a success, and it will be the events from now on that will determine the outcome of the Enlargement for Europe. Here I shall discuss some points concerning the issue of how Enlargement can influence the whole process of European integration.

The first issue is a political one, and affects the "finality" of the Union. Joining the Union means joining the most advanced area of integration in the world. This will have political consequences not only for the new

Member States, but for the whole integration process. Here, I put forward the question: who will take the responsibility for the political consequences of the Enlargement? I suggest it is truly a necessity that both sides find a way to justly share this responsibility. Especially now, in the hour of probably the biggest political reform of the Union since it exists, the EU and its Member States should not forget about the Enlargement, and the Candidate Countries should not forget about the need for a comprehensive political reform of the EU to make the Enlargement a success. But let us make a brief overview of the status quo on both sides. The new Member States have been concentrating more on the benefits of entering the wealthy economic community than on the political consequences of joining the EU at this stage of its development (i.e. just about to be fundamentally reformed). Not only economically, but also politically, the EU has been a moving target, and this needs to be very well understood, also because this target will continue to move after the Enlargement. The "camp" of the former Candidate Countries has not managed to come up with a common vision of the future of Europe. Among themselves the once Candidate Countries were treating the Enlargement as a contest, in which they are not the team, but the contenders, and in which the further you get, the bigger your prize will be. Will these Countries and their leaders understand that integration is a process that requires co-operation, concessions and sharing

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responsibility? Integration needs to be sort-of a team game, if it is to be successful. Instead, these countries chose to be rather solitary players.

This indicates two other plausible problems – the approach of the new Member States to the pooling of sovereignty and to the vision of the future of Europe. The new Member States need to become aware that the EU will not remain much longer just a common market with a common currency managed by a monstrous Brussels bureaucracy. Already it is not just like this anymore. Growing interdependence and the spill-over effect of the Euro force pooling of sovereignty and delegating the government to higher levels than the national one. Are the new Member States – many of them being definitely new states, and almost all of them being anew sovereign states after the fall of the communist block – able to accept this fact? Are they prepared to give their freshly-won sovereignty away and do they have a vision of themselves in the EU and of the EU as a whole? Looking now at the coming reform, they will probably be faced with not having the veto right any longer in more and more matters, if the unanimity principle in the Council is meant to be overcome. This may turn out to be the main source of delusion and disappointment of having joined the EU. Apart from this, if the reform proceeds rapidly, they would have to go along with all the other EU members, in order not to make the Enlargement a useless struggle, even if they may not be prepared for it yet. A long-term membership strategy seems not to be the case for them, unfortunately. With regard to the debate on the future of Europe, their attitude gives the impression of being "Let's join first and then see what happens". The real input of the Candidate Countries in the work of the Convention on the future of Europe has been so far marginal; seldom

there is a co-operation between their delegates.

On the other hand, the Member States do not seem to have understood the importance of the Enlargement for the reform process of the EU. The debate about the future of Europe seems to be dealing more with the EU of today, than with that of 25 or more members, whereas it is essential to realise how big an impact the Enlargement will have on the functioning of the EU. It must be accepted that a Union of 25 will have to be something different from what it is nowadays. Instead, it is difficult to foresee if the big Member States will accept to give away their veto right in such a large Union of (mostly) small states. Like the Candidate Countries, also the EU members lack political leadership in the debate about the future of Europe. Attempts made by some high-rank politicians to come up with a position and take the lead in the discussion are torpedoed by national interests and egoisms, and many times the reluctance towards their proposals is caused by unwillingness of being lead by somebody else, or unwillingness to deepen the integration. On the contrary, the result of the debate should reflect the two greatest needs that the EU has: it should guarantee the ability of the Union to function, and it should guarantee the unity between the "old" and the "new" members. Needless to say, the answer the federalists give is to pass on to a fully-fledged Federation. Otherwise the reform or/and the Enlargement will not be able to fulfil their objectives and will fail.

The second issue is an economic one. Who is going to pay for the Enlargement? It is a question that will have to be answered soon, because the spending and the bills to pay will be the first noticeable effect of the Enlargement. So far one can conclude that the strategy is that the Enlargement should

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be financed by "the other side", which is not all that surprising, because the friendship ends with money issues. Still one should not forget that whichever side carries the main burden of the Enlargement, it will influence both. The new Member States are many, are poor (compared to the EU members) and are still facing some economic difficulties within their young market economies. The weaker their position is at the point of accession, the more it will backfire on the EU in the future. Until now the EU Members States have been seeking to make the best possible business on the Enlargement, without showing much of convincing thinking. Considering that now even the biggest Member States are starting to face some economic disturbances, how is the whole economy of the Union going to remain stable and competitive after some years, having taken on board countries that still need economic babysitting? Much more consideration must be given to this issue to prevent Enlargement from becoming harmful for the economy of the Union, especially in the first years after the Enlargement. A budgetary reform will become more necessary than ever; the redistribution of the Union resources should be re-thought in a way that would guarantee the swiftest passing from the Union of 15 to a Union of 25+, lest it becomes a shock. At the point we are now, one should also ask himself/herself a question, what an Enlargement of ten countries with relatively young market economies, of differentiated needs and weak-points can mean for the stability pact and the Euro-zone. Would it be too destabilising for the new currency that in the nearest future more than half of EU members will be outside of the Euro zone? On the other hand though, would it be too destabilising for the Euro that some countries may try to join the monetary union at all costs, meaning too fast? All of the new Member States have expressed their will to

enter the monetary union as soon as possible, but none of them expects to be prepared to do so before 2008. Can both sides allow themselves such a long waiting? Will the economical gap between them widen too much during this period? It seems now that the entry of the Candidate Countries into the Euro-zone would probably happen too early, or too late, if not both.

A third issue is a geopolitical one: how will the Euro-Atlantic relations be affected after the Enlargement? Will the new Member States be able to compound their European loyalty with the NATO one? The political bonus of being able to play one versus the other, which has been seen as one of the political assets by many of the new Member States, would have to lose its appeal, especially in the light of striving to have a more efficient Common Foreign and Security Policy, or European Security and Defence Policy. In building up its togetherness from the base, Europe must define its place and role in the world and the new Member States must be able to place themselves in this vision and take their part of common responsibility. Once they have declared to join a common European project and are determined to take part in its development, the new Member States should be consequent in it. The choices made in the foreign policy reflect the goals, the values and the identity of a state, and therefore there is a need to decide who belongs where. The Cold War is over and the EU is willing to take part in re-shaping the world's new order. This inevitably means that its relations with the USA – the other party in the play for a new world order – must be balanced. NATO must not militarily counterbalance the communist bloc anymore, and it has been evolving into a USA instrument of political intervention in the international relations,

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competing more and more with the UN. The EU should make sure that the NATO commitments of its members are not preventing it from becoming a self-aware, independent and credible global player.

Additionally, the foreign and security policy in its symbolic, as well as in the most extreme, sense means dealing with matters of life and death, and such decisions must always be taken consciously and in full responsibility. Therefore Europe's Common Foreign and Security Policy, and its Foreign and Defence Policy must be one that gives to everybody the feeling of being a subject, not an object. The CFSP and the ESDP must be

made by the peoples of Europe, not by governments making ad-hoc-alliances choices. It is one of the issues that both the new and the old Member States must understand.

I have presented three issues, but all of them have the same source, which I put as an open question: does a post-Cold-War Europe have a vision of itself, of its "finality" and place in the world, and if it has one, can it be realised and turn out good for Europe? Although it is extremely difficult to give an answer to this question now, we, the Europeans, should not allow that the task of finding an answer lies only in our politicians' hands.

# Turkey and the EU

*Alfonso Sabatino*

The elections in Turkey on Nov. 3, 2002 have put both Ankara's and Europe's backs to the wall. The message of the ballots is clear: Turkey wants a well-defined path for joining the EU, perceived certainly as an area of prosperity, but also as an area of peace, democracy, liberty and solidarity. An even more significant fact is that this message has been entrusted by 34% of the voters to Tayyip Erdogan's Party of Justice and Development (AKP), the emerging party rewarded by the electoral law with almost a two-thirds parliamentary majority. The vote testifies to the presence in Asia Minor (in the Middle East) of an Islamic electorate which looks at Europe rather than fundamentalism. Moreover, it must be added that the goal of joining the EU is shared by the opposition party, the People's Republican Party of Deniz Baykal, political heir of the country's westernisation imposed by General Ataturk in the 1920's and 1930's, which gained 20% of the votes. The European option is also supported by the greater parties which could not reach the threshold of 10% of the votes for being represented in Parliament, the economic and social forces of both secular and Islamic inspiration, and the military milieu. Hence the new cabinet, presently chaired by Abdullah Gul, is in a position to work towards domestic reforms enjoying a strong consensus; however it shall also stand the test of political ability, i.e. of being able to carry out the necessary mediations among the complex interests of Turkish society. AKP shall take into due account the opinions of the remaining 66% of the electorate who voted for other parties, as well as the guardianship of the State's secular character exercised by the military.

Beyond the emotions aroused by the victory of the

Islamic party, the vote of Nov. 3 calls for the reconciliation of the rigidly secular state founded by Ataturk with the religious values expressed by its society. Voters want the full recognition of the freedom of worship and the achievement of the so far neglected values of social solidarity. Therefore, if the AKP will be able to reform the State according to the rule of law and to expand the Welfare State, it could indeed legitimate itself as the party of Turkey's new democratic foundation and its anchoring to Europe and the West, as did after the war the Democrazia Cristiana in Italy and the CDU in Germany. The task is not simple and cannot be carried out by the forces of the Turkish society alone. Europe's help is necessary. Should such a political objective fail, Turkey could be sucked into the ruinous whirlpools of religious fundamentalism or state's militarisation.

Europeans must be conscious of this enormous challenge and shall not underestimate it, also for its potential consequences on the Middle East political framework. A developing and prosperous Turkey, stronghold of democratic freedoms, may become a powerful model for all the moderate (secular and religious) forces in the Arab, Caucasian, Iranian world, and even more so if such an emancipation process is carried out under the leadership of a moderate party of Islamic inspiration.

Because of these reasons we cannot share the position of those, like the American President George W. Bush and the British Premier Tony Blair, who, under the pressure of Turkey itself and for interests related to the expected war on Iraq, called for Ankara's swift entry into the EU; nor the position of flat rejection expressed by the

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President of the European Convention Valéry Giscard d'Estaing (see his interview to *Le Monde* on Nov. 8, 2002). The first position is brought about by the vision of the Union as a market and is clearly bound to block its political growth. The second derives from a rigid vision which does not allow to take into account the Middle East implications of Turkey's entry.

It is rather clear at this point that, in the interest of the Union and in the very interest of Turkey, it could join only in the presence of a very strong European political framework. The EU cannot open a negotiation on Ankara's entry before having reformed its supra-national institutions. The entry of a country with an imperfect democracy, although undergoing a modernisation process, may well constitute a destabilising factor for the present European Union, ruled according to the intergovernmental method and unable of making decisions and acting. Turkey is geographically in Asia for 95% of its territory and in a special position relative to the Middle East problem areas. The country is on its way to become a more populated country than Germany, with complex economic and social problems of domestic development. This means that the politically-unaccomplished EU could get badly involved in possible crises originated by Turkey falling into harsh difficulties due to its own participation in the European integration. Europe must give itself a Constitution and a federal government in order to anchor the fragile Turkish democracy to the democratic Western system, to offer to that country a system of lay values guaranteeing the plurality of religions, to create an economic context fostering development and to assure with its foreign and security policy a protective umbrella at the common Middle Eastern borders. Only in this way, by giving the Turkish people the opportunity to participate in the federal pact among Europeans, will it be possible to canalise within the democratic system the religious sensibilities and make futile the

institutional guardianship of the military, who, not a negligible fact, would become part of the European armed forces.

So, the European Union, after the vote of Nov. 3 and the decision of the enlargement to Cyprus, Malta and the former socialist countries of Centre-Eastern and Balkan Europe, can no longer postpone the problem of Turkey's entry, as it has been doing for fifteen years, since Ankara presented its candidacy for joining in 1987. This is made imperative by the expectations arisen in Turkey, by the Kurdish question approaching a settlement, by the prospects of reconciliation that opened up in Cyprus between the Greek and Turkish communities there. The decision by the European Council in Copenhagen on December 13 of fixing the deadline of 2004 for testing the conditions and opening the negotiations allows the process to be kept open. At the moment what counts most is that the date may be considered acceptable and realistic by both sides, as on the one hand it is necessary to ascertain the soundness and the governing ability of the new political management which has been brought to power in Ankara, and on the other it is necessary that the European Union settles all the outstanding matters on the enlargement from 15 to 25 member countries and its new institutional arrangements, presently on the agenda of the Convention. In June 2004, elections will be held for the renewal of the European Parliament and possibly the referendum ratifying the new European Constitution being worked out in Brussels by the Convention. Therefore the negotiations with Turkey could be dealt with by the new Commission that will assume power in November 2004. In the meantime, Ankara can take cognizance of the values, the scopes and the tools of the European government introduced by the new Constitutional Treaty of the European Union, and will be in a position to consider and realise all the reforms necessary for attaining the political parameters for joining, as fixed by the European Summit of Copenhagen in 1993.

# Latin America and Europe

*Juan Ignacio Brito*

"In the end we have reached the agreement we were looking for" said a smiling Pascal Lamy announcing in Brussels, together with the Minister Soledad Alvear, the happy conclusion of the negotiations between Chile and the European Union. The European Trade Commissioner was not referring just to the great significance of the Agreement of Economic, Political and Cooperation Association with Chile, but also to the gigantic step made by the diplomacy of the Fifteens. With this treaty, Europe has ratified its interest in reconquering Latin America, a region where lately it had lost political and economic influence.

Fretting more about its monetary integration process and the enlargement towards the Central and Eastern European countries, the European Union stood passively while the United States was gaining ground with initiatives like the NAFTA, which allowed it to expand to Mexico, and the Free Trade Area of the Americas (FTAA). Between 1980 and 2000, the EU's share of Latin-American trade dropped from 20% to 15%, whilst for the US it increased from 35% to 47%.

"There is a non-open, non-apparent competition between the US and the EU in Latin-America. It is clear that at the base there exists a play of geopolitical interests" suggests Gonzalo Arenas, President of the Latin-American Center for the Relations with Europe.

Determined to regain ground, the EU has

started to take care of Latin-America. A decisive event for this to happen occurred in 1986, with the entry of Portugal and Spain in the then European Economic Community. "Madrid and Lisbon took the lead in promoting a political and commercial rapprochement between the Fifteens and their old colonies in America" argues Desmond Dinan, Director of the Center for European Community Studies at George Mason University in Washington. It is no coincidence that the announcement of the signing of the agreement between Chile and the Fifteens occurred during the Spanish six-monthly Presidency of the EU.

Spain played a key role in bringing nearer Argentina and the European Community. Their ties had been badly damaged by the Falklands war in 1982. In 1990 Madrid sponsored the rapprochement, sealed up by the signature of a cooperation agreement. One year later, the Spanish government made a further step forward in reducing the distance between Latin-America and Europe, with the Iberian-American Summits, the first of which was held in 1991 in Guadalajara. In parallel, Spanish officials brought the issue to the attention of the then President of the European Commission, Jacques Delors, "trying to convince him of the stakes Europe had in renewing those rather-neglected ties".

The EU's first official statement concerning Latin-America dates back to 1994. The Council of Ministers solicited an intensification of the relations with that region. It was the start of a

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process that was to lead to the agreement with Mexico and to the start of the negotiations with Chile and the Mercosur. The formal decision to set up a strategic association between the EU and Latin-America was made in 1999, at the first Summit of Heads of State and Government of the EU, Latin-America and the Caribbean Islands.

On May 17, in Madrid, the second EU- Latin-America Summit gave new strength to this progressive rapprochement. The signature of the agreement with Chile opens the way to arriving at an even more juicy dish: the Mercosur.

Including this one, already six meetings have been held, which made it possible to better define the political and cooperation issues, although some commercial questions have to be solved, in particular those regarding agriculture. "It is essential that an unambiguous message be given, that Europe is determined to acquire spaces of free trade with the Mercosur" says Rodrigo Rato, Spain's Vice-President.

Unlike the US, Europe is willing to acknowledge the validity of Mercosur, a customs union which in Washington is regarded with suspicion, because is considered competing with the FTAA. The reasons are not only economic, but also geopolitical. "Mercosur is strengthening the multipolar character of the international system" Lamy argued one year ago in Madrid. The EU's interest is that the power be spread, that it is not left wholly in the hands of the USA.

Whilst the North-Americans have centered their interests with Latin-America on the liberalizing of the markets, on the struggle against drugs, on immigration, on the issue of democracy and human rights, and, lastly, on the

fight against terror, the Europeans offer an association which is much more ample and many-sided. In addition, Brussels presented, at the end of last April, a Strategic Regional Report on Latin-America. The document illustrates the lines that will define the relations between the two regions and the "activity areas" for the years 2002-2006.

The Europeans say that the "strategic association" model they suggest is better. "The Union does not intend to limit its relations with Latin-America to trade. To this there is to add a political dialogue and the cooperation to development. We have a very detailed project" Lamy said in Madrid. The European Commissioner criticized the verticalism implied by the commercial integration suggested by Washington.

The EU is trying also to legitimate itself as a reliable interlocutor for solving regional conflicts. It happened in Colombia, where the ambassadors of the European countries have played a significant role in the failed discussions between guerrilla and government. Before that, something similar took place in the Central American peace process.

A greater European presence is a good thing also for the countries of the region, as they could use the Fifteens as counterpoise to the US influence, and to compel Washington to take into greater account the interests of Latin-American countries. An example of this is the effect that the Chile-EU pact could have over the negotiations between Chile and the United States for a bi-lateral free-trade treaty. John O'Leary, former US Ambassador in Santiago, told the *Financial Times* that "the agreement with Brussels is good for Chile, because it will boost the negotiations with Washington".

# Federalist Seminar in Kampala, Uganda

*Prince Joseph Simbwa*

The first international Seminar on "Federalism and Decentralization - Experiences in Africa and Europe", coordinated by the African Federalist Association (AFA) and funded by the European Union, took place at the Nile Hotel International Conference Centre in Kampala, Uganda, on August 30, 2002. It was opened by Uganda's Prime Minister Apolo Nsibambi, who underlined the importance of federalism and the global issues, to be kept in mind as Uganda is reviewing its 1995 Constitution.

Dr. Knut Berdal, member of the WFM Council and Chairman of En Verden of Norway, was invited as the guest speaker, and presented a paper on "Glocalization as a Trend in the 21st Century". He discussed the political integration at the regional level, the best example of which is the European Union. He made an appeal to the more advanced forces in Africa to promote regional integration there, saying that, as in the

EU, it can ensure a more harmonious development by reducing the differences existing between the various regions and the backwardness of the less favoured regions. He also talked about the International Criminal Court, and congratulated the many European and African states that have ratified the ICC Treaty, including Uganda.

Other speakers from Parliament and Universities shared the view that federalism can be reintroduced in Uganda, and work efficiently with decentralization. The President of the African Federalist Association assured the participants that AFA, in association with En Verden and the Norwegian Agency for Development Cooperation (NORAD), is determined to carry on the project of a Democratic African Union, as an instrument for maintaining peace and democracy in Africa.

# Federalism and the World Order

Carlo Gioja

## Wang Liping

*Federalism and the World Order* (in Chinese)  
Beijing, Beijing University Press, 2000

A federal system of government is adopted by almost all the large countries in the world, with one notable exception: China, the largest of all. Why is it so? May this change in the future? Thanks to the country's recent accession to the WTO and increasing international visibility, these questions are achieving a new, global significance.

"Federalism and World Order" is among the first extended studies of federalism to be published in Chinese by an author from the People's Republic. Wang Liping is a young post-doc from the Department of Political Studies of Beijing University, a respected centre of learning which is also traditionally seen as a think-tank of the ruling Party. It is an ambitious 300-page work that builds on a one-year research visit by Dr Wang to the Department of Political Science of the University of California at Berkeley, and touches on issues as diverse as the origin of federalism in the Greek city states and the possibility of African unification.

The Chinese Communist Party has chosen a set of new leaders at the 16th National Congress in November, and the new formal government line-up will be announced at the national parliamentary plenum in March. It is an open

secret that some of the new leaders have their own agendas for change, up to and possibly including political reform. China's current political culture does not encourage open statements of intent or unambiguous political campaigning, so it is difficult to know the real thoughts hiding behind the new faces. Hu Jintao, the new Secretary General, is acknowledged to be in favour of increased accountability and the rule of law. Some Pekinologists have even suggested that Zeng Qinghong, former Secretary General Jiang Zemin's right-hand man and a prominent power broker in the new hierarchy, may be in fact a closet admirer of the US federal constitution. In these times of change, as usual with a society as old and as complex as China, unconfirmed and sometimes even contradictory rumours abound.

Whatever the balances of power may be behind the red walls of Zhongnanhai (China's Kremlin), federalism is a subject of increasing interest in the much wider community of intellectuals that have always been receptive to trends in the wider world. For China, reforms of some kind might by now have become a necessity. The challenges that China's government will have to master in the next two years are exceptional and unique, and the country's leaders at this time may find themselves to be particularly in need of new ideas.

The book gives a detailed historical overview of federalism, and hints to its relevance to current

affairs. "As the countries of the world gradually draw closer, both politically and economically, the political situation of one country inevitably influences the political situation of [...] the world as a whole. In this sense, no matter whether the principles of federalism are applied domestically or serve as guiding principles for regional, supranational integration or unification, the theory of federalism is fundamentally relevant to the political order of the world."

A common misconception, both in China and elsewhere, that "federalism is an euphemism for decentralization", is dispelled, and the author states on the contrary that "federalism historically arises as an answer to a need for unifying a polity; as such, it focuses more on how much power has to be placed in the centre, rather than on how much power has to be devolved away from it." For example, "the founding of the United States of America was a move from a situation where power was diffused to one in which it was relatively more centralized." In other words, federalism is not a blueprint for the degeneration of an existing central authority, but rather a sophisticated method for bringing together the members of a diverse community.

Wang argues that "federalism, as it also aims at unifying a country, is a historical descendant of 19th century nationalism, that had the objective of producing a unified nation state." She writes: "Nationalism is itself a product of history and, in fact, it served the purpose of gradually increasing the size of the community of shared interests; however, save for Utopian societies, this increase in size is not without limits, and the nation state is to this day the ultimate fortress of these shared interests." (Chapter 2: "Federalism as a special manifestation of nationalism").

Of the world's countries, only a small

percentage adopts a federal system of government: the book surveys 28 of these, and notes that as many as 21 of them have experienced colonialism in the recent past. "Federalism, as a rational endeavour to build up a unified community from many different local centres, has gone far beyond the traditional theory of the nation state", and has developed an unusual ability to deal with complex societies and internal diversity. The social, economic and political differences that arose from years of colonial rule in many countries of the developing world, Wang argues, was just what made federalism almost an obligatory choice for these countries in the post-colonial era.

The author identifies seven elements that historically have made the choice of a federal structure of government more likely. These essentially boil down to the common perception of an external threat, a favourable economic environment, the existence of social and political similarities and the action of political leaders and the media.

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This sustained effort to extract the essence of the federal experience in many countries and regions of the world at different times in history naturally leads the author to look at its potential uses for today's world. In particular, she is ready to admit that the processes of regional integration present unique and new challenges to the classical theory of federalism.

The chapter on European integration is a very detailed, self-contained history of European political thought and of European institutions. The most important cases made in the 20th century for the political unification of the continent, from Kalergi's pan-European movement and Rossi and Spinelli's *Ventotene Manifesto* all the way to Joschka Fischer's talk given at Berlin's Humboldt University on May

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12, 2000, are outlined.

Wang sees the different approaches and interests of European political élites as a formidable obstacle towards the establishment of a true federation. "... in Europe, on one hand, within each state, the collective sense of belonging to a common entity is extremely well developed, so that European countries have been the first in the world to give birth to democracy; however, this sense of communion is almost entirely lacking between different nationalities, so that Europe has known conflicts and confrontations for most of its recorded history." In particular, she believes that Europe lacks a consensual élite, with a sufficient degree of internal cohesion and persuasion power to bring about a constitutional process similar to the one that established the United States of America.

This vision of Europe is in a sense typical of those who are outside of Europe, and see it most importantly as the cradle of the nation state. Whether Europe will be able to overcome the burden of its own history, is a question that the author of "Federalism and World Order" raises several times but on which she remains mostly uncommitted. By giving a detailed and up-to-date account of the history of the idea of Europe, and by hinting at the relevance of federalism to this question, Wang does however a good service to China's understanding of Europe at a crucial time.

For a foreign readership, the most interesting chapter must be the one on federalism in China. Since the decline and fall of the Qing dynasty at the beginning of the 20th century, China has gone through many turbulent stages of reform, and the option of choosing a federal system of government has come up several times.

Sun Yat-Sen, the father of modern republican

China, revered on both sides of the Taiwan Straits, was a strong advocate of a federal system of government right up to the revolution of 1911. At the founding of the "Revive China Society" in 1894 he called for a "US-style union government" to replace the imperial system. However, at the time the focus was more on revolutionary action than on theoretical debate, and this particular issue was dealt with only in general terms.

After the revolution, the discussion became tangled up in factional struggle. In the words of famed US sinologist John K. Fairbanks, "the 1911 Revolution was to a good extent a struggle for power between Beijing and the provinces." According to the opponents of federalism at the time, Wang recalls, "all the countries in the world with a federal system of government, like Germany and the US, had first been divided, and then only later united – in other words, they first formed as individual states, then, only when they had a need to unify did they form a federal union. China, on the contrary, has long been a unitary state (...) They also believed that the country was too backward, and too easily prone to instability if a federal system were set up too quickly." Similar arguments were readily used at the time also to argue in favour of restoring the empire (the country not being "ready" for republican government and democracy), and echoes of this gradualistic logic still recur today whenever the subject of political reform is brought up.

In the three decades before the Communist revolution, there were some isolated attempts at creating loose political federations from the semi-independent provincial governments that were sprouting up all over the country. After the founding of the republics of Hunan and Zhejiang in 1921, and the beginning of constitutional processes in the provinces of Sichuan and Guangdong, local independence movements started up in Yunnan, Guangxi,

Guizhou, Jiangsu, Jiangxi and Hubei. At this time, the famous revolutionary and intellectual Zhang Taiyan “took a step further and proposed to form a Confederation of Provincial Governments of China to be made up of representatives of each provincial government.” Eventually, the regional power plays of the warlords and an increasing consensus on the need for a unitary government to maintain stability and national unity made Zhang abandon the project.

“In fact, the leaders of these [early] federal movements went too far in their rejection of central authority, to the extent that to them a federation was not really suitable for China, and that only a confederation which gave the centre almost no power whatsoever would do.” Wang argues that this precedent lies at the foundation of many modern misconceptions about federalism in China.

Any discussion of China and federalism after 1949 arguably requires a stretch of the imagination. In a country where the ruling Communist party runs a nomenklatura system and adheres to Lenin’s principles of “democratic centralism” and party supremacy, a federal system of power balances is a formal exercise. The author’s analysis of the constitutional provisions that allow for minimal minority representation at local level, while interesting, inevitably leave some fundamental questions unanswered. The formula “One country, two systems”, that was originally proposed as a blueprint for reunification with Taiwan and later

adopted in 1997 for Hong Kong and in 1999 for Macau, also tends to be a statement of intent rather than an effective constitutional arrangement in the European sense.

More significantly, Wang argues against a federal system of government for China in the near future, and concludes that “a transition from a unitary to a federalist system is a fundamental change in the relationship between local and central government, that leads to an increase of the actual cost of safeguarding national unity. This is something that the Chinese government cannot tolerate.” This argument resembles that made by opponents of federalism in the first half of the century: that since China had been under a strong unitary government before, changing to a federal system may only encourage centrifugal tendencies and be detrimental to stability.

As open discussions of political reform have been essentially non-existent throughout the ‘90s, it is hard to assess whether this belief enjoys unanimous or broad support within the ruling élite, or whether there are any alternative views. In any case, the theory and practice of federalism will reach a wider audience thanks to Dr Wang’s work, and, as the country as a whole gradually opens up and deals with the possibilities of reform, these issues will hopefully give rise to a more informed intellectual debate both within the Chinese-speaking world and in the larger global community.

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# Drug Trafficking: Economic and Social Dimensions

*Paola Calandriello & Manuela Pavan*

**International Social Science Journal**  
*Blackwell Publishers/UNESCO*  
n. 169, September 2001

This Journal presents a number of studies carried out in Brazil, China, India and South Africa on the drug trade, its consequences, and the importance of research to expand the limited information provided by official sources.

The first part of this Journal highlights the failure of policies based mostly on conventional forms of prevention, which lack a comprehensive perspective on illicit activities.

The study conducted in Rio de Janeiro deals with the links between poverty and drug traffic, focusing on the data obtained through various field researches between 1997 and 2000: it analyses the information obtained in three different town districts (Copacabana, the richest area, Tijuca, a middle-class area, and Madureira, the poorest section of the favelas) and describes how young people from the favelas are attracted by the life-style of drug dealers (working mainly in the richest part of Rio, where violence predominates), that usually destroys their lives.

São Paulo is the core of the local and international drug trafficking economy, especially marijuana, cocaine and "crack". The author holds that no criminal transnational

organization can operate at such a wide scale without local cooperation, be it from criminals or state officials. Four aspects of the relationships between international and local criminal organizations involved in drug trafficking are analyzed: the corruption of Federal and State police, covertly authorizing the so-called "mules" (mainly Nigerian nationals) to transport small quantities of drug through São Paulo Airport; the involvement of the Mafia and the Sacra Corona Unita – when shipping the drug to Italy; the corruption among the highest ranks of the Army and the political class (the only known investigation case was frozen, and drug exporters carry on their activity unmolested); the links with organized crime in São Paulo and Federal Government sectors, which allow video-bingo machines to be imported into Brazil for money laundering.

The study conducted in the Amazonian basin analyzes the use of the territory for drug trafficking and other illegal dealings: while in the Western section of the basin the conflicts between military forces, drug traffickers, guerrilla movements and coca producers are creating endless tensions, in the Eastern section the Government is trying to counteract these conflicts with a stronger military presence, and the promotion of development projects as a viable alternative to illicit trafficking. As in all regions exposed to fast social changes, there are common traits causing the gradual acceptance of international drug trafficking:

- the globalization process, that weakens the

already precarious capacity of the State to take definite action against drug traffickers, and expands economic activities, whether they are legal or illegal;

- the identification of criminal activities with legal formal and/or informal businesses;
- the under-representation of modern state institutions, that leads to the local negotiation of social contracts;
- the acceptance of criminal activities by the local population, due to the unavailability of state institutions and legal economic alternatives. The absence of effective state regulations in areas of both traditional occupation and intense migration, creates fertile ground for new criminal activities.

The article about drug trafficking and consumption in China analyzes the different forms taken over time by this problem and examines, from a geographic, economic and social perspective, the results of researches conducted at national level from existing documentation, and at local level from field surveys in the towns of Guangzhou and Shenzhen.

Bombay is the financial and structural centre of organised crime groups (OCGs) in India: since the end of the 18th century, when the main activity was smuggling opium to China, these groups evolved along with the changing of the social environment, flourishing thanks to political patronage and corruption in political parties, and adapting their trade to the openings provided by varying government policies. A selective application of the law would only result in moving the business from an organized group to another: a possible solution would be a multidisciplinary research at economical, political, social and historical levels providing guidelines for an effective action against the OCGs.

In South Africa the burst of drug trafficking is connected with the globalization process that

swept over the country after the 1990s: at present, these dealings seem to be the only way in which social, economical, and political arrangements are expressed within the region and between it and the rest of the world.

The second part of the Journal contains various articles on the relationship between State organisation and drug trade in countries such as Mexico, Brazil, China and India, where the latter has been steadily growing for the last decades.

In Mexico the drug trade could strengthen its autonomy through widespread corruption among the ranks of a political party that ruled for over 15 years. Only recently (2000) the new government launched a military campaign against the drug trade, in the wake of the USA. But this model has two drawbacks: (a) the armed forces risk to see increased levels of corruption in their ranks, thus becoming the focal point of powerful interests connected with the drug trade, and (b) there are limits in the action of the government, when it comes to determining the content and direction of the antidrug policy.

The article on Brazil deals with the connection between drug trafficking and poverty. Poor population groups tend to concentrate in the "favelas", thus accelerating the urbanization process which, coupled with corrupted state institutions and repressive institutional policies, foster the rise of violence.

In the Federal State of Rondonia the "coffee miracle" story cannot be explained without considering the interests of drugs traffickers. No public official can hope to be elected without their assent; people are aware of the advantages coming from the existence of illegal activities. Therefore, public silence and ignorance are ultimately the result of an overt logic of terror.

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In Western Amazonia, the drug trade became a viable alternative to the rubber industry, which has been undergoing a big crisis since the 1980s. In the Southern region, market development is heavily indebted to police corruption and the use of violence. The control exercised by drug barons and business executives means that political life is the result of decisions made in the criminal world.

In China the State organization prevents criminals from reaching high elected offices, but it does offer State representatives the chance to control and benefit from criminal activities. The new offensive against corruption and criminalization involves the sovereignty of the State over decentralised bodies. Political debate is going on in this period of transition to a democratic presidential regime.

The drug scene in India is the product of the interaction among traditional culture, organised crime, criminalization of all forms of drug use, and the creation of new networks for the drug trade. Against the need for policies that respect all aspects of culture and especially the traditional medicine, the enforcement of a legislation that criminalizes drug use – without considering religious and cultural practices – threatens a long-standing balance and gives rise to uncontrolled drug use.

In every area there is a situation that requires a special antidrug policy, but it can be stated that using violence to repress drug use is surely not the best solution. Effective antidrug policies must both care for poor people (Mexico and Brazil) and respect religious and cultural practices (China and India).

## Towards a World Federation?

*Djemil Kessous*

### **Ronald Glossop**

*Monda federacio? Ampleksa analizo  
de federacia mondregistaro  
Jennings, la aŭtoro, 2001*

*Monda Federacio?* Such is the title of this work by U.S. citizen and federalist Ronald Glossop, published originally in English, and now translated into Esperanto by John Rapley. The author is a professor of peace studies at Southern Illinois University in Edwardsville (S.I.U.E.). He is also an Esperantist, which is worth noting at this time when the World Federalist Movement (WFM) just adopted a resolution supporting Esperanto at its 24th

world congress (London July 11-15, 2002). One should also recognize the thoughtful translation work done by John Rapley, thus making this work available to the world-wide Esperanto community.

Physically the book is impressive: 356 pages bound within a strong green cover, with notes, index, and bibliography... and with regard to ideas it is equally impressive. The author gives us, as the sub-title indicates "an extensive analysis of federal world government," and it is not only extensive but also systematic.

### **Summary**

In the first chapters there are definitions of the

basic legal concepts: government, democracy, federation... followed by a very pertinent study of the relations between the diverse kinds of law (natural, international, and global) on the one hand and government on the other.

Then R. Glossop provides the main arguments in favor of a federal world government. The first is the need to move from the present state of unending war to a global democracy. The subsequent arguments concern various other needs: to manage the global economy, to avoid ecological disaster, to make laws for those regions outside the control of national governments, to support and promote a feeling of being part of a world community, and so on.

Afterwards the author very patiently spells out and examines all those arguments which have been advanced *against* such a project. For example, the effort to create a federal world government and in accord with that end to disarm nations might paradoxically lead to war, even a nuclear war (according to Gregory Kavka); Switzerland, as well as the United States, experienced that problem. According to other authors, world federalism is pressing for more centralization while the present direction of change is toward decentralization: "To break up into parts, not to consolidate into a bigger unit, is the solution" (Kirkpatrick Sale). According to these anti-federalists, the present United Nations (U.N.), closer to the concept of a confederation, would be the least bad solution.

In the following chapter R. Glossop then responds to all these arguments in turn. In connection with the first objection he points out that it is worth noting that the wars inside Switzerland ceased exactly when that country changed from a confederation to a federal state (in 1847). Besides, "it is a mistake to believe that the establishment of a federal world government would be contrary to the

decentralization which some ethnic groups desire" because "a federation is not an opponent of nationalism but is a way of preserving ethnic values and cultures without wars and without struggles for power." He then immediately quotes Peter Ustinov (President of the World Federalist Movement): "Federalism provides the machinery by which we can enjoy the differences which exist among us" (pp. 198-99).

The author finishes his work by examining the various possibilities for making the transition to a world government, first by transforming the United Nations (U.N.) into a federation, but also by means of regional federations (which would constitute an "original nucleus"), or even by the activity of non-governmental organizations (NGOs).

### Comments

Here is an important work that each citizen who cares about the future of humanity must read. The author is thoroughly acquainted with his theme, and that is not an accident since he hails from the United States, a country with a rich federal tradition. Nevertheless, this book, a true fountain of ideas and references, draws some comments... fortunately.

R. Glossop seems to impose automatically at the global level the political structure which has been realized in some western regions, especially in the United States. According to him, "World federalists do not propose the creation of just any kind of world government. They propose the establishment of a Western-style *democratic* world government" (p. 177). Although we are in no way denying the considerable progress made on the way to human emancipation by the West, is its very complex *bourgeois* democracy an unsurpassable model?

The prospects for a world constitution (p. 254)

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and a global currency (p. 238), to which he looks forward are attractive; nevertheless it seems to us worth discussing (in the good sense of that term) his attitudes in relation to a *bicameral* parliament (p. 210) and a world police force divided into four distinct corps (p. 212)... The study of world history, of world heroes, to which he looks forward (p. 121) in fact already exists, because our history, starting from its beginning, is indeed universal. But is that whole-world "nationalism", that "humatriotism" (p.122) with its world hymn, which he recommends, really realizable? The individual right of self-determination (religious, ethnic, associative, national, and so on...) which was acknowledged by the non-national part of Sennacia Tutmonda Asocio (S.A.T.) in Nagykanizsa (see the review *Laute*, number 155, September 2001, p. 47) seems to us greatly richer in significance: I am a human being... yes indeed, and then?

The author rightly asserts that the *principle of subsidiarity*, which "aims to deal with problems at the lowest practical level" is "one of the fundamental principles of the federal system" (p. 213): subsidiarity will probably be the key principle of tomorrow's social organization. But, although he assures us that his system is *not* formally opposed to decentralization (p. 198), he occasionally appears to anticipate more or less explicitly centralized institutions (e.g. p. 238). He also notes that according to the anti-federalists, "The world federalists desire

centralized power of decision-making in order to force this 'global awareness' on each person everywhere in the world" (p. 161)." But the whole present tendency, as is noteworthy with respect to the Internet and its practical applications, is moving toward the most extensive decentralization. Will the future global system, for which we are hoping, be totally similar to, a simple reflection of, some present nation-state, even to the extent of having federal structures? This is the question...

### Conclusion

The present movement of history is greatly in opposition to those simultaneous phenomena of *globalization*, a main theme of this book, and, on the other hand, of *personalization*, of a respect for and protection of the individual person, which R. Glossop nevertheless does not forget (p. 291, and also p. 304 in the up-dating chapter).

On account of its historical and judicial approaches and on account of the richness of the world-citizen perspective which it contains, this work is indispensable for each human being who wants to be informed about contemporary political problems and who aims to participate in this developing movement. The social-political structures of the coming human community are to be thought out, are to be invented. This book is an important contribution to the debate.

# Costs and Consequences of American Empire

Bruce Ritchie

**Chalmers Johnson**

*Blowback, The costs and consequences of American Empire*

Timewarner Paperbacks, 2002

This work by a distinguished US academic, fluent in Japanese and Chinese, is of great interest to those trying to understand the current call for a war against Iraq, even though most of the detailed discussion is about US policy toward Japan, China and Korea.

The chapter called *Stealth Imperialism* discusses reactions to both the International Criminal Court and the Land Mines Treaty. It also explains the Joint Combined Exchange Training, by which, largely concealed from Congress and the public, the US forces join with those of many other countries to train in advanced sniper techniques, close quarters combat & psychological warfare. Participating armies have included Ruanda, Colombia, Pakistan and Equatorial Guinea. This is known as Foreign Internal Defence, which Chalmers Watson says is "little more than instruction in state terrorism".

Blowback, originally used for a poison gas attack going the "wrong way", is the CIA term for unexpected and untoward effects from a (usually covert) military operation. The author claims that in the first edition "I did state clearly that acts of this sort [i.e. September 11th] were coming and should be anticipated... from the unintended consequences of the Cold War and the crucial American decision to maintain a Cold War posture in a post Cold War world."

The idea that an international court must never be permitted to try US citizens is linked to the doctrine of "extraterritoriality" by which soldiers alleged to be guilty of offenses from gang rape to drunk driving were never allowed to be tried by courts of the countries where the crimes had occurred. This issue has particularly inflamed public opinion in Okinawa, A Japanese island virtually colonised by the US military.

The book also gives a knowledgeable account of terrorist theory and practice, and admits that terrorist tactics may sometimes "win". It also gives a very plausible explanation of how America may have created, and largely paid for, the Asian Economic "Miracle".

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# The Discontents of Globalization

Edward Chobanian

**Joseph E. Stiglitz**

*Globalization and its Discontents*  
New York, Norton, 2002

In a reworking of research papers and addresses presented during the past five years, Joseph Stiglitz has prepared a generally well-reasoned criticism of the International Monetary Fund (IMF) and a much sleight-of-hand criticism of the World Bank (WB). His obvious sympathy for the anti-globalization movement should make this popular with the 'street'. He has used good economic analysis without confounding the reader. At the same time, the book demands a critical review of what he has omitted.

Reading *Globalization and its Discontents* should reward Federalists. While Stiglitz demonstrates that some globalization is good, particularly knowledge and communication, he demonstrates that international cooperation is fundamental to the control of negative aspects of globalization and economic growth. He demonstrates that, while each country has its own economic system and financial markets, each country is nevertheless subject to world economic and financial fluctuations, as well as good and perhaps ill-conceived internal policies. Both the authors of Bretton Woods, the Englishman John Maynard Keynes and the American Harry Dexter White, sought to build an economic system in the world not only for reconstruction and development, but to stabilize the financial world from wide fluctuations.

Of the two international financial institutions, it is strange that Stiglitz focuses on the IMF, when he was the Chief Economist of the WB. The original mission of the IMF was that of ensuring global economic stability and the lender of last resort. Both provide loans to member countries. Traditionally, IMF provides short-term loans to resolve financial crises. WB provides loans for programs and projects for development of each country's economy.

Stiglitz states that the IMF has essentially gone well beyond its original purpose, and has leaned toward the "Washington consensus". The 'consensus' has pushed free-market entry, particularly for financial institutions and foreign capital. Stiglitz states that under the cover of freeing the markets, the IMF pushes entry of the world's leading commercial banks to the developing economies. Stiglitz demonstrates that the advice of the IMF is a "canned" message for a heavy handed appeal to curb inflation and includes, *inter alia*: advancing capital markets, encouraging higher savings rates, liberalizing the entrance of foreign financial institutions and dropping import tariffs.

He counters, however, the IMF advice, by showing that the success of "Asia Tigers" experience occurred by encouraging industry, restricting unnecessary imports, and placing high tariffs on luxury goods. Stiglitz demonstrates that the Tigers already had high savings rates and effective measures to keep inflation low. The successful Tigers also prevented foreign investors (and domestic

residents) from moving monies in and out of their countries freely, and restricting capital flight. Despite the evidence, by the mid 1990s the IMF convinced the "Tigers" to open their borders to the entry of foreign financial institutions, drop tariffs, and abolish controls of money flows. The end result was a short-term boom, followed by a crisis during which the overseas investors fled, which resulted in collapse of their financial markets and a full-fledged recession.

He also states that both Citicorp and the U.S. Treasury have entirely too much influence on the IMF. IMF has been much too concerned with increasing interest rates, and cutting public spending on food subsidies for the purpose of cutting inflation. Stiglitz states these are all measures to be used for "bank bailouts", for the foreign banks when a crisis occurs. He uses words like dogmatic, simplistic and imperialistic. He states that IMF does not trust the market to set exchange rates. Stiglitz can not understand why the IMF insisted on operating the Poverty Reduction and Growth Facility ("a lending facility for poor countries, whose management requires expertise on development that has not traditionally been the IMF's comparative advantage"). He should have also asked why Wolfenson relinquished the WB's comparative advantage over IMF.

Stiglitz severely criticizes the privatization program of the IMF. It sought to privatize in all the developing economies, and particularly the former socialist states. The IMF used shock therapy for Russia and other countries that were heavily invested in state socialism. IMF openly stated that the process would hurt some groups: "...it will be painful, if we do it quick". The result was placing a large segment of the population in poverty. WB also pursued privatization without the support mechanisms to back such a radical departure from experiences of all the participating countries. A

few in the WB who had private sector experience protested the rush of shock privatization. Those who did protest pointed out that without the proper institutions and regulatory support in place, that economy would eventually breakdown. In addition, without a sound banking system to support entrepreneurs and a legal system that would have assisted in orderly market reforms, the economy would suffer further with the brunt of suffering falling on fixed incomes and low-income workers.

It is disappointing that Stiglitz's brilliant criticism was not directed at the WB, particularly those aspects that contributed to the negative aspects of globalization. WB's structural adjustment program (recently renamed) was identical to the IMF. IMF and WB requirements of conditionality frustrated client countries.

Historically, larger and larger lending targets weakened the high standards of WB's development bank financing and program lending. At the same time the WB was not adequately supervising its portfolio, and while environmental safeguards were required, they were not enforced by the national or local entity. Often the Bank's staff did not properly follow-up with strict accounting standards. Programs and projects were identified and appraised without proper sector and sub-sector analysis. Funds were channeled to enterprises where there were quick and visible profits, rather than at targets that impacted on employment and development. Poverty projects were almost ignored; the market ruled. Stiglitz neglects to criticize the Bank's emphasis on conditionality, privatization and capital markets without the formation of supporting institutions. He neglects to take the WB to task for increasing interest rates to levels unsustainable to farmers, small business or new enterprises. Farmers with one hectare or less

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paid 20 - 24% interest for inputs.

Federalists will note that he did not address the need for a world currency. He could have addressed a pressing need to reconvene a new Bretton Woods agreement. He could have addressed a Tobin Tax or more importantly an International Tax Organization, and he certainly did not address the Monterrey accord.

Overall, Stiglitz has brought much light on the IMF and the book is worth reading, but there is little light on the World Bank. "Without reform, the backlash that has already started will mount and discontent with globalization will grow," Stiglitz writes. "This will be a tragedy for all of us, and especially for the billions who might otherwise have benefited."

## Conscientious Objection in Israel

A letter has been sent by Amnesty International to the Israeli Defense Minister, last December, expressing "concern over the imprisonment of Israeli conscripts and reservists who refuse to perform military service or to serve in the Occupied Territories, as they believe that by doing so they would contribute to, or participate in, human rights violations. Some 180 conscientious objectors and refuseniks have been jailed in the past 26 months".

Several groups of conscientious objectors are present in Israel. One is the *Michtav Shministim*\* (The 12th-Graders' Letter), whose manifesto has now been signed by nearly 300 young people (aged 15-18) facing conscription, and gathers youths of various inspirations and motivations. The veterans have formed the associations *Yesh Gvul*\* (There is a Limit) and *Omets Lesarev*\* (Courage to Refuse); in a petition sent to the Supreme Court, they claim that "their refusal to serve in the occupied territories is legal and imperative, because the entire occupation has become illegal over the past months", and attach 26 reports and 20 affidavits submitted by officers and soldiers who served there. Another group of reservists has been staging weekly vigils in Tel Aviv, calling upon the government to stop sending them to guard illegal West Bank settlements: "The government should obey the law and prevent the settlers from breaking it, instead of ordering soldiers to guard the law-breakers".

The imprisonment of the objectors is now longer than in the past, and in fact is becoming an indefinite repetition of prison terms, so that the Association for Civil Rights in Israel (ACRI) has taken up the issue, after having hesitated until now to touch questions of military refusal.

Several Israeli public figures, laureates of the prestigious Israel Prize, spoke in a meeting in Tel Aviv on Dec. 19, expressing solidarity with the conscientious objectors and outrage at the way they are treated (*l.c.*).

\*The web site of each of the three groups can easily be found on the Internet

## Latin-American Parliamentarians are against the FTAA

Parliamentarians of Mexico, Uruguay, Costa Rica, Bolivia, Nicaragua, Ecuador, El Salvador, Venezuela, Peru, Colombia, Quebec, met in Quito on October 29 and 30, 2002, and signed an extremely critical common political declaration concerning the FTAA, the Free Trade Association of the Americas.

In such document, they blame the FTAA for favoring a policy of indiscriminate free commerce, capable of ruining the industrial, agricultural and breeding production, of eliminating the rights of labour, of making useless the norms for consumers protection, of provoking the increase of public indebtedness and of putting to risk the conservation of the economic and cultural patrimony.

Also the indication of 2005 as the date for the coming into force of the FTAA is considered not acceptable, as it would force the Latin American countries to adopt political and economic measures of austerity that in this conjuncture would go against the real interests of their citizens.

Instead, according to these parliamentarians, it is necessary to foster more equitable integration

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processes, so as to satisfy the needs of the great majority of the population that lives in conditions of extreme poverty and to invert the tendency to an indiscriminate export of natural resources and raw materials.

To such aim, the Governments of the involved countries should revoke their adhesion to the FTAA, strengthening at the same time the already existing cooperation agreements in the area, like the Mercosur, the Andean Community and Caricom (s.c.).

## The ICC Inauguration

On February 7, 2003 the ICC moved a historic step forward in its establishment when the first 18 judges were elected by the Assembly of States Parties.

The Netherlands, as the host state of the ICC, has organized an inaugural session on March 11 to swear in the 18 judges in the presence of an audience of invited guests, including Queen Beatrix of The Netherlands and UN Secretary-General Kofi Annan.

The Rome Statute, the treaty establishing the Court, entered into force on July 1, 2002 and has been ratified by 88 countries. The Court is expected to be operational by the end of 2003 and will be the world's only permanent tribunal for prosecuting individuals responsible for war crimes, including genocide, crimes against humanity, and, eventually, the crime of aggression. The Court will have jurisdiction only over crimes committed after the date when the Statute entered into force (*l.l.*).

## New UNEP's Report on the "State of the Environment" in South Asia

Two weeks ahead of the United Nations Environment Programme (UNEP)'s twenty-second Governing Council meeting and Global Ministerial Forum to be held in Nairobi, the UNEP issued two reports on the "State of the Environment" (SOE) in South Asia. The first was written to target policy makers and the second was written by youth.

The SOE report was designed to provide guidance for action planning, policy setting and resource allocation. It identifies five key environmental issues faced by South Asia today: livelihood security, environmental disasters, industrialization, urbanization and biodiversity. These problems stem from the rising energy demands and air pollution caused by the widespread industrialization of South Asian economies.

The youth version of the report was written by members of youth organizations belonging to the South Asia Youth Environment Network (SAYEN). The South Asia is recognized as a region that is economically poor and at the same time also extremely rich in resources. All members of the region are exhorted to change the present irresponsible pattern both individually and collectively, by drawing on their culture, history and traditions (*a.s.*).

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