The European Integration Crisis
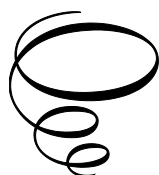
The European Integration Crisis:

An Economic Analysis

By

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Finally, without a publisher, no book would ever find its way to its dear readers. Therefore, we would like to thank Adam Rummens, the Commissioning Editor for Cambridge Scholars Publishing, for accepting our manuscript. We also thank the anonymous reviewers of Cambridge Scholars Publishing for their valuable comments.

All mistakes are naturally our own.

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Marek Loužek and Luboš Smrčka
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INTRODUCTION

Since the initiation of European integration in the early 1950s a number of integration and international relations theories have been developed and applied to these processes. European integration has been examined from various perspectives: institutional, historical, economic, political, etc. Although all of them are useful, hitherto there has not been an analytic approach that linked them. Our objective is to demonstrate that public choice theory can be a suitable analytical tool to examine the European integration process.

Public choice theory is based on the assumption that consumers, politicians and even nations are similarly concerned with their own interests (economic, political, and so on). Public choice theory enables us to 'de-idealize' the European integration process and see the interests of individual actors in the process more realistically. European integration does not occur because the actors are altruistic; rather, it comes about due to their rational pursuit of individual or group self-interests.

Political science (with other social sciences) has developed many different approaches in its efforts to examine European integration. In general most integration theoreticians have viewed integration as beneficial, whether or not their design was implicit. European integration has been perceived as a process that builds peace, security and economic prosperity. Our monograph, which draws on public choice theory, takes issue with this simplified view.

European integration is not a priori positive or negative: it results from the interaction between various interests. During the past few years, however, it has been impossible to ignore increasingly strident claims that the European Union is in the midst of a crisis. According to this perspective, European institutions do not function well, democracy in the Union is flawed, eurozone problems have reached a critical point (despite the varying visibility of these problems) and inward migration, which European institutions seem incapable of handling, is escalating.

While opinions on these phenomena may be subjective, there are nonetheless wholly objective signs of a deepening crisis that cannot be overlooked. General trust in the European Union is at a low – in fact, at

historic lows in many countries. In 2016, the citizens of Great Britain voted in a referendum to leave the European Union, and in many member states political movements appear to be growing whose platforms include either leaving the Union or fundamentally reforming the Union to such an extent that its political framework would be negated.

Public choice theory has been applied to the European integration process in the fields of economics and political science. Economists have found that the EU does not exist in 'the public interest' because of the multitude of specific countries' interests and objectives. Political scientists have particularly focused on voting procedures within European institutions. This study questions the constructivist approach to European integration, which is governed by normative considerations rather than objective interests.

Our book was influenced by hectic events that we were keen to highlight in a comprehensive way – those included, but were not limited to, Brexit. The aim of the book is to present the issue of European integration in a more comprehensive way than through the sole description of one topic, no matter how serious this topic is and how essential it is for tens of millions of people on the continent as well as in the British Isles. We have striven for maximum objectivity on the topic of integration (despite our reservations when considering the current EU's methods of integration as optimal).

The first chapter discusses traditional theories of international relations and the alternative rational choice approach towards them. The traditional perspective is discussed, modern idealism and realism are outlined as well as the debate about the end of history. The chapter argues that rational choice is a better analytical tool for examining international relations than others. Public choice theory is proposed as a new approach.

In the second chapter we summarize the history of European integration that led to the creation of the European Union. We analyse the roots of the European idea, and we describe the creation of the Six, progress towards the Treaty of Rome, the formation of the European Communities and the British hesitation over becoming a member of the European Community. We also analyse the Single European Act, the Maastricht Pillars, and the developments at the turn of the millennium, including the Treaty of Amsterdam and the Treaty of Nice. The European Constitution and the Lisbon Treaty are analysed, including an evaluation of the rhetoric of integration.

The third chapter attempts a critical review of processes by which the European Union has been enlarged. We also try to define the stages of enlargement. First, we define the notion and procedure of becoming an EU member. Then we briefly outline the Western, Southern and Northern enlargements of the EC as well as the Eastern enlargement of the EU between 2004 and 2007. We analyse Brexit, the United Kingdom's referendum on its continued membership of the European Union, and the decision of the UK to exit the Union including negotiations about the form and organisation of the exit within the time framework available. We mention asymmetry between old and new members as well as institutional problems of the European Union. We also pay considerable attention to the possibility of further exits from the EU, for instance in Italy or countries of the Eastern enlargement.

Chapter four focuses on the economics of European integration. First, we look into approaches towards European integration, then introduce Moravcsik's 'rationalist' model of interstate bargaining. The deepening of European integration and the process of EU enlargement are further examined. We formulate the model of benefits of EU enlargement for politicians and citizens and we dwell upon the influence of interest groups. We decided to devote considerable attention to the notion of national interest and the relationship between national interest and integration.

Chapter five discusses the economic theory of globalization. We describe in detail the relation between globalisation and (European) integration since we do not consider those elements to be related or something from which we can draw parallels but rather as phenomena that might quite often, but not always, be contradictory. We also explain the paradox of globalisation - whereby globalisation may lead to a political response rejecting globalisation. We also focus on the technological and technical context of globalisation.

Chapter six uses quantitative methods for examining European integration. Based on the number of votes in European institutions, it calculates indicators of voting power for individual countries depending on individual options of EU enlargement. The findings show that current EU members do not have to 'lose' in case of EU enlargement with regard to the possibility of their influencing (or blocking) decisions inside the EU. Coalition indicators in the case of enlargement of the European Parliament or European Council will decrease, but they will, however, not drop as dramatically as relative power.

Chapter seven analyses the crisis of the eurozone. It explains why the eurozone is not an optimal currency zone. It discusses the economic development of the eurozone and points to the fact that the Euro intensifies economic cycles. It considers the economic development of the Northern and Southern areas within the eurozone, and reveals internal tensions inside it. It asks whether the Euro is a suitable currency for the countries of Central and Eastern Europe. Most emphasis is put on the debt crisis in the eurozone; we see the crisis as unavoidable and most probably cyclical in nature.

Chapter eight focuses on the migration crisis. We do not believe this crisis is constituted solely by migration from less developed countries outside the EU to the more developed EU states, but that it also reflects an internal east-west migration. The chapter also analyses migration from within the context of public debate, and we reflect upon the loyalty of new EU citizens towards the fundamental values of the defining EU political systems, i.e. liberal democracy and the constitution. We ask the question whether migration might be a cure for an ageing population or whether it would merely postpone problems. We also mention strengths and, in our opinion, the prevailing weaknesses of multiculturalism, and highlight the issue of democratic legitimacy. We analyse EU responses regarding the solving of the migration crisis, and ask whether a rational immigration policy exists.

This study confirms that public choice theory can be used to examine European integration and political phenomena in general. Although the field of economics has had a head start in the development of its analytical tools in comparison with other social sciences (e.g. political science or sociology), economists should not by any means ignore the important findings of political science. Only a sensitive and balanced linkage between these two areas will enable us more clearly to scrutinise contemporary European processes and foster a tradition of further research.

CHAPTER 1

INTERNATIONAL POLITICS THEORY

Thematically European integration can be discussed within various disciplines: economics, history, political science or international relations. In addition, various subfields of international relations, such as foreign policy analysis and research into the nature of international organizations, have been successfully introduced. International political economy constitutes yet another recognized field – see Pearson (1999), Watson (2005), Cohen (2008), Sobel (2013), Nolt (2014) or Oatley (2015).

The foundation of modern international relations is the Westphalian world order, which is based on a system of independent nation states associated through mutual interventions into domestic affairs (Kissinger, 2014). The system is balanced because none of the political entities has sufficient power to dominate the others, thus no special claim to truth prevails nor does any central world government develop.

The Westphalian system has functioned as a framework for international relations for the past four hundred years. Although the world encompasses many civilizations and regions, all of them recognize the fundamental principle of state sovereignty. The European Union, with its concept of shared sovereignty, attempts partially to restrict nation states, while paradoxically trying to create a new state. European nations have allowed their military prowess to decline and do not have the capability to respond should a violation of universal norms occur (Kissinger, 2014).

In this study, we rely on public choice theory as an analytical tool to examine European integration. First, however, we shall make a brief excursion into the theory of international relations. Our objective is not to drily describe different theories, but to set out an elementary review of them because public choice theory, the advantages of which we seek to demonstrate, is not included as part of international relations theory in standard textbooks.

The chapter is structured as follows: first, we begin with traditional and modern idealism and compare these two theories with realism, neorealism

and geopolitics. Next, we analyse the conflict between Fukuyama and Huntington over the end of history. We outline the basis of rational choice theory in international relations and its particular variation, public choice theory, which has already been applied to international organizations. We analyse the role of national interests.

1.1. Idealism

International relations began as an interdisciplinary field, not as an independent scientific discipline, and has basically remained so to this day. Although the field has been enhanced from various geographical regions, the main contributions have come primarily from Great Britain and the USA. In the discipline's earliest years, idealism assumed the dominant role, which corresponded to the atmosphere after World War I (Eichler, 2017).

1.1.1. Traditional idealism

Traditional idealism was influenced by the politics of US president Woodrow Wilson. Wilson connected hope for victory in World War I with a vision of qualitative changes in the global political system. According to Wilson, the old system expressed itself through selfish rivalry between autocratic cliques, clandestine manoeuvring, cynical bargaining, inconsideration for the defenceless and assertion of tyrants' interests (Krejčí, 2014).

The underlying characteristic of traditional theories of idealism is the conviction that perpetual peace and cooperation in international relations are possible and that institutions are of key importance to the development of such cooperation. Idealists cast doubt on the state's role as the exclusive actor in international relations and relativise the unambiguous separation of domestic and foreign policy. The state cannot be viewed as an entity with a clearly defined interest, but rather as a conglomerate of motives.

Political security does not have to serve as the decisive element in the evolution of international relations. Idealist schools of thought stress the role of business, and legal, ethical, cultural and technological aspects, which are no less important to international relations than the pure pursuit of nation states' own interests. According to idealists, the emphasis on egoistic self-interest may lead to conflicts and therefore they call for various normative restrictions on nation states (Drulák, 2003).

One of the most influential idealists prior to World War I was Norman Angell (awarded the Nobel Peace Prize in 1933), whose work *The Great*

Illusion (1910) was published on the eve of the war and reprinted many times. Angell elaborated the concept of mutual dependence. An offensive war is irrational because it is more advantageous to profit from the resources of other nation states through international trade and investments than through military occupation.

According to the idealists' view, war makes no sense and cannot serve as a rational tool in national politics. World War I came about because the then world leaders increasingly involved themselves in processes that were beyond their control. The cause of the war rested in misunderstandings between political leaders and insufficient application of democratic responsibility within nation states. The tension that lay at the foundation of the entire conflict could only be eliminated through the dissemination of the principles of state sovereignty and democracy.

A distinctive feature of the idealist approach is its faith in progress (Angell, 1910). The idealists believed the system of international relations could be transformed "into a more peaceful and just world order under the impact of the awakening of democracy, the growth of the 'international mind'" (Bull, 1972), post-war development and the good works of people striving for peace. The task of scientists studying international relations was to help spread progress and overcome ignorance, prejudice and hostility.

These formulas for a peaceful world order and international disarmament were popular but relatively vague. Their implementation was entrusted to the League of Nations, which was to replace the much disparaged power confrontations associated with legal conflict resolution mechanisms. Although most of the world's countries were members of the League of Nations and any form of disruption of peace was formally prohibited, no country was capable or willing to enforce adherence to the given treaties (Kissinger, 2014).

1.1.2. Modern idealism

With some simplification, the theory of functionalism can be included in the genre of modern idealism. David Mitrany (1943) accentuated some arguments of traditional idealism such as mutual dependence, the beneficial influence of international institutions and questioning of the nation state's exclusive role in international relations. He also brought into question the viability of the market economy and supported economic planning.

Mitrany believed that international issues should remain the domain of experts, who are capable of determining the best solutions using objective analyses. Specialized international institutions would be established with membership and content to be based solely on technical considerations rather than political factors. These expert institutions would be coordinated by higher institutions of the same type, and there would also be a network protecting the international system from rivalry, irrationality and military conflicts.

The idea that a tight network of nation states that would completely prevent war could develop behind politicians' backs is simultaneously technocratic and idealistic. Faith in the notion that domestic or foreign policy issues can be resolved neutrally, free of values, is flawed because it fails to understand the essence of politics. Politics, at least on a national or international level, is a constant clash between interests, visions and ideas that are normative and value-based as a rule.

The functionalist vision that the world of politics, with its hunger for power and self-interest, can be separated from the world of experts, held to be capable of fulfilling human needs based on rational consideration of alternatives, is utopian (Kratochvíl, 2008). As soon as apolitical experts assume decision-making power in international institutions, they become (whether they like it or not) politicized.

As the 'behaviourist revolution' began to permeate international relations in the late 1950s and to enhance scientific, mathematically-based methods, traditional functionalist texts seemed more like visionary essays reminiscent of earlier Kantian projects of perpetual peace rather than strictly scientific work. Mitrany did not precisely state whether his work was to be interpreted as a forecast or as a recommendation.

It is notable that functionalism became one of the main directions of theoretical reflection upon international integration and a guide for strategies that emphasize the apolitical, practical character of European integration. The idea that economic, social or political problems are of this nature in the modern world, that they cannot be addressed on a national level, has become the foundation of European integration efforts.

At the end of the 1950s, neofunctionalism emerged. The theory's proponent, Ernst Haas (1958), discovered the spillover effect. Spillover takes place when political leaders conclude that integration should be advanced into

new areas. Spillover effects occurred when economic integration in the EC/EU shifted to political, foreign-policy and security integration.

Haas's idea, however, that affected countries would balance disadvantageous integration in one area by advocating for integration steps that offer them more advantages in other areas, is just one option. Alternatively, disadvantaged nation states may simply reject integration in a given area (Kratochvíl, 2008). Neofunctionalism was eventually abandoned because it was incapable of recognizing the role of nation states as the fundamental actors in international relations.

The successor to neofunctionalism is transnationalism, which states that the nation state is no longer the actor that it used to be. The national state was disrupted by four factors: economic conflicts, the boom in international communications and permeability of national borders, development of aerial warfare, and nuclear weapons. According to transnationalists, it is unlikely that the state will maintain its role as the dominant unit in the international community in the future.

Although there was already a bias towards international integration in the 1950s, it was transnationalists who first began to claim that state sovereignty was gradually falling apart. The prevailing concept was that nation states must join with other similar economies to ensure further economic growth. Today, companies create multinational corporations that gradually grow beyond the sphere of national governmental influence.

From the transnationalists it is just one small step to 'globalization' theorists who claim that in addition to states there are other actors in international politics – multinational corporations and revolutionary groups – and that therefore states must join together if they are to face global challenges. This purely political concept, which definitely carries a technical bias, has also been used as an argument by proponents of European integration (Gavin, 2001).

1.2. Realism

The approach that runs counter to idealism is realism, which emerged in the 20th century in several forms: first as classical realism and later, after World War II, as neorealism. Particularly in the USA, realism was the most influential approach to international relations studies during the entire latter half of the 20th century (Eichler, 2017).

1.2.1. Classical realism

In 1939 the British historian E. H. Carr introduced a new way of thinking about the field. His book *The Twenty Years' Crisis* (Carr, 1946) was a critique of the way in which idealist opinions dominated the field of international relations. According to Carr, the science of international politics was, similar to related scientific fields, clearly and unreservedly utopian. The first visionary projects were replaced by logical considerations, marking the end of the utopian period of the scientific field (Carr, 1946: pp.8-9).

Realists interpret international relations as they really are, not as they should be. The central question for realists is the issue of power (Drulák, 2003). Power has a number of dimensions but typically the decisive factor is the level of material resources or military prowess. Hostility or rivalry is prevalent between actors in international politics. Perpetual cooperation or peace is not possible. The most important entities in international relations are states, which must be regarded as rational actors.

With the onset of realism, international relations lost its normative character. Carr introduced Machiavelli as "the first important political realist". Carr held that realism rests on three pillars: 1. history is a coherent sequence of cause and effect that can be understood through intellectual effort; 2. practice does not follow theory, rather theory follows from practice; 3. "politics is not a function of ethics, but ethics is a function of politics". Morality is the product of power (Carr, 1946: pp.63–64).

Carr criticized idealists for their utopianism, which serves to create a new world, while realism theory reflects established practice. Utopianism is favoured by intellectuals who believe in absolute principles that must not be compromised. Realism, on the contrary, recognizes the role of compromise, proceeds on the basis of precedents, experience and intuition. While utopianism believes in universal ethical principles, realism admits the existence of the rule 'might makes right'.

Henry Kissinger's mentor Hans Morgenthau popularized the realistic approach in his book *Politics Among Nations* (Morgenthau, [1948] 1973). According to Morgenthau, whom many regarded as the force justifying the USA's power politics after World War II, there are two ways to regard politics: idealistically and realistically.

He claimed that idealism enables the creation of a rational and moral world order from a universally valid set of moral principles. This opinion, which

assumes that humans are inherently good, attributes any inability to live in peace to shortcomings in the arrangement of the international community. Realism holds that political affairs are the result of power elements that are essentially intrinsically present within the human character. To understand international relations, we must work in accordance with these power elements and not against them.

Morgenthau summarized the realist approach (1973: pp.4–16) in several points: 1. "politics is governed by objective laws with roots in human nature", 2. the concept of interest must be defined in terms of power (with little concern for motives or ideological preferences), 3. the nature and essence of power are not static but rather change according to the environment, 4. universal moral principles cannot be applied to politics; a state's key interest is survival of the nation, 5. states formulate their political actions through morality only in the form that suits them, and 6. the political sphere is autonomous.

According to Morgenthau, "there is no escape from the evil of power. Politics is the ethics of doing evil". According to realists, states are the primary, if not the only, actors in global politics. The global political system operates through confrontation between the power and ambitions of individual states. The framework of state relationships that naturally occurs in history is a power balance that forces politicians to consider war as a marginal solution (Krejčí, 2014).

War breaks out when peace is no longer advantageous or sustainable for the main actors. Contrarily, peace emerges when war brings such palpable losses and damage and takes so many lives that no one wants to continue fighting; everyone wants to end the war and return to a state of peace (Eichler, 2017). Wars are exceptionally destructive but it can be expected that they will continue to break out relatively often in the future as well.

Wars occur in given cycles (Modelski, 1987). Global political affairs develop in phases which are dominated by a central agent or hegemon. After several decades, sustaining the world order becomes increasingly costly, until it finally exceeds the hegemon's capacity. Simultaneously the influence of revisionist countries grows, as they require a new order and finally assert their interests through war, becoming the hegemony of a new world order.

According to realists, opting for war as a way of achieving political aims is the result of rational decisions by the highest political actors of specific nations. The onset of war is grounded in a conscious and justified decision

by both parties that is based on a calculation which confirms that war is a more suitable tool to achieve given objectives than peace. Realists do not see peace as a permanent state but rather as a temporary condition (Eichler, 2017).

The robustness and duration of peace depend on the balance of powers between the key actors, or on the strength of the hegemon's influence. According to realists, there is no supranational authority that could permanently prevent states from initiating wars. Consequently, realists do not concern themselves with deliberations about how to ensure perpetual peace; each period of peace is more of a transient state, while perpetual peace is wishful thinking.

Realists view national interests as an important concept. They maintain that a state's national interest is given objectively, regardless of the ideas of specific state leaders or domestic stakeholders. National interests must be detected, as they are not derived from actors' subjective preferences. International relations thus become a field where various national interests interact. They are by definition contradictory, for the strengthening of one state's power means the weakening of the others' positions. When contrary interests escalate, war can ensue.

The point of the Westphalian system is that any state may be recognised as a member of the international community while retaining its own culture, customs, policies and religion (Kissinger, 2014). Disparaging the Westphalian concept as a system of cynical power manipulation is unwarranted. The Westphalian system accepts plurality as its starting point. Today, this system of international relations is established and accepted on all continents.

1.2.2. Neorealism

Proponents of the view that the state still commands a dominant position in international relations were further fuelled by neorealism. The key neorealist work is *The Theory of International Politics* by Kenneth Waltz (1979). The state can rely on the loyalty of its citizenry and still hold a monopoly on legitimate power. The state sets the rules of the international system, although not all actors are obliged to follow them. The key neorealist concept is the hegemonic stability theory.

In his early work *Man, the State and War* (1959) Waltz still assumes a realist approach. He views the causes of war as existing on three levels: 1. the

individual level, characterized by human selfishness and barbarism, 2. the level of internal state structure, where war is connected to a state's undemocratic or imperialist character, and 3. the system level, where war occurs in times of general uncertainty in an environment of state sovereignty. Waltz criticizes most approaches as overly focused on one particular type of cause and neglectful of other causes.

International relations are defined by an anarchic structure that is unlike the hierarchical structure of domestic politics (Linklater, 1995). While relations between specific actors in domestic politics are defined by a constitution with sovereignty, there is no constitution or sovereignty in international relations; the structure is decentralized – anarchic. States cooperate only when faced with a common threat.

By assuming that the structure is anarchic, Waltz is able to abandon the classical realist assumption of fallen human nature (Drulák, 2003). The cause of conflicts is not human nature, but rather the anarchic world order. The anarchic structure of international relations presupposes homologous units that must rely on themselves; they cannot afford deeper specialization. States are quite similar to one another: they often have military strength at their disposal, exercise sovereign control over a territory and seek economic growth, etc.

According to Waltz, international relations are the unintended consequence of interactions between many independent actors pursuing their own interests. Much like companies striving to maximize their profit clash on the market in microeconomics, states pursuing their own national interests clash in international politics (Waltz, 1959, 1979). The nature of international politics stems from the clash of many nation states' interests.

International relations are governed by the logic of the 'balance of power' system. The distribution of power is key. Waltz distinguishes between a bipolar structure (two powers) and a multipolar structure (multiple powers). He maintains that a bipolar system is more stable than a multipolar system because it is easier to comprehend, rids actors of their dependence on alliances and enables easier alignment on international issues. Waltz saw the distribution of power as the central issue, while economic, political or cultural problems were of secondary importance.

Raymond Aron (1966) opposed Waltz's view of the stability of bipolar and multipolar systems. He distinguished between a homogeneous system, where states share fundamental values, and a heterogeneous system, where

there is a lack of shared values. Aron viewed the multipolar system as more stable than the bipolar due to the more dispersed nature of the rivalry, while in a bipolar system states have clearly defined enemies and conflict becomes characterized as total conflict.

Since no global sovereignty exists, the natural state of international relations is anarchic (Kissinger, 2014). The rules of international law such as non-interference in the domestic affairs of other states, the inviolability of borders, or state sovereignty are valid – when states find them advantageous. In reality, however, disputes and conflicts between states are usually settled peacefully, although violence comes into play at times. National interest remains the key factor for states.

Stephen Walt (1987) attempted to address the problem with Waltz's theory: the issue of balancing. The strategy which dominates international relations is to develop a countering alliance, which can, in Walt's view, deter a potential aggressor. A balance is not achieved if a threatened state is unable to form an alliance or faces almost certain defeat. In this case, the state will likely settle on a policy of concessions to the aggressor. Walt replaced the 'balance of power' concept with a new one: the 'balance of threat' theory.

Neorealist in tone, the work of Robert Gilpin (1987) even refers to standard economic theory. He viewed states as entities that maximally exploit their advantages through an expansion of power. Gilpin defined the marginal benefits and marginal costs of territorial expansion. States will continue to expand until the marginal costs exceed the marginal benefits of territorial expansion.

Since the mid-1960s it has been evident that the linear trajectory of integration, as outlined through functionalism and neofunctionalism imbued with federalist optimism, does not correspond to actual developments in Western Europe. Conservative realist analysis of European integration has pointed out a number of cases where attempts to overcome state-centrism has failed (Kratochvíl 2008).

The pessimistic projections of realists such as John Mearsheimer (1990) have been only partially fulfilled. The idea that Europe will once again become a typical anarchic environment, where weaker states begin countering stronger states by entering into new alliances with smaller states, was legitimate. The prediction that weaker countries would begin to block or hinder integration in this way, with a deceleration of integration and the

subsequent disintegration of the EC as a natural consequence, was not accurate.

Henry Kissinger (2014) points out that while the international economic order is global, the political world order is still grounded in nation states. Obstacles to the flow of goods and capital are eliminated economically, while international politics continues to rest on national interests. A paradox arises: economic prosperity is crucially dependent on the success of globalization, but this process itself provokes political reactions that deter aspirations to further globalization.

The European Union attempts to attack and dismantle nation states, which, according to Kissinger, is the natural and unavoidable basis of international relations. The EU, which attempts to advance and outline foreign policy based on soft power and humanitarian values, creates a vacuum that will be very difficult to fill because it retreats from realistic strategic approaches (Kissinger, 2014).

1.2.3. Geopolitics

Anglo-Saxon and German geopolitics may also be considered part of the realist school of thought (Hnízdo, 1995: p.12–18). At the turn of the century Halford John Mackinder (1904) was the leading proponent of geopolitics with his Heartland concept. Mackinder divided countries into three regions: the pivot area encompassed landlocked Central Asia (without access to ice-free ports), the inner crescent was defined as the rest of Eurasia excluding Great Britain and Japan, and America, Africa and Australia constituted the outer crescent.

Mackinder interpreted international relations as a clash between land and sea power, where the key to control was control of the Heartland – the core of Eurasia. The main geopolitical conclusion that Mackinder drew from World War I was Germany's effort to control East Europe through domination of the Heartland. This gave rise to his famous claim: "Who rules East Europe commands the Heartland; who rules the Heartland commands the World-Island; who rules the World-Island commands the world." (Mackinder, 1996: p.150)

Mackinder's successor was Nicholas Spykman (1944), who put forth the Rimland concept in the 1940s. He postulated that the most important factor in controlling Eurasia would be control from a sea coast and adjacent islands (from Japan all the way to Great Britain). In 1944, Spykman foresaw the

potential competition between Great Britain and the USSR over control of the Rimland, which found expression through the containment doctrine.

Saul Cohen (1973) was a geopolitical theorist who completely revised the Heartland – Rimland theory. In his view the world is composed of two geostrategic regions: the coastal world, dependent on trade, and the Eurasian continental world. The trade-dependent coastal world includes Anglo-America and the Caribbean, South America, coastal Europe and Maghreb, Sub-Saharan Africa and island Asia and Oceania. The Eurasian continental world comprises the classical Heartland with East Europe as well as East Asia.

Karl Haushofer, who recognized only four viable states – Germany, Russia, Japan and the USA – dominated German geopolitics in the 1920s. In contrast to Anglo-Saxon geopolitics, Haushofer believed the world was not composed of a single whole but rather divided into pan-regions. Each of the four powers has its own pan-region. Germany should control Central and Western Europe, Africa and the Near East.

These four world powers – Germany, Russia, Japan and the USA – also represent the division of the world. Haushofer was interested in the 'Lebensraum' theory and the issue of Germany's potential expansion into East Europe. German geopolitics perceived the USA as one of the dominant powers. Haushofer's model can also be interpreted as the Monroe doctrine times three. Geopolitics doctrines are related to national interests.

The geopolitical frame of mind assumes that power struggles will be addressed primarily through the consideration or use of the power potential of superpowers, i.e. with international law taking a weak role (Krejčí, 2014). The geopolitical view is that the global political system works on the basis of perpetual conflict between large nations. Globalization is accompanied by the hegemony of one state or regime.

In his later work, Henry Kissinger (2014) took the position that the conflict between idealism and realism had been overcome. A power calculation without a moral dimension transforms every dispute into a show of might. Moral orders which do not take into account a state of balance, however, typically lead to the initiation of crisis delegations or powerless provocations. Both extremes run the risk of disrupting the solidarity of the international world order itself.

The realist school does not refute the importance of ideals and values. However, it demands a thorough, almost unsentimental consideration of the

balance between material powers along with an understanding of the history, cultures and economies of the societies that created the international system. For its part the idealist school does not reject the geopolitical aspect of realism. Realists seek balance; idealists are after conversion. Crusades cause more social discord and suffering than responsible statesmanship (Kissinger, 2005).

1.3. Dispute over the end of history

In his famous work *The End of History and the Last Man?* (2012 [1989]) Francis Fukuyama, Professor of International Political Economy at Johns Hopkins University, expressed the opinion that the world was witnessing a remarkable consensus on the legitimacy of liberal democracy as a system of governance. At the end of the Cold War, democracy prevailed against competing ideologies such as inherited monarchies, fascism and communism. According to Fukuyama, liberal democracy constitutes the end-point of humanity's ideological development and the final form of human government.

Fukuyama claims that international politics is accompanied by a struggle for recognition (Fukuyama, 2012). The thirst "for recognition that led to the original bloody battle for prestige between two individual combatants leads logically to imperialism and world Empire. The relationship of lordship and bondage on a domestic level is naturally replicated on the level of states, where nations as a whole seek recognition and enter into bloody battles for supremacy" (Fukuyama, 1992).

Kant pondered whether human history, which may seem chaotic to an individual observer, is actually a consistent process that reveals a slow and ascending evolution over a long period of time. He came to the conclusion that history has a definitive end-point, a supreme goal that is contained in the current potential properties of humans and which renders history as a whole comprehensible. The goal is the realization of human freedom.

According to Fukuyama, there is a fundamental process that dictates the general pattern of development of all human cultures. The human history of the world is moving towards liberal democracy as the ultimate system. Cycles and discontinuity are not in conflict with the overall trajectory of global history, just as the existence of economic cycles does not refute the possibility of long-term economic growth.

Fukuyama (2012) does not describe global history as a chaotic list of everything that has occurred. Rather, he sees it as a meaningful pattern of the overall evolution of human cultures. Despite discontinuities such as the Holocaust, modernity constitutes a contiguous and strong whole. Modernity has also given human evil new opportunities to manifest itself and one can even question whether moral progress has been made, while retaining a belief in the existence of a directed, contiguous historical process.

At the end of history, liberal democracy has no serious ideological competitors. In the past, people rejected liberal democracy because they believed that it was not on par with monarchy, aristocracy, theocracy, fascism, communism or other ideologies. Now, with the exception of the Islamic world, there is general agreement that liberal democracy is the most rational form of governance because it comes closest to fulfilling the rational desire for recognition.

Fukuyama, however, is often interpreted in overly simplistic terms. One must understand that although he writes practically of the secure establishment of institutions and mechanisms that embody and ensure liberal democracy, and formulates the position that the emergence and existence of these institutions has led to a world order that enables freedom and the development of the individual, and of prosperity to the greatest degree, he does not in any way consider our world as given or unchangeable. But many people interpret his work in this simplified manner. Nonetheless, it is no coincidence that the first essay Fukuyama published on this topic, in the summer of 1989 in the journal *The National Interest*, was called 'The End of History?' – the question mark being obviously significant.

Harvard professor Samuel Huntington (1996) then enters the debate over the end of history. He claims that ideological, political and economic differences between nations do not play the most important role in the post-Cold War world; cultural differences have become paramount. According to Huntington's view of the world western, Orthodox, Islamic, Confucian, Buddhist, African and Latin American civilizations are in competition against one another.

Huntington (1996) analyses the changing civilizational balance. He predicts that western power will continue to weaken with respect to other civilizations and that after the west will lose its position of superiority, a considerable part of its power will simply ebb away and what remains will be disbursed among several key civilizations and their central states. The

decline of the west is a long-term process. The ascension of western power took four hundred years and its decline may take just as long.

In Huntington's view, the division into 'us' (belonging to a single civilization) and 'them' (belonging to a different civilization) is a constant in human history. Every civilization considers itself the centre of the world and writes its history as the central drama of the history of all of humanity. The underpinnings of western civilization are its ancient heritage, Catholicism and Protestantism, European languages, the division between spiritual and secular authority, the rule of law, societal pluralism, representative bodies and individualism.

The events of September 11, 2001 made Huntington's theory about the clash of civilizations relatively appealing. Huntington claims that the world will not evolve towards a unified global system but will remain suspended in a clash of civilizations where six or seven civilizations will continue to co-exist side by side, unconnected, which creates space for the emergence of new crucial lines of conflict.

Although Francis Fukuyama and Samuel Huntington are considered spiritual opposites, it is worth noting the similarities and interesting commonalities between the two. In reality Huntington is a western intellectual who warns that whilst western civilization is not universal, it is unique. Fukuyama, on the other hand, does not contest that the coexistence of different cultures presents problems. Although Fukuyama considers liberal democracy as an insurmountable evolutionary stage in the world order, he repeatedly objects to the idea that democratic and liberal countries should be considered more moral than other countries. Fukuyama comes out particularly sharply (and frequently) against the idea of 'exporting' societal systems to other countries.

It is notable that Huntington cautions against American proponents of multiculturalism who reject the cultural heritage of their country. Instead of attempting to forge an American identity based on one civilization, they seek to create a country of many civilizations – which would render it a country that does not belong to any single civilization and lacks a cultural core. History, however, has shown that no country created in this manner is capable of sustaining itself as a coherent society over the long term (Huntington, 1996).

Fukuyama is surprisingly close to Huntington on issues of multiculturalism (see Fukuyama, 2006). In Fukuyama's view, a crucial challenge which

liberal democracy faces today is the integration of immigrant minorities –
particularly Muslims. Cultural diversification of immigrants creates
problems for all countries but Europe may become a prime focal point in
the battle between radical Islam and liberal democracy.

After the end of the Cold War, some optimists believed that the spread of
liberal democratic institutions and market economies would automatically
result in a just world in which people would live in peace. This belief was
shown to be flawed (Kissinger, 2014). Economic recession and political
unrest, disillusion emerging from the Arab spring (which brought Islamic
regimes to power), sectarian bloodshed in Afghanistan and Iraq, terrorism
and wars in other parts of the world have shown that the end of war has not
materialized.

On the other hand, however, many theorists point out a fact that numerous
critics occasionally omit from their theories, and writers such as Fukuyama
mention it repeatedly: if we are only to consider countries that could be
labelled 'liberal democracies', then we can see that they have not waged any
wars against one another. But these states have been involved in conflicts
with other countries and one can debate the extent to which these wars have
been 'defensive' or 'offensive'. Nonetheless it is clear that these conflicts
were not mutual (albeit in the case of the Greek and Turkish conflict over
Cyprus one can note with some slight exaggeration that the conflict was on
the verge of mutuality). It is no coincidence, therefore, that proponents of
the vision of European integration emphasize the elimination of wars in
Europe as one important advantage of this approach.

As we will note later, however, for example during our excursion into the
history of the beginnings of the European Coal and Steel Community
(ECSC), leaders of European integration pointedly avoid discussions about
whether or not Europe's unprecedented period of peace is rooted in
European integration as expressed initially through the ECSC (later the
European Community [EC] and finally the European Union), or is rather the
result of the establishment of the North Atlantic Treaty Organization – that
is, the initiative of military cooperation between independent, fully
sovereign and largely liberal democratic countries (although some were
never completely democratic and one can hold grave doubts about the extent
of democracy in these countries even today).

In reality, there is no solution to the theoretical clash between peace as
emanating from NATO and peace as emanating from the EU; more
precisely, the solution will always depend on the subjective stances of those