

## **The Euro-Atlantic Union Review**

The first industrial revolution, started at the end of the XVIII Century, had a national dimension.

It led to end the power of the landed gentry, last expression of a fragmentation of the society that had its roots in feudalism. It developed the market and a new class of leaders that became the two pillars of the modern liberal State.

The second industrial revolution flourished in the United States, supported by the continental dimension of the North American market that made possible the development of mass industrial productions.

European countries had to start an integration process, after WWII, as condition for bridging the gap with the United States.

Economists and political scientists have coined terms like third, fourth industrial revolution to emphasize the importance of specific/single innovations. But revolutions do cause structural change, and happen one in a century.

Today we can speak of the third industrial revolution as the continental size of the market, that has allowed the second revolution, is being overcome. Development and modernization require a leap forward, the creation of a governed intercontinental market. The promoters of this new historical leap have to be, under present conditions, the United States and the European Union. In the future, other States, characterised by continental or sub-continental dimensions, will follow the path that might be opened today.

All the World believed that it was sufficient to create a free-trade area, breaking down barriers to free trade, as to create a intercontinental market. This illusion provoked the development of globalization. Indeed, history had already taught that a market can develop itself in a stable and ordered way only if there is a statehood – national or federal – that can ensure its government.

This great lesson of the past has been confirmed true at the beginning of the twenty-first Century, a few years after the take-off of globalization, when the crisis clearly revealed the imbalances generated by a non-governed market.

A single Atlantic market has the size to support a third industrial revolution. The convergence of economic, social and institutional systems between the US and the EU makes it possible to design common institutions that shall govern this great new transatlantic market. The success of this initiative would open the door to new entrants.

In a long-term perspective, this goal stands as the natural evolution of modern history. It is intended to represent an intermediate step towards the creation of a single, governed, global market. It is up to the generations that will live in the XXII century to put on the agenda the construction of a world federation.

The Atlantic integration raises a crucial issue: which form of government will be appropriate in order to ensure a balanced development. In order to clarify our thoughts, we can refer to two opposing radical alternatives. On the one hand it is possible to envisage an Atlantic federation; its governing bodies would have to respond to Citizens of member countries. On the other hand, we can envisage a union of federations, with common institutions called upon to respond to the democratic powers of the Member Countries.

The feasible alternatives will exceed the traditional concepts of federation and confederation. Indeed, the European Union has already created an institutional order that is partly federal, partly confederal. In reality, the European Union is creating a new order, not yet fully defined, which cannot be traced back to traditional concepts of federation and confederation: two concepts that appear more and more inadequate to encompass the innovative capabilities of Humanity.

We can expect that the Atlantic integration will develop new institutional solutions, that cannot be defined using patterns inherited from the past.

Similar issues will arise when other States will start forms of integration of equal magnitude. This will be worth even more when the integration process will reach a global dimension, posing the problem of the foundation of the world federation.

The feasible alternatives are not neutral: they constitute the central issue of the history of the next centuries.

This Review has been created to follow the process of Atlantic integration, which has already begun to move the first steps. The Review is not pursuing a preconceived vision of the solutions to be adopted. The goal must be integration. What path of development, what form of union: these are the problems that will have to be faced.

Jean Monnet taught that, in order to achieve European integration, new solutions were necessary. Solutions able to solve the great issues that history rises time after time.

The compass indicates where the north is, the GPS navigation system indicates where we are and which way is appropriate to go in the right direction.

Our Review will have interdisciplinary content because this is the nature of the problems we face. The Atlantic integration questions the economic, social and institutional framework of the participating countries.

The development of an Atlantic integration raises the urgent need for new thinking and government skills.

The Atlantic integration presumably will follow a script dictated by the starting point of the process itself.

The United States are a consolidated federation; many obstacles will oppose to the change that is needed in order to reach shared, Atlantic solutions. The European Union is a reality in the making, a process that appears, under many points of view, still fluid. For this reason, it will be easier for the EU to continue its process of integration by adopting solutions that will be consistent also with Atlantic integration.

The two paths, of the US and EU, will develop in parallel for probably a long time.

To understand how the Atlantic integration process will develop, it may be useful to refer to a previous example, *mutatis mutandis*.

During the European integration process, countries that we can consider heirs of Charlemagne's Lotaringia (Belgium, Luxembourg, the Netherlands, to a certain extent Italy) have played an initiative role, whereas France and Germany have developed the operational solutions that have allowed even the progressive enlargement of the Union, once set the rules and requirements for participation. A scheme of this kind will consolidate at Atlantic level when other Countries, primarily Canada, will join the Atlantic integration.

With regard to the contents of the integration process, it is certain that the Atlantic integration will be influenced by developments in Member countries and conversely will affect them. From time to time there will be economic, or social or institutional problems that will arise as "the issue to be solved" in order to advance in the path of integration.

The European Union has been able to develop itself, stage after stage, coherently and concretely implementing the vision outlined by the Founding Fathers. The Atlantic integration will probably develop, in a similar way, in stages.

It is thus essential, from the beginning of the Atlantic integration process, to launch a debate on the long-terms objectives to be pursued, being aware that it will take many decades to reach consolidated institutional solutions.

This Review has been created to study and contribute to this process of Atlantic integration. The Review will follow the processes that will develop at Atlantic level and within the participating countries, in the belief of the deep and growing interdependence that will characterize and shape the twenty-first century.

It is important that the process of Atlantic integration will develop with full awareness of options that will be available from time to time. This also because this process will be the point of reference for other future processes of integration between countries of similar size to those encountered today in the US and EU.

Among many decades China and India may be in a position to initiate a process of integration; History will then forge new forms of integration.

The Atlantic integration, since its foundation, will have a global impact. The Atlantic integration will affect the process of globalization and, in more general terms, the world

order. It will be, at the same time, influenced by the international framework in which it will develop.

European integration has been and continues to be a laboratory to define innovative solutions, able to unify different countries respecting their specificity. The Atlantic integration will inherit this role, bringing it towards an ever-larger size, and towards the future.

Consistent with this editorial line, the number zero of the Review is devoted to the Social Market Economy. The economic, social and institutional culture has been in the past deeply influenced by centralism. This approach has characterized, in various ways and degrees, all historically consolidated State experiences. The on-going integration processes require the emergence of a new culture, a new humanism that brings the new capabilities carried by progress of history at the service of mankind. The Social Market Economy is a first response to this, universally felt, need.

It is our belief that the Social Market Economy outlines an economic, social and institutional order that is destined to flourish in the EU and US. It corresponds to a federal order and marks the overcoming of the centralist culture.

The affirmation of the Social Market Economy will determine its evolution in new forms. As in any process, the awareness of its origins – the roots that support the process – is essential.

The essays presented in this issue of the Review were discussed, in their initial draft, at a seminar organized by the Konrad Adenauer Stiftung and the Jean Monnet Centres of Excellence of the University of Pavia and Madrid.

The President of the Konrad Adenauer Stiftung and the Coordinator of the Jean Monnet European Centre of Excellence in Madrid have drawn two introductions that anticipate the ideas developed in this issue of the Review.

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Editor

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