

**Europe's Search for a Pluralist Polity:  
Constitutional Corporatism and Federal Subsidiarity**

di

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**Abstract**

*Il saggio collega la natura unica del sistema politico europeo alle nuove politiche di reciprocità e mutualità. L'articolo vuole dimostrare che la caratteristica del sistema europeo è quello di affidare ai «corpi intermedi» della società civile un rilievo più considerevole di quello che attualmente questi stessi rivestono nello Stato centrale o nel libero mercato. Il contributo vuole inoltre suggerire che i vincoli sociali della reciproca fiducia e della mutua assistenza sono più importanti nella esperienza giuridico-politica rispetto ai vincoli statale-amministrativi od economico-contrattuali. Nella prima parte il saggio si concentra dunque sul fallimento dei dominanti modelli di integrazione europea (Francia, Germania, Regno Unito) basati sulla subordinazione della società civile allo soggetto Stato; nella seconda parte propone quale paradigma il modello cristiano come sistema in grado di garantire alcuni fondamentali e oggettivi principi etici; nella terza parte enfatizza il ruolo di mediazione giocato dalla società civile; infine nell'ultima parte tenta di collegare le nuove politiche di reciprocità e mutualità al corporativismo costituzionale e al federalismo sussidiario.*

**Introduction**

Over the past decade or so, the post-1945 European project of an ever-closer union of peoples has ground to a halt. The introduction of the Euro and successive waves of eastern enlargement have undoubtedly promoted further integration among some member-states and expanded the EU's clout in the wider Europe and the rest of the world. But just as the economic turmoil has undermined the credibility of the eurozone and the single market, so too the absence of any genuine strategic vision belies the Maastricht promise of a political union. Centrifugal forces have gained in strength, as both old and new member-states have settled for a minimalist strategy aimed at making the modest Lisbon Treaty work. But without any substantive common goals, the professed pragmatism of Europe's ruling elites is devoid of meaning. Absent a shared *demos*, *ethos* or *telos* however, the EU of 27 lacks an overarching narrative around which members can cooperate and defend ideals that resonate across the globe.

In fact, the failure of the Constitutional Treaty and the severity of the financial crisis highlight the limits of the two dominant models: Franco-German state centralism and Anglo-Saxon free-market sovereignty. By concentrating power in the hands of the Commission and certain member-states' representatives, both models have exacerbated the EU's 'democratic deficit' and lack of legitimacy, in terms of policy input and output as well as the wider political functioning. By marginalising local and regional economies as well as transnational civil society, both models have reinforced a growing socio-economic polarisation and an increasing disconnect between the ruling elites and Europe's citizenry.

Yet at the same time, the Union is neither a Franco-German federalist super-state nor a purely Anglo-Saxon free-trade area. Rather, the EU is best described as a neo-medieval polity with a political system *sui generis*, characterised by hybrid institutions, overlapping jurisdictions, polycentric authority and multi-level governance.<sup>1</sup> What ultimately underpins this model is a long tradition which views Europe not as a foundation of itself but as the continuous unfolding of the Hellenistic fusion of Jerusalem and Athens, as Cardinal Scola has remarked.<sup>2</sup> Linked to this is the twin notion that the distinction of religious from political authority creates a 'free space' between political rule and society and that the Church – together with other communities and bodies – upholds this freedom from political coercion.

In turn, this gives rise to the idea that the 'intermediary institutions' of civil society are more primary than either the centralised national state or the transnational 'anarchic' market. Intermediary institutions include groups and bodies like professional associations, manufacturing and trading guilds, cooperatives, trade unions, voluntary organisations, universities and religious communities. Instead of operating on the basis of either state-administrative or economic-contractual relations, such and similar structures are governed by social bonds of reciprocal trust and mutual assistance. These bonds of reciprocity and mutuality are not limited to the third, 'voluntary' sector that is separate from both the public and the private sector.

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<sup>1</sup> Simon Hix, *The Political System of the European Union*, 2<sup>nd</sup> rev. ed. (London: Palgrave Macmillan, 2005); Jan Zielonka, *Europe as Empire: The Nature of the Enlarged European Union* (Oxford: Oxford University Press, 2006). Zielonka cites Hedley Bull's seminal book *The Anarchical Society* – a crucial influence on the British School of International Relations that championed the idea of neo-medieval polity and was largely Christian in origin, notably the work of Martin Wight. See Scott M. Thomas, "Faith, History, and Martin Wight: the role of religion in the historical sociology of the English School of International Relations", *International Affairs* Vol. 77, No. 4 (October 2001): 905-29.

<sup>2</sup> Angelo Cardinal Scola, "The Christian contribution the European Integration Process", lecture delivered in Cracow on 10 September 2010, available online at <http://english.angeloscola.it/2010/10/07/the-christian-contribution-to-the-european-integration-process/>

On the contrary, these bonds can govern social relations at all levels of society and thereby help 're-embed' both the state and the market into the complex web of social relations.

The European model is neo-medieval in this sense that it combines a strong sense of overlapping jurisdictions and multiple membership with a contemporary focus on transnational networks as well as the institutions and actors of 'global civil society'. Nor is this model limited to the sub-national level. Rather, modes of association and corporation apply to neighbourhoods, communities, cities, regions and states alike. The idea of Europe as a political union is inextricably linked to the idea that national states are more like regions within a wider polity – a subsidiary (con-)federation of nations rather than a centralised super-state or a glorified free-trade area. Indeed, the twin founding principles of European integration – solidarity and subsidiarity – suggest that even nations can uphold and promote relations of mutual giving and reciprocal help. As such, Europe offers a vision of associative democracy and civil economy beyond the authoritarian central state that seeks to regulate the transnational, anarchical 'free market'.<sup>3</sup>

In its current condition, the EU of 27 must resist the double temptation of old-style centralised federalism and neo-liberal free-market fundamentalism. Both have conspicuously failed and been resoundingly rejected by Europe's electorate, not least the double rebuff of the Constitutional Treaty by the French and the Dutch in 2005 as well as the Irish No in 2008. The recently ratified Lisbon Reform Treaty might have put an end to decades of institutional navel-gazing, but it creates new problems of coordination between the position of Council President, Commission President and the rotating presidencies. Despite the best attempts of President Van Rompuy to forge a meaningful consensus (notably on eurozone reforms and a new economic strategy for 2020), the Lisbon Treaty lacks ambition and concrete mechanisms in order to translate the EU's resources and assets into transformative action at home and abroad.

Instead of harking back to bureaucratic statism or market liberalism, the 27 member-states should retrieve the older and more genuinely European tradition of subsidiary federalism or federal subsidiarity – a distribution of competencies between the Community institutions and the member-states in accordance with the principles of a federal rather than a unitary political system, coupled with a radical programme of decentralisation to the most appropriate level (including regions, localities, communities and neighbourhoods) and a greater sense that

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<sup>3</sup> On associative democracy, see Paul Hirst, *Associative Democracy: New Forms of Economic and Social Governance* (Cambridge: Polity Press, 1996) and Paul Hirst and Veit Bader (eds.), *Associative Democracy: the Real Third Way* (London: Routledge, 2001). On civil economy, see Luigino Bruni and Stefano Zamagni, *Civil Economy: Efficiency, Equity, Public Happiness* (Bern: Peter Lang, 2007).

European nations are indeed like regions within a wider polity.

### 1. The Failure of Europe's Dominant Models

Traditionally the question of federalism has divided Europe. Since the rule of Margaret Thatcher, Britain and her new allies in eastern Europe have repeatedly denounced continental attempts led by France and Germany to build an integrated European super-state. They have also championed an apparently alternative vision based on further enlargement and more free trade. But since both the Franco-German and the Anglo-Saxon model have embraced economic liberalisation (albeit to varying degrees), each has suffered the neo-liberal fate of a growing concentration of wealth and centralisation of power that has characterized most European nations and regions over the past thirty years or so.

Though each is thought to be opposed to the other, the Franco-German and the Anglo-Saxon model have more in common than they admit; not least because both seek to fashion Europe in their own image. And insofar as each is equally unilateral and hegemonic, both alternatives are certain to be rejected by European voters in future. Not only are the rival visions for the future of Europe equally unilateral and hegemonic, they are in reality complicit. This is nowhere more visible than on the convergence of the central state and the free market – to the detriment of localities, regions and the intermediary institutions of civil society.

The dominant shape of the EU's single market is a case in point. For all the Franco-German talk about European social models that supposedly set Europe apart from both US 'free-market' capitalism and Asian state-centralised capitalism, the single market has led to the extension of both state and market forces into previously self-regulating sectors, intermediary institutions and social relations. But extending economic-contractual relations – backed by state-administrative interventions – has undermined and sidelined bonds of mutuality, reciprocity and fraternity. Of course there is of course no golden age to which we could return when these bonds were perfect and universally shared. It is nonetheless true that late (or post-)modernity has seen an increasing fragmentation and atomisation of society and the decline of civic activity, linked as they are to the erosion of social relations.<sup>4</sup>

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<sup>4</sup> Cf. Zygmunt Bauman, *Liquid Love. On the Frailty of Human Bonds* (Cambridge: Polity Press, 2003); Robert Putnam, *Bowling Alone. The collapse and revival of American community* (New York: Schuster & Schuster, 2000); R. Putnam (ed.), *Democracies in Flux: The Evolution of Social Capital in Contemporary Society* (Oxford: Oxford University Press, 2002).

It is also the case that this has dissolved bonds which exceed the logic of utility and contract in the direction of gratuitousness and gift-exchange, as Pope Benedict suggests in his encyclical *Caritas in veritate*.<sup>5</sup> As such, Franco-German statism is at odds with the notion that civil society is more fundamental than the state and the market which it embeds within social relations.

And for all the Anglo-Saxon talk about flexibility and equality of opportunity, the dominant mode of the European single market provides the conditions for an inexorable drive towards uniformisation, homogeneity and centralism. By reducing substantive notions of justice to matters of procedural fairness, the Anglo-Saxon model unwittingly promotes the commodification of both social and natural relations that is diametrically opposed to its discourse about family values and the importance of local community.

Far from inaugurating a shared European politics, the subordination of civil society to the joint forces of state and market epitomises the complicit collusion of the two dominant approaches to Europe which are now collapsing under the weight of their own inner contradictions. The Franco-German model is unable to extend the shared commonality to new member-states or preserve the specificities of Europe's socio-economic settlements in the face of globalisation. Likewise, the Anglo-Saxon model is incapable of upholding the diversity of European societies or enhance the productivity of its economies.

New challenges like financial regulation, societal cohesion or climate change will not be addressed by handing over more control to the unelected Commission, as the Franco-German model has so far prescribed. Nor does the Anglo-Saxon model offer an alternative. It seeks to strip the EU of some of its powers, only to repatriate them to the national level which suffers from bureaucratic centralisation and therefore also lacks accountability and transparency. The Anglo-Saxon mantra of preparing the EU for globalisation and the blind belief that nation-states are the sole repository of legitimacy betray the primacy of economics over politics and national self-interest over a common political project. This vision can neither deliver a Europe greater than its parts. Nor can it protect national cultures from the worst excesses of statist bureaucracy and the anarchic global free market.

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<sup>5</sup> Pope Benedict, *Caritas in Veritate* (Dublin: Caritas, 2009). Benedict's call for a civil economy which re-embeds both the state and the market within communal and associative relations strongly reflects and develops Bruni's and Zamagni's work (see, *supra*, note 2). There are also some striking parallels with the work of Karl Polanyi, R.H. Tawney and other Christian 'guild socialists'. See Adrian Pabst (ed.), *The Crisis of Global Capitalism: "Caritas in veritate" and the future of political economy* (Eugene, OR: Cascade, 2010), *forthcoming*.

In short, both models fail to command majority support among Europe's citizens because they refuse to speak to pan-European needs and local specificities. What the EU requires is a model that can blend universal principles with particular practices as well as bind regions and localities to nations and the European polity in accordance with the twin founding principles of solidarity and subsidiarity that we owe to Europe's Christian heritage in general and Catholic social teaching in particular.<sup>6</sup>

The trouble is that neither the Franco-German nor the Anglo-Saxon vision have preserved this heritage or extended its transformative potential. Instead, they have both mutated into ideological forces that have weakened the common Christian culture around which individuals, groups and nations have hitherto formed bonds. Both tend to view liberty as synonymous with negative freedom of choice and both equate the quest for happiness with the pursuit of pleasure.<sup>7</sup> This, coupled with a progressive marginalization of virtue ethics and of natural law, has produced an increasingly secular politics that uproots both democracy and the market economy from the associative, mutualised relationships of civil society upon which a vibrant politics and economy depend. The following section contrasts this impasse of European secularism with alternatives that focus on the plural search for the universal common good.

## 2. A Christian Defence of Democracy and the Market Economy

The growing separation of religion from politics in Europe since the nineteenth century has reinforced the voluntarism that underpins both individual negative freedom of choice and the power of the central state.

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<sup>6</sup> On post-1945 Europe, see Wolfram Kaiser, *Christian Democracy and the Origins of European Union* (Cambridge: Cambridge University Press, 2007). See also Hilaire Belloc, *Europe and the Faith* (London: Constable, 1924); Christopher Dawson, *The Making of Europe. An introduction to the history of European unity* (London: Sheed & Ward, 1932); Rémi Brague, *L'Europe, la voie romaine*, ed. rev. et augm. (Paris: Gallimard, 1999); Sylvain Gouguenheim, *Aristote au Mont Saint-Michel: Les racines grecques de l'Europe chrétienne* (Paris: Editions Seuil, 2008).

<sup>7</sup> Both individual freedom of choice and the personal pursuit of pleasure are grounded in the idea that individuals are endowed with sovereign will – a voluntarism that is entirely compatible with the voluntarism of the absolute state. As André de Muralt has documented, the notion that human power derives from the primacy of divine will over divine intellect can be traced to William of Ockham's nominalist and voluntarist ontology in the early fourteenth century. This account was later extended by Hobbes and Locke and thereafter modified by Rousseau and Kant in the direction of the self-ownership of the will itself by itself – an idea that shapes much of political liberalism, including the work of John Rawls. See André de Muralt, *L'unité de la philosophie politique. De Scot, Occam et Suárez au libéralisme contemporain* (Paris: Vrin, 2002); Adrian Pabst, "Modern Sovereignty in Question: Theology, Democracy and Capitalism", *Modern Theology* Vol. 26, No. 4 (October 2010): 570-602.

As such, European secularism has led to the "dictatorship of relativism which does not recognize anything as definitive and whose ultimate goal consists solely of one's own ego and desires", as Pope Benedict XVI put it.<sup>8</sup> The current patriarchs of Rome, Moscow and Canterbury (as well as Venice) are all united in their critique of secular reason and their vision for a renewed vision of Christian Europe that blends the defence of universality with a strong commitment to pluralism.

However, this pan-Christian critique is not a rejection of democracy or the market economy. On the contrary, Benedict's pontificate has thus far been one long argument for the enduring presence of the Christian faith in the public realm to provide a sounder footing for rationality and trust. Similarly, Archbishop Rowan Williams and the Patriarch of Moscow and All Russia Kirill have both linked Europe's distinct political and economic models to Christian notions of personhood and the importance of group rights, closely connected as both are to the question of pluralism.<sup>9</sup> By combining a critique of secularist attempts to marginalize religion with a call for renewed dialogue between religious belief and secular rationality, the current patriarchs have changed the terms of debate on the complex links between religion and politics – one of the greatest challenges in the current context of a global religious resurgence. Instead of privatizing faith and enthroning reason as the only standard of validity (as staunch secularists and atheists demand), they argue that religious violence and hatred can only be overcome by an ongoing public engagement between rationality and belief.

In particular, Pope Benedict's argument in his controversial 2006 Regensburg address is that reason and faith are mutually corrective and augmenting. Without each other's import, both principles can be distorted and instrumentalised at the service of egoism or absolute power. Just as rationality acts as a controlling organ that binds belief to knowledge, so faith can save reason from being manipulated by ideology or applied in a partial way that ignores the complexity of the real world. Without each other's corrective role, distortions and pathologies arise in both religion and secularity – either religious extremism that uses faith as a vehicle of hatred or the secular, totalitarian ideologies of the twentieth century that legitimated genocide and total warfare.

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<sup>8</sup> Joseph Cardinal Ratzinger, "Homily during the mass *pro eligendo romano pontifice*", 18 April 2005, available online at [http://www.vatican.va/gpll/documents/homily-pro-eligendo-pontifice\\_20050418\\_en.html](http://www.vatican.va/gpll/documents/homily-pro-eligendo-pontifice_20050418_en.html)

<sup>9</sup> Rowan Williams, "Religion, culture, diversity and tolerance – shaping the new Europe", lecture given on 7 November 2005 in Brussels, online at <http://www.archbishopofcanterbury.org/967>; R. Williams, "Secularism, Faith and Freedom", lecture given at the Pontifical Academy of Social Sciences in Rome on 23 November 2006, online at <http://www.archbishopofcanterbury.org/654>; R. Williams, "Europe, Faith and Culture", lecture given at the Anglican Cathedral of Liverpool on 26 January 2008, online at <http://www.archbishopofcanterbury.org/1547>. Likewise, see Metropolitan Kirill, address at the Third Ecumenical Assembly on 5 September 2007 in Sibiu, online at <http://www.eea3.org/documenti/fourth/Kirill.htm>. See also the Russian Orthodox Church's social doctrine, "The Basis of the Social Concept", online at <http://www.mospat.ru/en/documents/social-concepts/>

As he observed in his homily during the mass inaugurating the 2005 conclave, "all ideologies of power [...] justify the destruction of whatever would stand in the way of progress and the liberation of humanity".<sup>10</sup>

Moreover, faith and reason are intimately intertwined in beneficial ways. Faith can reinforce trust in the human capacity for reasoning and understanding. Secular rationality can help religious belief make sense of its claims and give coherence to its intuitions. Crucially, reason and faith can assist each other's search for objective principles and norms governing both personal and political action. What binds rationality to belief is the shared commitment to universal standards of truth, even if these are never fully known and always deeply contested. As such, the relatedness of reason and faith is not merely a concern for religion but in fact lies at the heart of politics, the economy and society.

The trouble is that the dominant models of democracy and capitalism are indifferent to common ethical foundations and matters of truth. Instead, they operate largely on the basis of majority opinion and mass preference, manipulating the public and exploiting popular fears. It is therefore hardly surprising that secular democracy and 'free-market' capitalism are frequently associated with demagoguery and dispossession. Remarkably, the episcopally-based Christian churches offer a Christian defence of democracy and the market economy that outflanks leftwing liberalism and rightwing conservatism alike. The current patriarchs of Rome, Moscow and Canterbury argue that the democratic and capitalist systems require the vital contribution of Christianity if they are to be saved from their own worst excesses. By locating the Christian faith firmly at the heart of the shared public square, they seek to correct both secular liberal intolerance vis-à-vis religion in politics and religious extremist opposition to democracy.

Contrary to accusations levelled by his secularist and atheist detractors, Pope Benedict does not advocate a model of coercive theocracy. On the contrary, his vision is based on the separation of state and church and on the distinction between religious and political authority. In his historic address at the houses of the British Parliament on 17 September 2010, he put it thus: "the role of religion in political debate is not so much to supply [the objective norms governing right action], as if they could not be known by non-believers – still less to propose concrete political solutions, which would lie altogether outside the competence of religion – but rather to help purify and shed light upon the application of reason to the discovery of objective moral principles".<sup>11</sup>

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<sup>10</sup> Joseph Cardinal Ratzinger, 'Homily during the mass *pro eligendo romano pontifice*', 18<sup>th</sup> April 2005, online at [http://www.vatican.va/gpII/documents/homily-pro-eligendo-pontifice\\_20050418\\_en.html](http://www.vatican.va/gpII/documents/homily-pro-eligendo-pontifice_20050418_en.html)

<sup>11</sup> Online at [http://www.vatican.va/holy\\_father/benedict\\_xvi/speeches/2010/september](http://www.vatican.va/holy_father/benedict_xvi/speeches/2010/september)

Since all political and economic decisions involve ethical choices and have moral consequences, both governments and businesses must reflect on the foundations of the fundamental principles guiding their decisions. Neither the ever-changing social consensus nor pragmatic, short-term policy responses are an adequate basis on which to decide complex societal matters, as Patriarch Kirill and Archbishop Rowan have also emphasized.<sup>12</sup> Marginalizing or privatizing Christianity deprives the state, the market and civil society of a rich intellectual and practical resource – underpinned by both faith and reason. That resource is indispensable for the right application of universal, objective principles to our most pressing problems. This theological defence of democratic politics and market economics has the potential to change the way we think about a plural search for the common good in a multi- or pluricultural context. For over one century, secular reason has sought to impose the norms of democracy and the market economy on religious traditions. Now that secular rationality is so manifestly in crisis and religion increasingly resurgent, the pan-Christian call for the enduring presence of the Christian faith in politics has resonance across Europe and rest of the world.

### **3. The New Politics of Reciprocity and Mutuality**

Unlike the USA, contemporary Europe does not depend on the misguided notion of a revolutionary *tabula rasa* that grounds an absolute separation of power upheld by the constitution. Even post-1789 France retains many non-modern features such as the head of the executive being also the head of the judiciary and the importance of the *corps constitués* that pluralise the unitary state. Much of Europe has constitutional monarchies that combine parliamentary democracy with limits on the power of the executive branch of government. As such, the mark of the European polity is a mixed government and also the fusion of Roman and Germanic law with Christian notions of charity. Linked to this is the centrality of religious freedom and the defence of the 'group rights' of Christian churches and other religious bodies.

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<sup>12</sup> See Rowan Williams, "Ethics, Economics and Global Justice", lecture given in Cardiff on 7 March 2009, online at <http://www.archbishopofcanterbury.org/2323>; R. Williams, "Theology & Economics: Two Different Worlds?", lecture given on 28 January 2010 in New York; Metropolitan Kirill, speech to the 11<sup>th</sup> World Russian People's Council in 2007 in Moscow; Metropolitan Kirill, preface to *The Ethics of the Common Good in Catholic Social Doctrine* (Libreria Editrice Vaticana, 2008) by Cardinal Tarcisio Bertone, online at <http://www.acton.org/global/article/metropolitan-kirill-economic-globalization-and-soc>

All this is directly relevant to the plural quest for the universal common good. In a landmark debate in 2004, Jürgen Habermas agreed with the then Cardinal Ratzinger that we are now in a 'post-secular' phase where religious and other ideological bodies should be able to express themselves directly in their own terms within the public square.<sup>13</sup> However, for Habermas the norms to regulate this debate must remain secular and liberal (procedural and majoritarian). For Ratzinger, by contrast, there must be a plural search for a shared common good, which he does not say is merely pre-given in natural law and abstract reason but does require the import of supernatural grace and faith. In other words, there's no separation or diametric opposition between 'pure nature' and the supernatural. Instead, natural reason is always already supernaturally infused. In the Pope's case a re-invention of constitutional corporatism in a more pluralist guise against modern secular liberalism is linked both to an insistence on the fundamental anthropological relationality of all beings and on the indelible role of basic 'social units' above the level of the individual such as families, groups, communities, associations and transnational bodies. The bonds governing these 'social units' can neither be reduced to state-administrative relations nor to economic-contractual ties.

Equally such a post-secular politics and economics is linked to a stress – encouraged by other Catholic thinkers who have influenced Ratzinger like Robert Spaemann, Romano Guardini and Alasdair MacIntyre<sup>14</sup> – that education as the transmission and exploration of the truth is as fundamental a dimension of politics as the will of a democratic majority. In this light, those who brand Pope Benedict and the other Christian patriarchs as hopelessly conservative and reactionary have not grasped their shared critique of both left and right. Since the modern political right has always focused on the absolute power of 'the one' and the arbitrary right to decide on the state of exception (Carl Schmitt), while the modern left has insisted on an equally absolute right of 'the many' to found and withdraw legitimacy (Michel Foucault), both can be taken to ignore the primacy of natural and cultural relation, and of the mediating role of 'the few' concerned with truth and virtue.<sup>15</sup>

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<sup>13</sup> Jürgen Habermas und Joseph Ratzinger, *Dialektik der Säkularisierung. Über Vernunft und Religion* (Freiburg: Herder, 2004); trans. *The Dialectics of Secularization: On Reason and Religion* (San Francisco, CA: Ignatius Press, 2007).

<sup>14</sup> Tracey Rowland, *Ratzinger's Faith: The Theology of Pope Benedict XVI* (Oxford: Oxford University Press, 2008), pp. 15-19, 66-67, 57-63, 112-15.

<sup>15</sup> Pabst, "Modern Sovereignty in Question", *op. cit.*

A political economy focused on the latter would be a more theological option which would define the secular realm as concerned with things in time and with necessary coercion, only through its ultimate outlook towards transcendent norms which alone supply ultimate standards beyond the will either of 'the one' (the absolute central state) or of 'the many' (the democratic or popular majority). As such, the pan-Christian political critique of value-free democracy and capitalism and the social and cultural critique of the 'dictatorship of relativism' are of a piece with the defence of the Hellenic metaphysics and anthropology of relationality and Biblical notions of personhood and positive liberty – 'freedom for' some sort of desirable goal which, as truth, alone renders one free. By making these complex links, the patriarchs are asking nothing less than whether our politics of 'right and left' remains caught within shared secular, liberal axioms. These axioms are *also* those of theocratic fundamentalisms since they equally deal in a politics of the indifferent will, inherited – as is also the case in the end for liberalism – from the theological nominalism and voluntarism of the late Middle Ages, as I indicated in section 2. This is not at all to search for a new middle 'third way' that is as conceptually empty as it is practically non-transformative. On the contrary, the pan-Christian post-secular politics and economics is a quest for a way that cannot be charted on our current conceptual map. It seeks to retrieve notions of fundamental relationality, of the common good, and of principles which can determine appropriate 'mixtures' of government as between 'the one', 'the few' and 'the many'; the centre and localities; political government and pre-political society; international community and nations; education in time and government in space; absolute right and free decision; economic freedom and just distribution as well as – finally – between secular and religious authorities.

In some measure, contemporary Europe remains a vestigially Christian polity that reflects some of the principles and practices of reciprocity and mutuality. For instance, the EU has numerous elements of communal and associational ties at all levels such as citizenship, voting rights, solidarity and mutualised structures within the common framework of the single market. In this respect, two recent events are of particular significance. First of all, the German constitutional court (*Verfassungsgericht*) – in a judgement rendered on 30 June 2009 concerning the compatibility of the Lisbon Reform Treaty with the German constitution – described the EU neither as a federalist entity nor as an intergovernmental arrangement but as an 'association of nations' (*Nationenverbund*), as Andrea Simoncini has remarked. This is an implicit recognition that European nations are more like regions within a wider polity.

Here one can go further than Germany's constitutional judges and suggest that the mutual, reciprocal ties binding together the people and nations of Europe cannot be reduced to economic utility or purely legal standards. Instead, these ties resemble the organic links of a medieval corporation with overlapping jurisdictions and a complex web of intermediary associations wherein sovereignty is dispersed and diffuse.

The second event was a series of interventions by the new President of the EU Council Herman van Rompuy. In a remarkable speech on 7 December 2009, he outlined an alternative to both state communism and free-market capitalism by drawing on ideas shared by European Christian Democrats and Christian Socialists.<sup>16</sup> His ideas have the potential to transform the ongoing debate on how best to reform the EU's ailing economy. Van Rompuy's argument is that both capitalist free-market and socialist central planning policies fail because they are based on a false account of human nature. Human beings are neither bare individuals who pursue private profit through market competition. Nor are we anonymous parts of a monolithic collectivity controlled by the state.

The real, true account of the human person is not about unbridled freedom in the marketplace nor about our obedient dependence on the state, but about our social bonds which discipline us and make us the unique persons we all are. At their best, the social bonds of family, neighbourhood, local community, professional associations, nation and faith help instil civic virtues and a shared sense of purpose. Concretely, this means solidarity and a commitment to the common good in which all can participate – from a viable ecology via universal education and healthcare to a wider distribution of assets and other means to pursue true happiness beyond pleasure and power.

Unlike other monotheistic religions, Christian conceptions of God stress the relations between the three divine persons of the Holy Trinity (with the exception of Shi'ite/Sufi or a Kabbalistic/Hasidic mystics who are more at ease with the notion of 'relations' within the godhead than Sunni or Talmudic legalism). Therefore, the belief that we are all made in the image and likeness of a personal, 'relational' Creator God translates into an emphasis on the strong bonds of mutual help and reciprocal giving. For true Christians, charity is never about handing out alms to the poor and feeling better about oneself.

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<sup>16</sup> Herman Van Rompuy, 'Du personnalisme à l'action politique', Grandes Conférences Catholiques, available online at <http://www.grandesconferences.be/files/VanRompuy7decembre2009.pdf>. See my 'A gift economy for Europe', *The Guardian* Comment is Free 13<sup>th</sup> January 2010, available online at <http://www.guardian.co.uk/commentisfree/belief/2010/jan/13/europe-van-rompuy-economy>, on which this section is based.

Rather, it is about an economy of gift-exchange where people assist each other – not based on economic utility or legal obligation but in a spirit of free self-giving and receiving by members of a social body greater than its parts.

Nor is this some sort of religious utopia. Guilds, cooperatives and employee-owned businesses in parts of Italy, Germany, France or Spain exemplify the concrete reality of a mixed economy that combines gift-giving with economic exchange. In Britain, there are even grassroots' initiatives to apply this approach to public services and welfare provision. The idea is to foster civic participation based on self-organisation, social enterprise, reciprocity and mutuality which help produce a sense of shared ownership. This approach seeks to balance liberty and responsibility as well as rights and duties. Whereas state models reduce people to needy recipients of public benefits and market models degrade citizens to passive consumers of private services, the real 'third way' proposed by Van Rompuy encourages active, voluntary membership of people who give as well as receive.

For politics, that means going beyond abstract measures like GDP and instead creating the conditions for individuals and groups so that they can flourish in solidarity and cooperation with each other. The task for Europe's leaders is neither to restore the broken market nor to remake society through legislation and regulation. Rather, the most pressing problem for the EU as a whole is how to enable people to nurture and grow those bonds of reciprocity and mutuality.

#### **4. Constitutional Corporatism and Subsidiary Federalism**

Linked to the new politics of reciprocity and mutuality are European traditions of corporate constitutionalism, federal subsidiarity, fraternity and participation in a union that is greater than its parts. Indeed, the contours of a common political identity have already emerged. Europeans know that national states alone cannot defend the diversity of their ways of life against global economic harmonisation and the uniformity of American culture. Confronted with opposition at home and abroad, they also know that only a common European political strategy can deal with the global challenges of climate change, debt relief and trade equality. Neither a simplistic return to narrow national politics nor a selective cooperation between member-states can deliver on any of these widely hoped for and desired objectives.

Moreover, Europe is the only region in the world where citizens have in some manner already moved beyond the nation-state. The retreat to nationalist self-interest and isolation is endorsed only by the political extremes and – as yet – commands no majority. Where nationalism is rampant, it is so by default – due to a lack of shared institutions and practices.

Paradoxically, what is required is a more intense and imaginative formation of a common political project that speaks to the particular and universal dimensions of European citizenry. Each culture wants to be preserved and wishes the same for its neighbours. Europeans realise that in order to achieve this they must act together. Such cooperation cannot be concentrated either in the hand of sovereign states or in the hands of market players but should increasingly extend to all the actors and institutions of civil society, especially those who operate across the artificial divide between the private, the public and the voluntary sector.

Unlike the modern secular liberal focus on the sovereign will of the individual and the collective (the absolute central state) and on negative freedom of choice, constitutional corporatism shifts the emphasis towards groups, associations and bodies that mediate between 'the one' and 'the many' as well as pluralise the state and the market from within. In a European context, this relates to all the 'intermediary institutions' that are involved in cultural, social, economic and political activities – in the public, the private and the voluntary sector. At a time when the centralised state and the unbridled free market are in crisis, there is much scope to enhance the role of local and regional government as well as strengthen neighbourhood councils and other (formal and informal) arrangements.

Concretely, within the existing EU treaties the following avenues for reformed and action are possible. First of all, at the level of the Union both member-states and the executive Community institutions (Commission and Council) should make greater use of the Committee of the Regions (CoR) and the European Economic and Social Committee (EESC), especially in the direction of forging more horizontal links with civil society within the EU and across international borders. Second, a more pluralised and diffused European polity requires a greater actual involvement of national parliaments and a more frequent resort to citizens' initiatives. Even though the Lisbon Treaty facilitates both these conduits, their potential remains unfulfilled. Third, the EU acknowledges that religious freedom has priority over other rights, but this primacy of groups over individuals is elsewhere undermined by quasi-constitutional powers and legal provisions, including the European Charter of Fundamental Rights. Examples include the application of 'equality' legislation to religious bodies. There is thus no limit on the power of secular authorities to interfere in, and legislate over, the internal affairs of the Church and other religious communities by imposing the logic of voluntary contracts concluded by consenting individuals rather than other forms of mutual interaction.

As such, the Union needs to resolve the tension between certain individual and certain group rights, in favour of recognising a collective dimension that cannot be reduced to the individual sovereign will. By encouraging more groups, associations and bodies to self-organise and forge ties with each other, the Union can encourage a form of bottom-up process of constitutionalisation that is far more likely to command the assent and support of Europe's citizenry than a top-down, centralised Constitutional Treaty that has already failed so spectacularly.

Likewise, there is an alternative to Franco-German statism and Anglo-Saxon free-market liberalism, as I have already hinted at. Christian notions of subsidiarity and solidarity stress ideas and practices of reciprocal help and mutual assistance at the most appropriate level – the person, the family, the neighbourhood, the local community, municipal government, regions, nations, Europe or indeed the global level. Applied to the European case, this means that the ideal of mixed government and a reciprocal, mutualist politics give rise to notions of subsidiary federalism or federal subsidiarity. Here the UK and the rest of Europe can in fact learn from each other. Just as the former would benefit from radical economic and political decentralisation to the lowest most appropriate level (as is the case in parts of Italy and Germany), so too the latter could in part be modelled on the ideal of the British Union wherein nation-states augment their distinct identity through sharing in common institutions and practices.<sup>17</sup> Thus, the EU as a whole could be reconfigured in terms of the idea of 'subsidiary federalism' – a legally guaranteed distribution of right and responsibilities between the EU and national levels, combined with a political programme of radical decentralisation to the most appropriate level. The distinct contribution of the UK to a transformed EU is to view each constituent part of Europe as a region within a wider European polity which has many trans-regional poles – rather than as an independent national state which has to surrender its sovereignty to a single, centralised centre.

Nor is this limited to some of Britain's best traditions. Northern Italy, Germany and even France have sought to balance central authority with regional and local autonomy. Both are necessary, as some regressive practices at the local level require central intervention. Equally, regions should not be wholly subservient to the centre but self-organise in accordance with their own best ideals and practices.

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<sup>17</sup> While New Labour's 1998 Good Friday Agreement and the 1999 devolution of power to the newly established Scottish Parliament and the Welsh Assembly in some measure diffused sovereignty, Thatcher's destruction of local government in the 1980s and the Blairite-Brownite championing of global finance produced a higher centralisation of power and a higher concentration of wealth than in virtually any other European country.

In some sense, Europe is already in some limited and imperfect measure a 'corporation of corporations' whereby authority and autonomy are blended in mutually augmenting ways.

Across the whole of Europe there is now a growing consensus that the EU needs to be made more accountable and transparent through decentralisation. But the proposed repatriation of powers from Brussels to member-states would concentrate decision-making at the national level, which is at odds with the promise by many on the centre-right to deliver a radical redistribution of power to the local level. Instead of a sterile appeal to the principle of national sovereignty, the Union should adopt a positive stance and follow the imperative of subsidiarity by arguing in favour of an Europe-wide decentralisation to the lowest possible and most appropriate level, including regional authorities, local government, communities and neighbourhoods.

For example, the EU could reinforce and extend the principle of mutual recognition of products and services to more areas of legislation that govern the operation of the European single market. This, combined with some minimal minimum standards, could limit and roll back excessive harmonisation, a perverse situation whereby the Commission can (and still does) legislate on the shape of tomatoes and the size of bananas (in part acting on the requests of individual member-states or rulings by the European Court of Justice). By arguing for a change in EU law that favours mutual recognition rather than harmonisation, the Union can help promote greater diversity and fairer (anti-monopoly and anti-monopsony) competition whilst also protecting national producers and consumers against a competitive race-to-the-bottom.

In addition to the EU's important and well-funded regional policy, countries like Britain which seek to offer an alternative to a centralised federal state could advocate such a new EU local policy that blends shared principles with particular, locally specific practices. That – rather than simply empowering Westminster and Whitehall or other national governments and parliaments – would be a truly bold vision for Europe. At the same, growing Euroscepticism and attempts to re-empower member-states at the expense of a common project could be mitigated by highlighting the unrealised potential of Community support for local and regional development. In the case of Britain and other countries whose economies have been badly hit by the crisis, there is potentially and actually significant EU support for modernising the chronically underfunded infrastructure, including loans from the European Investment Bank (EIB) for major projects such as London's Crossrail. There are also concrete opportunities of a EU-supported industrial policy for reviving Britain's manufacturing and industrial policy – another urgent task for the present and future UK governments.

Moreover, a renewed emphasis on localism would help restore a proper European tradition. Indeed, the principle of subsidiarity – devolving power to the most appropriate level – is enshrined in all EU treaties and given more importance in the Lisbon Treaty. By appealing to this European tenet, different political traditions and actors of civil society can challenge the attempted construction of a federal super-state with a positive vision that is in accordance with Europe's founding fathers and their shared tradition of Catholic social teaching (as well as Scottish and Italian civic humanism). The latter shifts the emphasis away from abstract individuality and social contract towards embodied social bonds of reciprocity mutuality based on the idea of sympathy and even gift-exchange in the economy – not just secular civil society or the welfare state.

Retrieving this vision would allow the EU to repudiate both centralised, Franco-German federalism and the Anglo-Saxon vision of a glorified free-trade zone in favour of something like 'subsidiary federalism'. This would enable the Union to concentrate on what it does best (including cross-border banking regulations, environmental protection and crucially a common foreign and defence policy), while devolving decision-making in other areas to national, regional and local levels.

### **Conclusion**

After a decade of rapid enlargement and the re-nationalisation of a number of competencies, the Union urgently requires a robust political project. As the current reforms of the eurozone arrangements indicate, the Lisbon Reform Treaty won't be the last word. In an increasingly post-ideological politics characterised by professed pragmatism, there is a void of fresh ideas and policies. In conjunction with a Europe of localities that promotes political participation and civic structures, mutual political practices across the Union could help foster a shared identity. Subsidiary federalism, coupled with a greater emphasis on constitutional corporatism, blends some of Europe's best traditions which would transform her constituent nations in mutually beneficial ways. A Europe that speaks to local concerns will find itself supported by all and thereby be empowered at the global level.