

The following article is extracted from a [longer essay](#) recently published in the Italian bi-monthly *Il Mulino*. The first part of the essay describes the two main reasons behind the current crisis of democracy in economically and politically advanced countries. Democracy has been, is, and will always be subject to crisis, both at the “input” level—the participation of its citizens in the democratic process—and at the level of “output”, namely the quality of governments resulting from such a process. Its ideal of equality, of equal political influence of all the citizens, is necessarily belied, more or less, by their unequal condition of power, wealth and prestige. And crisis is always lurking at the level of output, since it is very difficult to come anywhere even near to the ideal of good government—a government, that is, seen by a vast majority of citizens as a producer of peace and well-being. My opinion is that the present crisis, which is certainly not the worst that democracy has ever experienced, takes place mainly at the output level, and turbulence at the level of input—i.e. the emergence of populist movements—is caused by the unsatisfactory economic and social conditions produced in many developed countries by the regime of neoliberal globalization to which they must comply. This reaction is almost inevitable, given the exceptional period of growth and well-being that most of these countries had experienced in the “glorious thirties”. In what follows this broad argument is developed with particular reference to the European Union and the Eurozone.

The political and institutional state of affairs in Europe is quite serious, with the negative effects of globalized capitalism on the less competitive countries, firms and workers combining with a sharp acceleration in the institutional process of unification. The Maastricht Treaty of 1991 laid down both the basic constitution of the European Union and the rules of the monetary union which was to come into force at the end of the century. Many hoped that, on the strength of this extraordinary constitutional revolution, Europe would be able to speak with one voice, and that this voice—given the political, economic and cultural weight of our continent—would be able to counter the more negative aspects of globalization for the less privileged classes of the advanced countries, tempering the individualistic-liberal model prevalent worldwide with the spirit of the “European social model”. As is all too evident today, this hope has foundered: the explicit rules of Maastricht, for the countries belonging to the European monetary system function in practice as a transmission belt and even a boost mechanism for those implicit in the world neoliberal system. There are two reasons for this: to begin with, it is a matter of constitutional rules enshrined in particularly binding treaties and agreements and, above all, the rules are upheld by the strongest countries in the Union, above all Germany.

Economic and political constraints

From an economic point of view, I believe that today the transition from “implicit” to “explicit”, from rules and constraints self-imposed through a national democratic process or imposed from outside, makes no decisive difference. Even if released from observance of the Maastricht rules and the subsequent agreements, a competitively weak country would be led to behave as these agreements prescribe, for it would come under the constraints of the globalized, neoliberal international system to which it belongs. It would, however, be free not to do so, or to do so following schedules and procedures decided through a national democratic process, if it were prepared to accept the consequences of this. And the consequences [could be very negative indeed](#).

From a political point of view, however, subjection to the Maastricht rules and subsequent agreements makes a big difference, for it allows Union authorities to intervene in the decision-making of the individual member states continually and in considerable detail, further highlighting the limitations to their sovereignty. Greece, and Italy too, together with other economically weaker countries, exemplify such intervention and the reactions it provokes. Of course, these are voluntary limitations of sovereignty, accepted on the basis of treaties freely signed, but the institutions imposing these constraints are not recognized as authorities whose decisions must be bowed to on the basis of a universally accepted criterion of legitimization: the Union is not a federal state endowed by a European *demos* with the authority to impose decisions taken democratically. The European Parliament is not a true Parliament, and the European Commission is not a government answerable to it: the most important decisions are taken by the Council of heads of state and government on the basis of power relations that do not depend on the will of the European citizens as a whole expressed through a majority vote.

The member states of the Union, and indeed the smaller group of states belonging to the Eurozone, are disinclined to forego their sovereign prerogatives any further and merge into a single, federal-type state: the identity-making bonds that join them, the “fraternity” necessary to accept democratic decisions at the European level, are far from sufficient.

It may be objected that even in a true federation the various state units experience strong constraints on their sovereignty and are subject to the decisions of the federation itself. However, this analogy is deceptive, and the shortcoming in the principle of democratic sovereignty in Europe is evident. In the United States, for instance, the citizens of the states are also citizens of the federation and vote for its government, thereby democratically controlling... the controllers of their states. In short, what democratic power is taken from them at the state level is returned to them at the federal level. This is not the case in the European Union, where the EP does not have the power to control the true government of the Union democratically.

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The reason for this state of affairs is no secret: the member states of the Union, and indeed the smaller group of states belonging to the Eurozone, are disinclined to forego their sovereign prerogatives any further and merge into a single, federal-type state: the identity-making bonds that join them, the “fraternity” necessary to accept democratic decisions at the European level, [are far from sufficient](#). And if we consider the time and conflicts it took even for countries enjoying highly favourable conditions to attain such fraternity in the past—think, for instance, about the 18th century United States, composed of states showing marked linguistic, historical and cultural uniformity—it is hardly likely that such an objective can be attained within the foreseeable future in Europe. The “democratic deficit” of the Union is thus doomed to persist, and with it the constant tensions between the decisions of the single sovereign states, taken democratically, and the rules that the Union seeks to impose. These tensions are generating populist rebellion and attempts at secession wherever the immediate costs are not too heavy, as it is the case for countries that belong to the Union but not to the European monetary system—Brexit is, in this respect, an important lesson.

A problem of output

And yet, even if the constitution of a true federal state were possible; even if the level of fraternity in Europe were strong enough to support a true sovereign state at the supranational level—this is a pure thought experiment, any such possibility being totally unrealistic today—it is highly questionable whether elimination of the democratic deficit from which the Union suffers would suffice to mitigate the protest behind the populist movements and the widespread impression of misgovernment. Actually, the protest is not so much against the democratic deficit, nor is it against the deterioration in the input of democracy. It is rather against its results, namely on the output side of democracy—against unemployment or precarious employment, a distribution of income increasingly perceived as unjust, poorer prospects of social improvement for most of the population and uncontrolled waves of immigration.

Nor is there any certainty that a truly democratic government of the Union would yield satisfactory results for those suffering the negative consequences of the present phase of development. Even with a government responding to a true European Parliament, parties might predominate that support a policy of proceeding along the road of neoliberalism and globalization. This is indeed the pattern that has been unfolding in the United States—which, unlike the European Union, does not suffer from a democratic deficit, and where the fundamental identity is that of citizens of the Federation—and it might very well be the case in Europe. Ordoliberalism, a variant of neoliberalism as it is understood today by the German élites, might well prevail against inevitably more complex and controversial positions favouring radical reform. (A European social model? A new Bretton Woods?—Where are the European political figures advancing realistic proposals on these issues?) The latter would also be fiercely opposed by the financial élites and all those benefiting from the present situation.

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