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**Sticking Together Because We're Stuck Together:
Solidarity, Indivisibility, and Collective Action in the European Union**

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Abstract: In their ongoing debt crisis, key European leaders have claimed that solidarity underpins their efforts to preserve their single currency regime. This claim begs several questions: How does solidarity square with self-interest? Does solidarity override collective action problems states face? And through what mechanisms is solidarity operationalized? This paper argues that, although skepticism is warranted, a “solidarity conjecture” is sufficiently plausible in this case to merit theoretical and empirical development. The paper derives a liberal and functionalist solidarity conjecture based on the concepts of enlightened self-interest and indivisibility, and explores its parameters in the case of European Union fiscal coordination—a case that is both necessary, given Europe’s high levels of interdependence, and hard, given states’ wariness of delegating fiscal authority to an international body. It finds that although European solidarity exists and is a facilitating condition for EU cooperation to save the euro, uneven perceptions of indivisibility and feelings of trust—particularly among European citizens—place strong constraints on the willingness and capacity of governments in creditor countries (especially Germany) to delegate the degree of fiscal authority to the EU that many analysts deem necessary to salvage the single currency in its current form.

“There is no reason to assume that the emergence of a sense of political solidarity must come to halt at the frontiers of the nation-state. Why shouldn’t the empty shell of the European citizenship, which has been established for some time, become filled in a similar way with the awareness that all European citizens now share the same fate?” Jürgen Habermas, *Europe: Faltering Project*

“Identity of interests is the surest of bonds whether between states or individuals.” Thucydides, *The Peloponnesian War*

In the context of recent crises, leaders of the European Union (EU) have repeatedly proclaimed the centrality of solidarity in overcoming shared challenges. In a dispute involving repatriation of Tunisian refugees, Italian minister Roberto Marconi beseeched his European partners to show solidarity on this issue to match that shown by Italy in consenting to European involvement in war in Libya and to bailing out bust members of the single currency. During the ongoing sovereign debt crisis, German Chancellor Angela Merkel and French President Nicolas Sarkozy have several times cited European solidarity as necessitating collective action to ensure survival of the euro and, in the eyes of some, the EU itself. Such calls induced Axel Weber, a governor of the European Central Bank (ECB) and former president of the Bundesbank, to declare, “we put too much focus on solidarity, and insufficient focus on [Member States’] own responsibility.”¹

Many policy analysts have claimed that strongly institutionalized fiscal coordination at the EU level is necessary to salvage the euro regime in its current form. Yet such coordination is costly for Member States, which are loath to lose autonomy over fiscal policy, a core area of national sovereignty; for national political elites, who risk their domestic political position by acceding to unpopular EU-mandated austerity, bailouts, and other fiscal transfers; and for European citizens, who ultimately bear the costs of austerity and fiscal transfers. Can solidarity help Europeans overcome these political obstacles to institutionalized cooperation?

¹ Quoted in David Milliken, “ECB’s Weber says EU too focused on solidarity,” Reuters, 9 March 2011. Ironically, an original meaning of *solidarité* involved repayment of debts (Kim & Schattle 2011: 7).

Skepticism about the significance of solidarity in fostering international cooperation is deeply engrained in post-World War II (American) International Relations (IR) theory, relegated to approaches such as Marxism and the English School in which the concept of solidarity is, according to Weber (2007: 709), “used to do normative work” rather than generate testable hypotheses.² Potentially sympathetic constructivist scholars have noted that, although evidence of solidarity exists in many Europeans’ self-professed identification with one another and the EU, such identification plays an unclear role in overcoming various collective action problems (Olsen 2002). Underlying this prevailing skepticism is the seemingly scant evidence that states are willing to sacrifice for the interests of others as a result of sentiments of solidarity.

Yet overarching debates in IR theory have inhibited both theoretical development and empirical evaluation of a “solidarity conjecture.” This paper seeks to remedy this situation by developing a liberal (self-interest-based) solidarity conjecture which posits that, when states in a given international community perceive their interests to be inextricably intertwined with one another’s, they are more likely to stick together (cooperate through international institutions) because they are stuck together—i.e., one’s failure threatens all. That is, solidarity is an intervening variable that, when present, can translate incentives for interdependent states to cooperate into the reality of cooperation by helping them overcome short-term distributional conflicts and long-term free rider problems. The EU fiscal coordination case suggests the conditions necessary for solidarity to facilitate institutionalized cooperation among states include the prevalence of beliefs about the interdependence of their interests (*indivisibility*) and the reliability of their partners (*trust*), and institutional pathways to channel sentiments of solidarity.

² For Marxists, increases in solidarity within the world proletariat facilitate the advent of world revolution. Scholars of the English School (e.g., Bull 1977, Buzan 2004) view solidarity among states as a cornerstone of an international society that can contribute to increased world order. Twentieth century variants of Kantian idealism—including democratic peace theory, security communities, as well as others (e.g., Wolfers 1962)—claim that solidarity among democratic states can underpin peace and cooperation between them.

This paper derives and develops this solidarity conjecture by first specifying the nature of the EU fiscal coordination case, identifying the variables of interest in the euro regime and the case's status as both a necessary and hard case for a solidarity conjecture. The next section derives the initial foundations of a liberal solidarity conjecture from the work of Emile Durkheim, which is subsequently fleshed out both theoretically and empirically with respect to three key questions: (1) why would self-interested actors sacrifice for others; (2) what obstacles to collective action must solidarity overcome; and (3) through what institutional mechanisms is solidarity operationalized. The remainder of the paper considers the generalizability of the solidarity conjecture derived from the European Union case, and concludes with some thoughts on how the paper's findings bear on our understanding both of the prospects for the euro area and solidarity-based collective action more generally.

The European Union's Economic and Monetary Union

The European Union's regime for governing the single currency, the Economic and Monetary Union (EMU), was conceived by then-European Commission president Jacques Delors in the late 1980s to replace the unstable European Monetary System and deepen the forthcoming single market. Codified in the Treaty on European Union (1992) and formally launched with the introduction of the euro in 1999, the EMU contained distinct economic (specifically, fiscal) and monetary components that, contrary to Delors' wishes, were unequal in terms of the strength of their rules and the extent of delegation to a supranational, EU-level authority.³ After a period of interest rate convergence in the 1990s, under the monetary regime participating member states transferred authority from the national to the supranational level. Although they each have a

³ In 1989, a committee headed by Delors produced a report, accepted by the European Council, prescribing simultaneous progress toward economic and monetary governance in EMU ("Economic and Monetary Union form two integral parts of a single whole and would therefore have to be implemented in parallel" (Paragraph 21).

place on the governing board of the European Central Bank (ECB), the ECB has independent authority to set the interest rates of the seventeen euro area Member States.

The fiscal regime, by contrast, is comparatively weak. The deficit and debt criteria for joining the single currency were interpreted flexibly to allow high-debt countries like Italy and Belgium to join, and the rules promoting orthodox fiscal policies, the Stability and Growth Pact, have been enforced inconsistently by the European Commission. There is no overarching EU finance industry or “economic government” to manage member states’ fiscal policies. Instead, two intergovernmental forums, the European Council (comprising all twenty-seven EU members) and increasingly the Euro Group (comprising the seventeen members of the euro area) establish relevant principles and take relevant decisions regarding the coordination of EU states’ fiscal policies. In 2010, euro area members created the European Financial Stability Facility (EFSF), which offers conditional loans to countries facing debt service difficulties, and in July 2011 moderately strengthened its authority and increased its lending capacity—though as of July 2011 it possessed sufficient funds to be lender-of-last-resort only for smaller euro area members.

As many policy analysts have noted, the gap between the strong, centralized monetary regime and the weak, decentralized fiscal regime—and the latter’s inability either to enforce fiscal orthodoxy prior to the crisis or currently to initiate automatic fiscal transfers from financially strong states like Germany to weak ones like Greece, Ireland, and Portugal—is a primary cause of both the onset and persistence of the debt crisis.⁴ These analysts have generally prescribed an increase in the strength of and delegation to the fiscal regime, with some combination of an increase in the funds allotted to the EFSF, the creation of an EU economic government akin to oversee and constrain euro area states’ fiscal policies, and/or the creation of

⁴ See among others Krugman 2011; Farholz and Wójcik 2010. The *Economist* magazine has also made this claim with increasing frequency during the summer of 2011.

Eurobonds—i.e., a formal responsibility for the entire euro area for the cumulative national debts of its members, and thus ongoing fiscal transfers from financially stronger to weaker members.

A variety of factors shape the speed and nature of the EU and especially Euro Group’s response to this specific crisis and longer-term governance of the EMU regime (should it survive). Market pressures will play a leading role in determining the perceived effectiveness of different possible solutions for both alleviating the crisis and rebalancing the monetary and fiscal parts of the EMU regime. Yet market pressures shape Member States’ incentives rather than determining the nature of the choices they make regarding institutional reforms to the EMU regime. As Merkel recently claimed, “The markets want to force us to do certain things that we won’t do. Politicians have to make sure that we’re unassailable, that we can make policy for the people.”⁵ This paper starts from the assumption that the fate of the EMU regime—itsself a political project—will be a function of political choice because it involves the question of whether to delegate a core sovereign right to a supranational institution. It does not aim to test different hypotheses to explain the current status of the EMU or offer predictions about the future—whether euro area states ‘harden’ the fiscal policy regime by establishing tougher fiscal rules and delegating greater enforcement power to the EU, or ‘soften’ the monetary regime by breaking up, in part or in whole, the euro area. Rather, it asks whether and how solidarity—a latent condition potentially “activated” by the crisis—affects the likelihood of an EU agreement to strengthen the fiscal regime, and what this tells us about the role solidarity among states can play in fostering institutionalized international cooperation more generally.

The European Union’s EMU regime in general, and specific actions since mid-2010, offer a useful case from which to develop a solidarity conjecture. It is a necessary case because,

⁵ Jack Ewing, “German Leaders Reiterate Opposition to Euro Bonds as a Way to Ease Crisis,” *New York Times*, August 21, 2011.

perhaps more than any other grouping of states, Europeans have, since the 1950 Schuman Declaration, embraced solidarity-based cooperation. The European Council created the European Union Solidarity Fund in November 2002 to aid victims of natural disasters—a fund that made its largest contribution, nearly €500 million, to Italy after the L’Aquila earthquake in April 2009. All EU member states are signatories to the solidarity clause of the 2009 Lisbon treaty, committing each to come to the assistance of another that is the victim of either a terrorist attack or a natural disaster. Most relevant here is the emergency lending of the EFSF, authorized under Article 122 of the Treaty on the Functioning of the European Union (TFEU)—which empowers the Council, “in a spirit of solidarity,” to offer aid to a Member State “seriously threatened with severe difficulties caused by...exceptional circumstances beyond its control.”

Moreover, European citizens’ responses in the autumn 2009 Eurobarometer survey offer indications of popular sentiments of solidarity. When asked whether the concept of solidarity brings to mind a positive or negative image, 84 percent of Europeans identified it as positive. When asked whether they agree with the statement, “What brings the citizens of the different [European] countries together is more important than what separates them,” 75 percent of Europeans answered affirmatively. And when asked which values “best represent the European Union,” solidarity was the sixth most identified value among all Europeans—polling higher than individual freedom, equality, and tolerance. What these results suggest is that, on the whole, Europeans value solidarity in the abstract, feel solidarity toward one another, and generally view the European Union as an embodiment of this solidarity. If solidarity does not generate collective action among Europeans, it is unlikely to do so among other international communities.

The EU debt crisis is also a hard case. The binding fiscal coordination under discussion by EU leaders carries high domestic political risks and cuts into areas of core national

sovereignty heretofore excluded from EU authority. Although the EU's single market rules put hard constraints on Member States' regulatory and economic policy authority, binding *fiscal* coordination has been avoided in the context of still-relevant international norms defining space for national policy autonomy to pursue goals such as economic growth and full employment (Ruggie 1982). Moreover, binding international fiscal coordination may be particularly unlikely during periods of economic stress, when states face domestic political incentives to pursue unilateral action and "beggar thy neighbor" policies (as in the Great Depression). As such, to the extent that solidarity has played a role in allowing EU Member States and political leaders to choose EU-level cooperation despite the burdens it implies, we would expect it to do so as well in other issue areas in which such costs may be lower. The penultimate section of the paper will explore the implications for generalizability of a solidarity conjecture developed with reference to this particular case.

Deriving a solidarity conjecture: conceptual and theoretical foundations

The concept of solidarity connotes a relationship between the integrity of a well-defined community and the responsibility of its members to act collectively to maintain or enhance the well-being of its members.⁶ Solidarity has meant different things to different people at different times, so establishing an initial definition as the basis of a theoretical proposition implies that this proposition is *a* solidarity conjecture rather than *the* solidarity conjecture. The solidarity conjecture developed in this paper is based on a primarily liberal, as opposed to social democratic, understanding of the nature of solidarity, and a positive, as opposed to normative, analytical purpose. That is, I assume solidarity is consistent with self-interested as opposed to

⁶ See among others Weber 2007; Kim & Schattle 2011; Hollinger 2006.

quasi-altruistic motivations of individuals and governments—a claim that is appropriate to economic relations among states in a European Union governed by the liberal rules of the single market, even if a more social democratic solidarity prevails within their domestic societies. The paper expands on and qualifies this notion in a later section. I also seek to explore the empirical plausibility of a conjecture positing a relationship between solidarity and institutionalized international cooperation, specifying the conjecture’s theoretical foundations and analytical utility in understanding the dynamics of the European debt crisis, rather than to prescribe an increase in solidaristic collective action based on the prior belief of its normative desirability.

The initial foundations of a liberal solidarity conjecture necessarily draw on Durkheim’s *Division of Labor in Society* (1947). Durkheim identified “sentiments of sympathy” among individuals as a function of the “continuous repartition of different human endeavors”—i.e., a deep division of labor among individuals within a community begat a sense of common fate, and thus solidarity, among them. Durkheim claimed that such a division of labor only developed within more complex or advanced societies—those in which high levels of cooperative interaction both resulted from and facilitated the realization of “useful complementarities” among them. More advanced societies—with larger populations, higher levels of economic interdependence, restitutive institutions, and prevalent liberal-democratic values (or “conscience collective”)—were likely to feature *organic* solidarity.⁷

The European Union has the characteristics Durkheim attributed to modern, or organic, solidarity.⁸ It has a large population: with nearly 500 million citizens, the EU is the world’s third

⁷ The alternative was mechanical solidarity, which existed in societies with a small population, with low levels of interdependence among the people, and in the presence of punitive institutions and an authoritarian, religious, and hierarchical conscience collective.

⁸ Durkheim saw elements of international solidarity in Europe more than a century ago: “[I]f that portion of international law that determines what might be called the ‘real’ rights of European societies perhaps possesses more authority than it once did, it is because the different nations of Europe are also much less independent of one

largest polity after China and India. It has high levels of economic interdependence: trade with fellow EU member states ranges from roughly 52 percent (Malta) to nearly 90 percent (Luxembourg) of total trade.⁹ It has relatively strong, restitutive (supranational) institutions in the form of the European Council, European Commission, European Parliament, and European Court of Justice, and more generally in the 160,000-odd pages of the *acquis communautaire*. And its democratic, secular, and individualistic values are clearly in evidence in the preambles to the various EU treaties, the emphasis on humanistic rather than religious values in the bygone constitutional treaty, and the Copenhagen criteria for potential new members.

A solidarity conjecture drawing on Durkheim thus posits a direct relationship between organic solidarity and iterated, institutionalized cooperation among states in a given international community such as the EU. Solidarity is not coterminous with or observed as institutionalized cooperation, but is rather a prevalent “sentiment of sympathy” among members of the community that, *ceteris paribus*, is expected to increase the likelihood of such cooperation.¹⁰ Several key underlying assumptions are implicit in this statement. First, “sentiments of sympathy” comprise a set of shared beliefs among actors in a given community that they have shared interests and goals. Second, the boundaries of the community are well defined—it is clear who “we” are, as opposed to others outside the community. And third, and perhaps most importantly, solidarity implies a willingness among actors to *sacrifice*, at least in the short term, for the sake of the common good.

another. This is because in certain respects they are all part of the same society, still incohesive, it is untrue, but one becoming increasingly conscious of itself” (Durkheim 1947: 76-77).

⁹ Figures from 2005, drawn from the European Commission website, http://europa.eu/abc/keyfigures/tradeandeconomy/tradingpower/index_en.htm#chart31, accessed 10 January 2011.

¹⁰ Durkheim claimed that the presence of organic solidarity, which was difficult to observe directly, could be deduced by the presence of law in a community. However, using this indicator in a study of institutionalized international cooperation would court circularity—i.e., institutions and law cannot be simultaneously an indicator and an outcome of solidarity.

A liberal solidarity conjecture also assumes that economic interdependence (a result of an international division of labor) is a necessary component of solidarity, but not sufficient condition for institutionalized international cooperation. That is, although economic interdependence can give states incentives to create institutions (such as the EU's single market rules or Stability and Growth Pact) that enforce mutual adjustments for and contributions to collective goods for the community, in itself it is not sufficient to ensure that states act on these incentives.¹¹ As Milward (1993) has persuasively argued, economic interdependence is too general a condition to explain a "specific phenomenon... [such as] the voluntary surrender by the nation-state of specific areas of national sovereignty." Economic rationality under the condition of interdependence alone cannot explain outcomes because "interdependence can be rejected by an act of national will." A high level of interdependence is thus an overarching parameter—we would not expect solidarity to exist, and thus to matter for cooperation, in cases in which states have low levels of interdependence. Highly interdependent states such as Member States of the European Union nevertheless struggle to cooperate when the present costs of doing so are high and future benefits are uncertain—thus leading to the question of whether solidarity can help them act on economic incentives to cooperate in the face of such costs.

The solidarity conjecture in the context of the IR literature: three questions

Skepticism about the role solidarity among states can play in mobilizing international cooperation is well ensconced in IR theory as a result its association with the interwar failures of

¹¹ In the literature on European integration, neofunctionalists (e.g., Haas 1964, Stone Sweet & Sandholtz 1998) and liberal intergovernmentalists (e.g., Hoffmann 1968; Moravcsik 1998) agree that increases in commercial and other cross-border transactions (as well as the pressure of interest groups) have created the right conditions for European integration. However, they emphasize different political factors determining whether states act on the incentives they provide for such integration: neofunctionalists tend to focus on the policy entrepreneurship of supranational elites, while liberal institutionalists focus on the interests of powerful states.

idealism and collective security. Expectations that the international community would act collectively via the League of Nations to avoid a second ruinous war—an interest supposedly shared both by political and economic elites as well as “international public opinion”—foundered amid self-interested calculation in the face of threats to general peace, embodied in Chamberlin’s attempt to avoid war over “a quarrel in a faraway country between people of whom we know nothing” and the related question posed in Maginot line-protected France, “Why die for Danzig?”

According to Carr (1939), Morgenthau (1948), and their successors, a scientific theory of International Relations could not be based on a vain hope that solidarity among states existed, a seminal claim that today informs the two broad schools of thought in IR theory, rationalism and constructivism. Of the two, rationalist scholars are more skeptical about the abovementioned assumptions of a solidarity conjecture: they generally deny that “sentiments of sympathy” exist among states, and thus that they would reliably sacrifice for the common good.¹² Constructivists are somewhat less skeptical; for them the key question is the integrity of the relevant international community—the extent to which members identify as “we” in contrast to some “other,” and the strength of norms of mutual assistance and/or sacrifice within the community.¹³

These different perspectives among rationalists and constructivists are perceptible in their different answers to three foundational questions begged by the failure of idealist notions of international solidarity. The first question is microfoundational: What is the nature of self-interest? The second question is causal: What conditions allow self-interested states to overcome

¹² Rationalist skepticism of international solidarity is most directly stated in the work of Kenneth Waltz, who cites Durkheim in contrasting the organic solidarity within many national societies to the mechanical (competitive, amoral, and weakly interdependent) quality of relations among states in the international system (Waltz 1979: 115).

¹³ Although not a constructivist per se, Deutsch (1957) and his colleagues identified the quality of “we feeling” that could exist among a group of states and promote cooperation among them—a concept that later constructivists built on in their work on security communities (Adler & Barnett 1998).

obstacles to collective action? The third question involves causal mechanisms: How is the interaction of states' interests translated into a choice over whether to be bound by agreements to act collectively?

Overarching debates between rationalists and constructivists have clarified their own answers to these foundational questions, yet have tended to obscure those implied by a liberal solidarity conjecture. The subsequent discussion examines in a very general way the contrasting rationalist and constructivist answers to each question to help specify a liberal solidarity conjecture whose foundations—the concepts of enlightened self-interest, indivisibility, and diffuse reciprocity, and mechanisms highlighting mass opinion—shares some elements of each approach. Each subsection applies the solidarity conjecture's answers to each question to the case of the EMU regime and EU Member States' adaptation thereof in the context of the current debt crisis as a means to identify specific solidarity-related variables and probe the plausibility of the conjecture in this case.

Self-interest

The first foundational question involves self-interest. Why would solidaristic sacrifice for the common good be consistent with states' self-interest? Why would Germany or the Netherlands support stronger EU fiscal coordination and/or Eurobonds, which would likely involve net losses through fiscal transfers? Keohane (1984: 122-123), for one, suggests four possible conceptions of states' self-interest vis-à-vis the outside world under a condition of interdependence, ranging from pure egoism (indifference to the welfare of others) to pure altruism (interest in the welfare of others for its own sake). Rationalist theorists tend to assume either pure egoism (akin to a one-shot Prisoner's Dilemma game) or instrumental regard for others' interests and actions (akin to

an iterated Prisoner's Dilemma). Constructivists, for their part, posit that we cannot assume *a priori* where states' interests lie on the egoism continuum. A second, clearer contrast between rationalists and constructivists involves the level of analysis: the former's conception of states' self-interest is individualist (i.e., exogenous, and determined without reference to the social environment), while the latter's is structural (i.e., derived from their social environment).¹⁴ As noted below, their divergent claims about whether self-interested actors can overcome collective action problems are based largely on whether they assume states' self-interest is individualistic and invariably egoistic (rationalist) or structural and variably egoistic (constructivism).

Self-interest in a liberal solidarity conjecture is “enlightened”: members of the international community feel a concern for the welfare of others, but one that falls short of pure altruism. Enlightened self-interest is egoistic but not individualistic; states define their interests in an environment of organic solidarity—i.e., featuring high levels of interdependence and institutionalization. This notion of solidaristic or enlightened self-interest closely resembles what Keohane (1984: 123) called situational interdependence, in which “actors may be interested in the welfare of others not only for instrumental reasons, but because improvements in others' welfare improve their own, and vice versa, whatever the other actor does.”¹⁵ It thus shares with rationalism an assumption of invariant egoism and with constructivism the assumption that self-interest is defined with relation to the community.

Because solidarity requires a clearly defined international community—such as formal membership in the European Union or euro area—it is essential that a solidarity conjecture have a clear conception of the actor's self-interest in the context of the identity and interests of the group. Karl Deutsch captured this relationship in the concept of *we feeling*: a “partial

¹⁴ On individualist v. structuralist theories, see Jepperson 1991.

¹⁵ Going farther back in the liberal tradition, solidaristic self-interest resembles what Tocqueville called “self-interest rightly understood,” or what is more commonly known as enlightened self-interest.

identification in terms of self-images and interests” solidified by “an interlocking relationship of mutual resources and needs” (Deutsch et al. 1957: 90). This definition of we feeling highlights a key difference between a liberal solidarity conjecture and constructivism: the former emphasizes the shared *interests* that derive from interdependence, while the latter emphasizes *self-images* that derive from community membership. A solidarity conjecture takes a “partial identification of interests” as given: egoism is assumed, and thus the focus turns to how actors’ interests are embedded in the community—addressed in the subsequent subsection.

The de-emphasis on self-images derives from limited evidence in the Europeanization literature that possessing a European identity is related to support for European integration of various kinds among both European citizens and elites.¹⁶ Annual Eurobarometer surveys confirm that at the mass level many self-identify as mostly or partly European, though the trend is not clearly toward a broadening and deepening of European identity.¹⁷ In the context of the debt crisis, public antipathy toward EU-driven bailouts in the short term and fiscal transfers in the longer term is particularly high in creditor countries such as Germany and the Netherlands, whose citizens have consistently ranked among the most likely to profess a strong European identity.¹⁸ Meanwhile, the conventional wisdom is that political elites (as well as economic elites in business and finance) are more inclined than average citizens to possess a cosmopolitan or

¹⁶ The primary focus in the Europeanization literature has been the socialization of member states and national political leaders to European norms and practices, which can feed back to the dynamics of EU-level coordination. See among others Risse et al. 2001; Börzel 2002; Olsen 2002; Checkel 2005 (*passim*); Flockhart 2010. A variety of scholars have noted the complexity of the relationship between citizen identification with Europe and support for EU integration, particularly given Europeans’ tendency to profess multiple (local, national, and European) identities (Eichenberg and Dalton 1993; Rorschneider 2002; Risse 2001, 2003; Citrin and Sides 2004; Mayer & Palmowski 2004; Hooghe & Marks 2004; Flockhart 2010). Smith (1992) denied the very possibility of a European identity.

¹⁷ In 2005, 55 percent of Europeans— including an absolute majority in each member state bar the Czech Republic (with 49 percent) and Britain (32 percent)—reported feeling either European only or having a shared national and European identity. In the same year, 57 percent of Europeans indicated that they expected to see themselves as either European only or (far more likely) a combination of national and European. Although this figure was slightly higher than that for a current sense of European identification, in several countries—Denmark, Ireland, Italy, Lithuania, Hungary, Austria, Portugal, and Finland—people expected to have *less* of a sense of European identity in the future.

¹⁸ [get #s]

European identity due to their more direct and frequent interaction with one another and the rules and institutions of the European Union (Risse 2003). Both this empirical claim and the proposition that greater elite identification as Europeans fosters support for EU integration are difficult to verify, given the lesser availability of data on elite attitudes. However, a variety of studies utilizing elite surveys and interviews suggest that few policymaking elites possess a European identity sufficiently robust to shape their preferences or behavior vis-à-vis EU economic integration.¹⁹

The fact that there is only mixed evidence that a European identity exists would not in itself be damning to a solidarity conjecture based on self-images, as long as there was some correlation between the level of such identification and the level of support for European integration. The real problem is that, as noted by Olsen (2002: 928), identity provides “vague guidelines for action”: while mutual identification within a community is an essential component of solidarity therein, its relationship to support for institutionalized international economic cooperation is unclear. By contrast, an assumption of solidarity based in the egoism of enlightened self-interest offers not only the basis for understanding why actors would support such institutions—to ensure both I and my fellow community members prosper—but why they might be willing to support such institutions even if they imply individual sacrifice.

Collective action problems

¹⁹ Contributors to a special issue of *International Organization* on socialization in the European Union demonstrated that national policymakers participating in the most important decision making forums, the European Council (Beyers 2005) and its Committee of Permanent Representatives (COREPER) (Lewis 2005), may be socialized to the operational norms of these institutions (e.g., norms against overtly promote one’s country’s national interest) but do not internalize a European identity that supersedes their national identity and feeds back into support for EU-level initiatives. Liesbit Hooghe (2005a, 2005b, others) has done extensive research on the attitudes of European Commission officials, reporting overall higher levels of support for European integration than in the other institutions, but no clear connection to a sense of a European identity.

The second question a solidarity conjecture confronts involves collective action problems. In the European debt crisis and more generally, states may share an interest in a Pareto-improving outcome (including an increase in others' welfare) but have incentives to free ride on others' contributions and face conflicts over the distribution of costs and benefits in different possible agreements to reach that outcome. Rationalist approaches emphasize the difficulty such obstacles present, and the role that certain material conditions—such as hegemonic leadership, the prospect of large gains, and/or the credible threat of punishment for noncompliance—can play in helping states overcome them (Olson 1965; Martin 1992; Mearsheimer 1994/5; Koremenos et al. 2001). Rationalist analyses emphasize the prospect of reduced transaction costs in the single market as a primary motivation for EU Member States to pursue EMU, and their desire to constrain one another as the rationale behind institutions such as the ECB (to reduce Germany's dominance of monetary policy) and the Stability and Growth Pact (to preclude Italian free riding on German financial credibility) (Moravcsik 1998). Constructivists, for their part, tend to view collective action problems as less pervasive, emphasizing states' susceptibility to internalizing norms prescribing cooperative behavior, perhaps through the agency of international organizations or other norm entrepreneurs (March & Olsen 1988; Finnemore & Sikkink 1998; Barnett & Finnemore 1999). Constructivist analyses of the EMU would emphasize the role of supranational entrepreneurs such as Jacques Delors and perhaps Germany's conformity to a norm giving it special responsibility to sacrifice for Europe. Thus rationalists and constructivists disagree on whether material or ideational (specifically, normative) factors play the biggest role in determining whether or not states overcome collective action problems.

A liberal solidarity conjecture emphasizes ideational factors (“sentiments of sympathy”) as helping states overcome collective action problems, though the significance of ideas may be

more in their causal than normative salience.²⁰ The Greek government may seek to convince the German and Dutch governments (or these governments their own citizens) that they *should* agree to institutionalized financial assistance as a manifestation of European solidarity, but whether the German government or citizens consent to bearing the costs of such an agreement may ultimately depend more on the extent to which they *believe* a Greek default and/or the collapse of the euro area would negatively affect their own interests. That is, the smaller the gap between the actual (high) interdependence among Europeans and their *perceived* interdependence, the more they will believe it is in their enlightened self-interest to pursue institutionalized cooperation to manage this interdependence, even in the face of the costs of such collective action.

The relationship between perceived interdependence and overcoming collective action problems is captured by Ruggie (1992) in two ideas he observed at the heart of postwar multilateralism: indivisibility and diffuse reciprocity. Indivisibility involves not only the belief that one's interests are inextricably tied to those of others, but also the explicit or implicit promise of assistance to an unspecified victim in the face of external threats—the idea animating collective security and defense institutions such as the Concert of Europe, UN Security Council, and NATO, and applicable by analogy to the role the EFSF and ECB play in deterring and/or defending against “attacks” on euro area government debt by financial markets.²¹ When states create institutions such as these *and* give them real authority, they send a strong signal that they

²⁰ On causal ideas as key independent variables, see among others Haas 1992; Goldstein and Keohane 1993. By contrast, Ruggie 1998 claims ideas “fall into the category of *reasons for actions*, which are not the same as *causes of actions*. Thus the *aspiration* for a united Europe has not *caused* European integration as such, but it is the *reason* the causal factors (which presumably include bipolarity and economic interests) have had their special effect...” (869).

²¹ Ruggie described indivisibility as “a social construction, not a technical condition: in a collective security scheme, states behave as if peace were indivisible and thereby make it so.” The logic can be seen in an analogy to a house fire in a crowded neighborhood. (The more crowded is the neighborhood, the greater is the real *and* perceived interdependence of the households in terms of fire security.) If each household insists on using its limited supply of water to defend only its own home, there is a higher probability that the entire neighborhood—their house included—will go up. Alternatively, if each contributes some portion of their water to putting out the fire in the first house, the probability that the whole neighborhood (and their house) will go up is greatly reduced. Therefore, the socially optimal solution is to make—and enforce—an agreement to pool their water resources in the case of fire.

believe their relevant interests to be indivisible and, because their selfish interests are not clearly separable from the greater good, they commit to bearing potentially significant short-term costs to preserve or restore the status quo.

While perceptions of indivisibility may ease short-term distributional concerns, particularly among those bearing the largest burden of collective action—in the euro area, Germany and other creditor states—it does not eliminate concerns about free riding. There is little evidence, whether in the European Union or more generally, that states are willing to accept agreements that involve highly unequal costs and benefits over the longer term. Yet unlike purely egoistic states, which might demand strict reciprocity in agreements, solidaristic states can make agreements based on expectations of diffuse reciprocity—i.e., on expectations that the benefits they enjoy and costs they bear from institutionalized cooperation will roughly balance out over time. While expectations of future iteration provide incentives for strict reciprocity (Oye 1986), the foundation of diffuse reciprocity is *trust*—a belief that one’s partners will reliably avoid free riding behavior (Keohane 1986).

Thus we have the central causal claim of a liberal solidarity conjecture: perceptions of indivisibility can help solidaristic states overcome short-term distributional conflicts, and mutual trust in the integrity of diffuse reciprocity can help them overcome concerns about free riding. Evaluating this claim vis-à-vis European fiscal coordination thus involves: (1) measuring beliefs in indivisibility and trust; (2) establishing their degree of covariance with institutionalized international cooperation; and (3) tracing mechanisms through which indivisibility and trust are translated into collective action. The remainder of this subsection tackles the first and to some extent the second tasks; the following subsection addresses the third.

The limited nature of agreements thus far regarding long-term strengthening of fiscal coordination in the euro area would suggest that beliefs regarding indivisibility and trust vis-à-vis fiscal policy are similarly limited. Although it is quite difficult to measure directly indivisibility in particular, there is some evidence that both it and trust have been at most moderate and are unevenly distributed across Europe in recent years—though there may be important differences between elites and the general public on this front.

There is indirect evidence that elite policymakers perceive the indivisibility of interests in the current crisis. The clearest example is their collective decision, conceded by Germany, to override the “no bailout clause” in the Maastricht treaty by invoking Article 122 of the TFEU. Meanwhile, the French government’s high level of support for fiscal coordination is consistent with its longer-term preference for an EU “economic government” to balance the autonomous ECB, but its particularly enthusiastic backing of the EFSF reflects the fact that French banks are the most exposed to the sovereign debt of Greece, Ireland, Portugal, Spain, and Italy.²² Hooghe (2005b) provides perhaps more direct, if also more general, evidence of elite perceptions of indivisibility, finding that European elites’ primary stated motivation for supporting European economic integration was the “technical” goal of managing economic interdependence.

By contrast, evidence of beliefs of indivisibility at the mass level is less clear. Public opinion polls in key creditor countries such as Germany and the Netherlands suggest consistently hostile views toward the EFSF and possible long-term fiscal transfers, and nationalist parties whose platforms proclaim antipathy for the EU have surged in Belgium and Finland. Predictably,

²² According to the Bank of International Settlements, French banks’ exposure to the public and private debt of these five countries in December 2010 was roughly €650 billion; the figure for German banks was around €520 billion.

the popularity of austerity measures in debtor countries is similarly low.²³ More generally, although it is difficult to capture mass beliefs regarding indivisibility directly, different measures offer a mixed picture.²⁴ One approach compares citizens' relative perceptions of the status of the domestic economy and the European economy—with a smaller difference between the two indicating a greater sense of indivisibility. Data were available to calculate mean values of perceived national embeddedness in the EU economy only in 2006-2009; overall, the EU27 mean shrank from 12 in 2006 to 6 in 2009, consistent with a sense of increasing indivisibility.²⁵ The range, however, was quite large, as citizens of small, poorer states such as Latvia, Lithuania, and Portugal perceived the status of their domestic economy to be at least 40 percent worse than the EU's. Large member states, by contrast, were more likely to see the status of their national economies as roughly similar to that of the EU's: Germans, French, British, Italians, and Spanish all perceived a gap of less than 10 percent—though so too did smaller members such as Ireland, Finland, Malta, Belgium, and the Netherlands.²⁶

Another, related measure of indivisibility focuses on the extent to which people's perception of their own household's financial situation tracks that of the European economy. Although this measure usefully targets *individual* embeddedness in Europe, there are limited data available: the survey only asked about people's expectations regarding the European economy in

²³ "Merkel committed to support the euro, in spite of German public opinion," *MercoPress*, 6 January 2011, available at <http://en.mercopress.com/2011/01/06/merkel-committed-to-support-the-euro-in-spite-of-german-public-opinion>. [other sources]

²⁴ There are a variety of limitations in the Eurobarometer data. The survey questions asked in some cases can only capture the desired phenomena indirectly, which raises some measurement concerns. Second, questions capturing relevant concepts may be asked in some years not others, which raises the problem of comparing data from different years (and complicates time series analysis).

²⁵ The values reported are the absolute values of the difference between the percentage of people responding that the current situation of the national economy is "good" and that responding that the European economy is "good."

²⁶ A similar measure, comprising the difference between citizens' perceptions of whether their country and the EU respectively are going "in the right direction or the wrong direction," produced similar results: the EU27 mean difference in 2009 was 10, with all large member states except France (17) below this mean.

2008 and 2009.²⁷ In the fall of 2008, people were slightly more optimistic about their personal situation than about the European economy (18 percent and 16 percent predicted the next twelve months would be better for their household and Europe respectively); the following year they were more optimistic about both, particularly the European economy (21 and 30 percent respectively). Although little can be garnered from two data points, it is worth noting that the mean differences of 2 and 9 percent are fairly small, suggesting again a certain perception of their household situation moving in step with the broader European economy—though once again larger, wealthier countries tended to diverge from smaller, poorer ones. What these measures may capture at least as much as a sense of indivisibility, then, is that citizens are aware that the status of the EU economy is particularly dependent on the performance of its largest national economies.

Evidence of trust, and thus support for diffuse reciprocity, is similarly uneven, both in the debt crisis and more generally in the EU. Although Germany and other creditors have borne significant short-term costs in funding the EFSF, they have thus far balked at increasing its size to be able to bail out larger countries such as Spain and at acceding to measures implying long-term fiscal transfers (e.g., EU taxation authority, Eurobonds).²⁸ Indeed, Germany in particular has emphasized that the EFSF loans are conditional on current rather than future implementation of strict austerity measures in recipient countries—i.e., EFSF rules enforce a form of *strict* reciprocity. Moreover, Germany’s preferred form longer-term fiscal coordination is a strengthened version of the Stability and Growth Pact, which would presumably place greater

²⁷ Earlier, in 2002, the survey did ask a more direct question capturing something similar: whether their country’s EU membership had brought advantages “to you personally.” In nearly all countries, a large plurality answered that the EU had brought “as many advantages as disadvantages,” though on average those citing “more” or “many more” advantages outpolled those citing “more” or “many more” disadvantages nearly two-to-one (27 to 15 percent).

²⁸ EU countries’ limited appetite for increasing the size of the funds available to the EFSF are explained at least in part by concerns that such commitments put increasing pressure on the fiscal position of linchpin countries such as Italy and France.

fiscal constraints on other states.²⁹ In other words, Germany and other creditors' actions are more consistent with a preference for ensuring others undertake credible commitments (limiting free riding) than with confidence that Greece will converge toward fiscal orthodoxy.

This demand for strict reciprocity is consistent with the low levels of two-way trust between Greeks and Germans. While Greeks tend to trust the European Union, they have generally low levels of transnational trust and particularly low trust in Germans. Germans, in turn, have lower levels of trust in the European Union, and its levels of transnational trust vary significantly between northern Europeans (who they trust) and southern Europeans (who they trust less). Indeed, there is a general trust gap between northern and southern Europe (Delhey 2007; Eurobarometer 72), which may prove a significant obstacle to stronger EU fiscal coordination, based on diffuse reciprocity, among creditors from the north and debtors primarily from the south. These findings do not necessarily suggest that solidarity is an insignificant factor in the European response to the debt crisis but rather that, particularly at the mass level, beliefs about indivisibility and trust are at best uneven—which in turn may present a significant obstacle to political elites more inclined to act on stronger such beliefs.

Institutional mechanisms

Even if Europeans were inclined to act on enlightened self-interest based on a belief in the indivisibility of their interests and the integrity of diffuse reciprocity, the question remains as to the institutional mechanisms through which solidaristic sentiments are mobilized into formal action. In the European Union, key intergovernmental forums—the European Council and the Euro Group—serve as the locus for bargaining among Member States to reach agreements

²⁹ This assumption was behind Germany's insistence on the SGP in the mid-1990s—seeking to constrain potential spendthrifts such as Italy—but Germany itself was in violation of the SGP rules in 2003.

affecting the EMU regime. From a rationalist perspective, the preferences of actors in a superior power position matter most for any agreement produced in these forums: at the domestic level, winning coalitions of powerful interest groups determine the interests executive officials pursue in intergovernmental bargaining (Putnam 1988; Moravcsik 1998; Drezner 2007);³⁰ in this bargaining, the preferences of states possessing greater market power or contributing greater resources to collective action are expected to prevail (Moravcsik 1998; Koremenos et al. 2001). For constructivists, elite policymakers bargaining in an intergovernmental forum may persuade one another of the normative or causal validity of their particular preferences and/or conform with the prevailing culture of that forum, while less well positioned private actors can increase the salience of a given issue to pressure policymakers to make relevant international agreements (Risse 2001a; Checkel 2005; Finnemore & Sikkink 1998). Thus rationalists focus on how formal domestic and international institutions channel the interests of the most materially powerful actors, while constructivists focus on how the institutional forums themselves or private actors outside them can alter the beliefs and thus preferences of elite policymakers.

A solidarity conjecture implies little about the process through which beliefs of indivisibility and levels of trust are translated into institutionalized international cooperation. It does, however, suggest a focus on the degree to which institutional processes empower people and groups that *do* possess solidaristic sentiments (or not) to build an active and/or permissive consensus for institutionalized international cooperation.³¹ In the European Union, which from the Schuman Declaration in 1950 to today has primarily been an “elite project,” this would point to a focus on the preferences of policymakers from Member State governments and EU

³⁰ Some work consistent with rationalist assumptions does highlight the role that voters, as opposed to interest groups, play in states’ foreign economic policies—see Verdier 1993.

³¹ A solidarity conjecture would exclude economic interest groups from this statement, based on the premise that any “sentiments of sympathy” they possessed would, in a competitive political and commercial marketplace, be strictly dominated by instrumental cost-benefit calculations.

institutions (including the Commission, ECB, and the Council chair) that are institutionally empowered submit and/or bargain over proposed agreements. It would also suggest an emphasis on the relative solidaristic sentiments of the two countries, France and (especially) Germany, occupying positions of leadership by informal institutions. However, given the large and, if anything, increasing number of mechanisms through which European voters can hold these policymakers accountable for the EU-related actions—not only national-level elections, but also European Parliament elections and referenda on EU treaties—a permissive consensus at the mass level is also an increasingly necessary condition for EU-level agreements. The specific institutional context would determine the relative importance of elite and mass preferences.

In the EMU regime, an elite consensus among heads of state and economic ministers participating in the European Council and Euro Group is the most important condition for any agreement on fiscal coordination. As suggested by bargaining dynamics thus far and particularly by the negotiations on the “Euro Plus Pact” in March 2011, German and French support is the necessary condition for any agreement, but informal consensus norms mean they cannot impose their preferences on unwilling partners.³² Mass-level opinion also matters, especially vis-à-vis elected officials facing impending elections and/or whose political positions are perceived to be vulnerable. This leads to focus on two classes of actors whose institutional position in the EU has grown over the past couple of decades: the German government, whose active consent is perhaps the single most important condition for any strengthening of the EU’s fiscal regime; and the citizens of Germany as well as all other Member States, which are increasingly willing and able to withhold their consent for EU-level agreements.

³² Prior to March 2011 Euro Group and European Council summits, the French and German governments indicated their support for an agreement on terms for recipients of loans from the EFSF that would include tough rules on fiscal discipline and tax harmonization—terms which were removed or softened in the broader institutional forums.

Although most intergovernmental decisions in the EU are made by nominal consensus, Germany's position in the Euro Group is dominant. Although the EMU regime ended the Bundesbank's dominance of the European Monetary System, the debt crisis has clarified Germany's asymmetrical financial credibility and scope for fiscal transfers. This financial credibility has given the German government *de facto* veto power over EU fiscal agreements, one which it exercised in October 2010 regarding a European Commission proposal to introduce EU-level taxation and, to date, has continued to exercise regarding the introduction of Eurobonds. As noted, the German government has favored limited, conditional fiscal transfers through the EFSF and stronger rules enforcing fiscal discipline among euro area states—a position that is consistent with a limited trust in the willingness or capacity of Greece and other southern Europeans' to voluntarily pursue fiscal orthodoxy, but also with a government perception that Germany's interests (and particularly those of German banks) are indivisible with those of Greece and other euro area members. In July 2011 Merkel claimed, "We know that the problem of one is also the problem of all," which indicates a clear sense of indivisibility, a desire to convince the German public of such indivisibility, or both.³³

The German government is also constrained by domestic institutional factors, not least the vigilance of the German constitutional court. Yet public opinion, both in Germany and other euro area states, remains a major obstacle. The obstacle is *not* a general popular distrust of the EU,³⁴ lack of confidence in EU-level economic governance,³⁵ or hostility to EU-mandated fiscal

³³ One may also speculate on the possible effect of the over-time diminution of the idiosyncratically high *normative* solidarity with Europe among the German leadership—the willingness of Adenauer and Kohl (who consented to EMU) to bear higher costs of European integration achieved the goal of making Germany a "normal" country, paving the way for Merkel to pursue a more self-interested course in the current crisis. Yet in July 2011 Merkel also made reference to Germany's "historical duty to support the euro," suggesting once again either that she feels normative solidarity *a la* her predecessors or that she believes German citizens do.

³⁴ Over the past six years, Eurobarometer surveys indicate Europeans generally feel greater trust in the European Union than in their national government—by 19 percent among the EU27 in 2009, 13 percent in 2008, and 14

transfers in principle.³⁶ It is also not a function of the EU's general handling of the economic and financial difficulties since 2008.³⁷ Rather, European publics, with their limited perception of indivisibility and uneven levels of trust, specifically dislike EU-mandated bailouts and austerity. Their attitudes matter, because they can punish their governments for making EU-level agreements via national elections, and in certain cases can reject those agreements directly via referenda on EU treaty changes. National-level elections have already punished incumbent governments in debtor countries (e.g., Ireland and Portugal) for unpopular rescue agreements, and have strengthened the position of Euroskeptical parties in creditor states (e.g., the Netherlands, Finland).

The specter of national elections will affect government positions in EU bargaining to the extent that ruling parties are vulnerable of losing. But if a belief in indivisibility is uniformly prevalent among the political elite across Europe, new governments voted in on an anti-incumbent wave may pursue essentially similar policies vis-à-vis EU fiscal coordination—as has happened in Portugal and Ireland—with few implications for EU bargaining. It is less clear what

percent in 2007. This relative trust in the EU is greater in southern and eastern Europe, though was also seen in France, the Netherlands, and Germany—which reported relatively greater trust in the EU in 2004-2006 and 2009.

³⁵ Europeans report relatively high levels of support for EU-level authority on economic issues—support that has increased since the onset of economic and financial crisis in 2008. Overall approval for EU versus national management of the economy was 57 percent in 2009 (up from 47 percent in 2007), with levels of support generally (though not uniformly) higher among the seventeen euro-area countries (61 percent) than non-eurozone states (52 percent). Europeans also see the EU as having an important role in mediating global market forces—with a plurality of 46 percent in 2009 agreeing that “the European Union helps protect us from the negative effects of globalization.”

³⁶ Public support for the Union's primary redistributive program (along with the Common Agricultural Policy), regional aid, varied little between 2002 and 2009, hovering around 60 percent. Meanwhile, Hooghe 2010 found that, in general, European citizens tended to support most EU programs (such as the CAP and regional aid) that help preserve a “social market” in Europe.

³⁷ The Autumn 2010 Eurobarometer survey (EB74), which focuses on the EU's response to financial crises and Europe 2020 priorities, offers further evidence of Europeans' support for supranational economic management. When asked which governance entity was most capable of managing financial crises in general, a plurality cited the European Union—notably higher than the International Monetary Fund, Group of 20, and (especially) their national governments—and a plurality also generally believed that the EU had acted effectively during the financial crises (again, higher than national governments). Overall, a two-to-one majority (46 to 23 percent) agreed that the European Union was “going in the right direction...to exit the crisis and face the world [sic] new challenges.” This support was not limited to general questions: when asked about specific policy prescriptions on the current and future EU agenda, large majorities supported greater EU authority for regulating financial services (71 percent) and going after tax havens (88 percent).

will happen if nationalist parties that deny European indivisibility come to power; in such cases the relative size or weight of that country in the EU and/or Euro Group may determine whether that government bows to European pressure.³⁸ And, although the political dynamics of referendum campaigns are complex and often center at least as much on national political conditions as the nature of the treaty itself, European electorates may have direct veto power over any EU fiscal coordination agreement. Serial referenda rejections of EU treaty reforms over the past twenty years demonstrate their willingness to withhold their consent.

Institutional structures at the supranational and national level in Europe ensure that the beliefs regarding indivisibility and trust matter at both the elite and mass levels. European institutions reinforce the central role for German and other EU elite policymakers in determining the terms of any fiscal agreement, and their evident beliefs in European indivisibility are a facilitating condition for an agreement that would strengthen fiscal coordination. Yet European publics are also institutionally empowered. Thus to the extent that national policymaking elites are inclined to agree to delegating greater fiscal authority to Brussels, they have incentives to minimize the differences between their own and the public's perceptions of indivisibility—i.e., to convince their own citizens that it is in all Europeans' interests to stick together because they are stuck together—or risk public rejection of such agreements.

While the factors other than indivisibility and trust that shape European citizens' inclination to consent to agreements delegating greater economic authority to the EU go beyond the scope of this paper, two factors bear mention. First, do Europeans believe that giving the EU greater power over fiscal policy will help them restore economic stability in the euro area? When asked in autumn 2010 whether they thought “a stronger coordination of economic and financial

³⁸ The Finnish government's pursuit of a side deal with Greece to ensure its own repayment for rescue loans will prove a test case for this proposition.

policies among the countries of the euro area” would be an effective means to confront the current financial and economic crisis, fully 77 percent of Europeans (and 80 percent of Germans) of those surveyed responded that such coordination would be “very” or “fairly” effective (as opposed to 14 percent saying it would not be effective). Although all non-eurozone states saw large majorities in agreement, euro area countries were more likely to think such coordination would be effective. These figures again suggest that Europeans are generally sanguine about the delegation of economic authority to Brussels.

Second, what may matter even more for European citizens is not only whether they believe their interests to be indivisible but exists but also their attitude toward such indivisibility. Those who perceive a connection between their economic situation and EU economic authority could serve as the basis of such a permissive consensus. Hooghe and Marks (2004: 416) have shown that “citizens who feel confident about the economic future—personally and for their country—are likely to regard European integration in a positive light.” However, because citizens also bear the costs of EU collective action, they may balk at the notion of EU-mandated personal sacrifice to aid other member states and/or citizens—even if they appreciate on some level the indivisibility of interests. One result of the crisis may be that Germans may decide they do not like being interdependent with Greeks, or vice versa, especially if the costs of such interdependence are more visible to them than the considerable benefits. We might predict at best a grudging popular acquiescence—Europeans stick together because they’re stuck together—but the public is indeed empowered to “reject interdependence.”³⁹

³⁹ In this sense, the failure of solidarity to ensure collective action in the EU would be the inverse of the failure of collective security the League of Nations: while in the latter case national governments failed to be constrained by a (purported) popular revulsion of war among international public opinion, in the EU public opinion may prevent the collective action that European leaders appear to favor.

Conditions for cooperation-enhancing solidarity

The above discussion has outlined the contours of a liberal solidarity conjecture, suggesting that beliefs regarding indivisibility and trust can potentially help European Union Member States overcome collective action problems inhibiting the greater delegation of fiscal authority to the EU necessary to save the single currency. Yet solidarity among Europeans is neither uniformly strong nor a panacea: uneven sentiments of trust and limited perceptions of indivisibility among institutionally empowered European citizens are a significant constraint on the freedom of action of political elites, the latter of which appear more inclined to accept the necessity of stronger EU fiscal coordination. The propositions derived from both theory and the EU case, then, are that the key factors affecting whether solidarity increases the likelihood of institutionalized cooperation among interdependent states are (1) beliefs about the presence of indivisibility (perceived interdependence), (2) beliefs about the reliability of other community members (trust), and (3) the relative institutional empowerment of different actors that do or do not hold these beliefs.

This section engages in a brief, initial exploration of the generalizability of these initial propositions—the extent to which they may apply to international communities other than the European Union, and with respect to what types of issues or situations other than fiscal coordination. As noted at the outset, the European Union is a necessary case for a solidarity conjecture, because the high levels of interdependence and other manifest sentiments of solidarity that exist among Europeans. Three additional factors present in the European Union—democracy, muted sovereignty concerns, and a status-quo orientation—may have enhanced the prospects for solidarity-based collective action there, and thus may affect its prospects among other international communities. Meanwhile, fiscal coordination was identified as a hard case, given its major implications for state sovereignty. We can identify two considerations regarding

generalizability to other issues or situations: the closeness of the issue to core sovereignty; and the degree to which the situation is perceived as a crisis originating outside the community.

European Union v. other international communities

Two characteristics that identify Europe as existing in a “postmodern order” (Cooper 2003)—democratic political systems and a willingness to pool sovereignty—are relevant to the extent to which any international community experiences, and cooperates as a result of, solidarity.

Durkheim lists democratic values as one element of the “conscience collective” associated with organic solidarity, and yet its relative importance vis-à-vis other factors (interdependence, restitutive institutions) remains unclear. Solidarity among nondemocratic countries is likely to be mechanical, as in the case of Warsaw Pact countries during the Cold War. Although it is premature to rule out the possibility of organic solidarity among an international community that includes nondemocratic states,⁴⁰ existing research has established not only that democracy limits conflicts among states (Doyle 1983) but that it can enhance their prospects for active cooperation (Adler & Barnett 1998; Mansfield, Milner, & Rosendorff 2002). As such, there is reason to believe that organic solidarity is more likely to exist and drive institutionalized international cooperation among a predominantly or wholly democratic community of nations (e.g., NATO) than ones in which nondemocratic countries are present (e.g., ASEAN).

If the European Union is not unique in its democratic membership, it is distinct in possessing mechanisms of direct supranational accountability (the European Parliament) and through which citizens can *directly* affect the enactment of international agreements (referenda). As suggested, the implications for solidarity-based international cooperation are ambiguous:

⁴⁰ See, for example, Rawls 1999.

mass-level sentiments can either enable (and legitimate) such cooperation, or they can block it. The implication here is that, because it has more mass-level veto points, and because mass-level perceptions of indivisibility *may* be lower than that of elites, these democratic mechanisms in the European Union pose a greater hurdle to international agreements than would exist in international communities that lacked them.

It is perhaps axiomatic that states that are less concerned about the absolute integrity of national sovereignty are more willing to delegate aspects of their sovereign authority to international institutions, and the extent of such delegation to the European Union perhaps identifies its Member States as uniquely willing to pool sovereignty. However, attitudes in Europe regarding the delegation of sovereignty have varied significantly by country, by political party, by issue, and over time, and thus one must not simply declare Europe *sui generis* regarding the pooling of sovereignty.⁴¹ Thus we might focus on two solidarity-related factors that would likely affect both attitudes toward pooling sovereignty and institutionalized international cooperation. The first is interdependence, particularly but not exclusively economic. Even if states are purely egoistic, an increase in interdependence brings an increase in the costs of noncooperation; if both elites and citizens *perceive* interdependence to be high (i.e., indivisibility of interests), they become more likely to act on prevailing incentives to cooperate.

Yet economic rationality may succumb to political passions, and thus a second factor—nationalism—is relevant to solidarity, attitudes toward sovereignty, and international cooperation. Even if a liberal, organic solidarity is based more on shared interests than a shared identity, we-feeling necessarily involves both “overlapping self-images and interests.” Therefore, although identities for Europeans as well as others may be multiple and overlapping—and thus

⁴¹ A variety of scholars of European integration (e.g., Haas 1976; Moravcsik 1998) have insisted that although European cooperation is particularly extensive in breadth and depth, it is not *sui generis*.

there is not a straight zero-sum relationship between an international and a national (or other group) identity—a rise in nationalism within countries can be expected to reduce the willingness of citizens in particular to countenance delegation of sovereignty to an international body. The central question here may be the nature of nationalism in terms of “we” v. “other” distinctions—whether it involves a positive image of one’s own country (weak contrast with others) or a negative image others (strong contrast). Hooghe & Marks (2004) have shown that, at least in Europe, the former, “positive” nationalism was associated with *greater* support for European integration. However, it may be the case that higher levels of “negative” nationalism undercut both sentiments of international solidarity and support for pooling sovereignty—a testable proposition that is increasingly relevant in Europe as more negative-nationalist parties enter government.⁴²

A third factor that may affect the likelihood of solidarity-based collective action is the relative status-quo orientation of states in a given international community. It is generally accepted that one of the primary causes of the failure of collective security under the League of Nations was that it took by assumption that all states preferred an Anglo-French-led peace, overlooking the inherently revisionist aspirations of rising powers such as Germany and Japan (vis-à-vis their geostrategic position) and the USSR (vis-à-vis capitalism). By contrast, the Member States of the European Union today are arguably all tightly wedded to the status quo, both in terms of preserving their prosperous economic and social models within Europe and preserving their collectively privileged geostrategic position in the world. The key factor here regarding Europe or any other community of states is the *uniformity* of perception that the status quo is preferable to an uncertain future. The presence of revisionist states necessarily undercuts

⁴² Checkel and Katzenstein (2009, *passim*) declared the project to create “Europeans” who reflexively support European integration a failure, and explained this failure as a function of the politicization of national identity in Europe, particularly in the context of national-level debates regarding immigration.

indivisibility, because a revisionist state by definition does not perceive the furthering of other states' interests to be consonant with its own.

Status quo orientation also matters *within* states in an international community. In Europe as elsewhere, we can take by assumption that governing political elites are status-quo oriented—they seek to avoid foreign (and other) policies that would reduce their probability of remaining in power. Therefore, as argued earlier, they have incentives to reduce the gap between their perceptions of indivisibility and those of their electorates, lest they make international agreements whose potential costs voters do not know why they should have to bear. But what might be more variable across (or even within) international communities is the status quo orientation of the public. Hooghe (2005) demonstrated that European publics tend to support European integration in issue areas that preserve the European social model in the face of global market pressures, and they tend to have confidence that the European Union can do so. While the public in Japan and perhaps the United States may broadly share this status quo orientation, it is far from clear that citizens of developing countries share this attitude. The underlying question here, then, is whether latent feelings of solidarity are more likely to be activated in international collective action to defend a preferred status quo or to attain a preferred future. What may limit the generalizability of an EU-oriented case is that European governments and citizens both fit in the former camp.

Fiscal coordination v. other issues

Fiscal coordination was initially designated a hard case for a solidarity conjecture based on the assumption that different areas of policy vary in their proximity to core sovereignty—i.e., the monopoly of the national government on the means of legitimate coercion. From this

perspective, states are most jealous about preserving their authority over the primary levers of political and economic coercion: the military and police, and taxation and spending. The standard menu of options for stronger EU fiscal coordination—a stronger SGP, an EU finance ministry, Eurobonds, and perhaps some form of tax harmonization—fall short of delegating taxation power to the EU, but nevertheless imply significant fiscal constraints and commitments that even European states inclined to pool sovereignty have proven reluctant to embrace. By contrast, EU Member States have voluntarily ceded most areas of regulatory authority (e.g., trade, environment, competition, product safety) to the EU. As a qualifier to the earlier point about willingness to pool sovereignty, then, solidarity-based international cooperation may be easier in areas in which international delegation is regulatory as opposed to involving core sovereignty areas (security and tax).⁴³

A corollary to this point involves the relationship between the closeness of an issue to core sovereignty and the relative importance of interest group activity and mass opinion. There is both a theoretical consensus among the neofunctionalist and liberal intergovernmentalist schools that interest groups play a major role, whether at the European or national level, in promoting (or resisting) delegation of national authority to the European Union. Lower levels of European integration in the fiscal and security areas would thus be suggestive either of lower levels of pro-Europe interest activity, or lower levels of interest group significance, in these areas—that interest group activity has driven the low-hanging fruit of regulatory coordination, but is insufficient to drive international delegation of core sovereignty. In the context of the European debt crisis there has been no shortage of advocacy by powerful financial institutions for rescuing indebted countries (which in effect rescues these banks); but as yet a longer-term agreement on

⁴³ The close relationship between sovereignty and self-determination would likely place human rights in the “difficult issue” camp along with security and tax.

strong fiscal coordination, also in the interest of banks, has been absent. This reinforces a point made at the outset: in areas of core sovereignty such as fiscal policy, popular consent may play a greater role than interest group activity in governments' choices over delegating policy authority—especially to the extent that the electorate is institutionally empowered to exact accountability for this choice.

A second aspect of the EMU case is that it involves a crisis situation that may be perceived as having origins outside of the European Union itself. If “situations” vary from incremental to critical, it bears asking where on that continuum solidarity might be most significant. As noted, solidarity is essentially a latent condition—it may exist without having particular effects until a situation arises to activate it. Crisis situations such as the European debt crisis may be more likely than incremental ones to mobilize those *not* directly affected, and to increase their willingness to bear the costs of assisting those that are directly affected. The tribulations of the 1930s—both the Depression and Axis countries' acts of aggression—once again offer a note of caution here: in the absence of organic solidarity, crises may as likely to induce self-interested calculation as cooperation. Yet it is in critical situations that others are most likely to believe that a victim state “needs help”—and that high levels of actual and perceived interdependence will induce states to bear costs to contribute to that assistance.

Meanwhile, the more actors perceive the origins of a given situation (incremental or critical) to be rooted outside rather than inside the community, the more they may be willing to engage in solidarity-based collective action. Solidarity implies a boundary between those inside and outside the community, and the inclination to act on sentiments of solidarity may vary with the extent to which a member of the community appears to be the victim of a threat or problem originating outside the community. In the European debt crisis, low levels of support for the

EFSF in creditor countries may be a function of perceptions that Greece's plight in particular is a result of its own fiscal fecklessness and mismanagement. In this context, it is notable that Merkel and Sarkozy among others have sought to lay blame on American credit rating agencies for the spread of the crisis, which may reflect a desire to impose some "otherness" on the source of the financial difficulties in a bid to increase European solidarity.

Conclusion

This paper has developed a liberal solidarity conjecture, drawing on existing theory and the case of European fiscal coordination to construct and probe the boundaries of such a conjecture. Its central claim is that, although international solidarity may be a relatively weak and/or uncommon phenomenon, it can be a facilitating condition for institutionalized cooperation among highly interdependent states if institutionally empowered individuals in those states perceive their interests to be indivisible—which increases their willingness to bear short-term costs—and if they trust one another—which decreases their concerns about free riding and thus increases their willingness to make agreements based on diffuse reciprocity. The EU financial coordination case is a necessary one given the presence of organic solidarity in Europe, and a hard one given the sovereignty implications of delegating fiscal authority to an international institution. The generalizability of the findings from this case thus may be limited to certain types of international communities, though perhaps to a broader range of issues or situations.

The solidarity conjecture does not offer specific predictions about the European Union's short-term capacity to exit its debt crisis—which will be greatly influenced by volatile market forces—though it does offer places to look in prognosticating the future of the EMU regime if it does indeed survive the crisis. One area involves the composition of Member State governments

and the efforts they make to convince their skeptical publics of the need to sacrifice for the sake of Europe. If nationalism and nationalist parties gain strength, we should expect a decrease in European solidarity generally and perceptions of indivisibility specifically—both prejudicial to greater EU fiscal coordination. Governments not reliant on nationalist party support should be expected to make strong efforts to convince their electorates of the indivisibility of European interests as a means to build a consensus in favor of greater fiscal coordination *and* to preserve their own domestic political position. Meanwhile, a track record of fiscal consolidation and reform (and honest accounting) in Member States receiving EFSF funds may offer evidence to both elected officials and voters in creditor countries of these states’ trustworthiness and thus disinclination to free ride on implicit promises of German backing in the future.

Yet the specter of a breakup of the euro area begs the question of what solidarity means in an increasingly multi-speed Europe. One plausible scenario is the departure of weak and/or uncompetitive economies from the euro area, with a remaining hard core centered on financially strong countries in northern Europe. This would augur a shift from a two-speed Europe—those inside and outside the euro area—to a three-speed Europe consisting of those inside, those that chose to be outside, and those that were ejected. Such a scenario would almost necessarily undercut solidarity in the broader European Union by undermining a sense of “we-ness” in terms of both interests and identity.

At the popular level, Europeans appear divided on the question of a multi-speed Europe. When asked in 2006, 2007, and 2009, a small plurality overall indicated that it was against “building Europe faster in one group of countries than in the other countries.” The fourteen member states in which a plurality supported a multi-speed Europe tended to be smaller members—though Italy and Spain were among their number—but otherwise represented a range

in terms of income levels (e.g., Austria and Lithuania), tenure of membership (e.g., Netherlands and Hungary), and geographic location (e.g., Denmark and Malta). Alternatively, most of the larger member states—including Germany, France, and Britain—reported pluralities against multi-speed Europe, most notably in Britain (-20) and France (-24). When it comes to multi-speed Europe, citizens from across the Union seem to make a distinction between what is desirable—broadly, a cohesive Europe that moves and acts together as a Union of twenty-seven—and what is necessary. To the extent that active public support is now necessary for further European integration—whether on fiscal policy or other areas—much hangs on their perceptions of whether political leaders succeed in erasing that distinction.

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