The Intermarium:

Wilson, Madison, & East Central European Federalism

Jonathan Levy
The Intermarium

Wilson, Madison, & East Central European Federalism

by

Jonathan H. Levy
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Chapter I

Introduction

*Europe is like a bicycle - it must keep moving forward or it will fall down.*
Attributed to Walter Hallstein, the First President of the European Commission.

The bicycle metaphor has been an accepted adage to explain the European Union’s motivation in expanding its mission and membership over the years. With the partial implementation of the European Monetary Union and the rejection of the Euro by a minority of members including Britain, a second metaphor was added, that of “Two Speed Europe.” The recent expansion of the EU into east central Europe reinforces this image of duality. The new members do not yet qualify for the Euro¹ and are not up to speed economically or socially with “old” Europe.²

At the dawn of the 21st Century two significant events have occurred that will shape international relations in Europe and America for the remainder of this century and perhaps beyond. First, in 2003, NATO, the North Atlantic Treaty Organization, expanded to include much of east central Europe.³ This area’s issues and problems will now be of greater concern to the United States and Western Europe. Almost simultaneously, the European Union introduced eight nations from that region into the union in an unprecedented round of expansion.⁴ Underlying both of these expansions is an overall prevailing optimism that rests on the assumption that east central Europe’s security and economic stability will be insured through cooperation with the EU, that liberal democracy will flourish, and that unprecedented peace and prosperity will endure. The presumption is that relieved from security concerns and with open access to the markets of the EU, east central Europe⁵ will prosper as never before. But will this rosy vision actually be realized over the long term or is this a flawed scenario that fails to fully
take into consideration such important variables as history, geography, economy, and culture?

While the future prospects for east central Europe seem boundless, its past history has more often then not been a cycle of civil strife, war and foreign occupation punctuated by the occasional but brief flowering of culture, governance, and relative affluence. This is a region that sits astride unresolved and volatile national, ethnic and religious divides that cannot be casually shunted aside. Institutional cooperation as exemplified by the EU offers the conventional answer to this problem and one that has been embraced by an east central Europe eager to escape from and jettison its past.

The brutalities of the Second World War and harshness of the ensuing Soviet occupation have left scars behind on the countries of east central Europe. The EU appeared as a “white knight” seemingly unconnected to the region’s history of discord while offering a ready-made path to a shining future. However, France and then Holland’s rejection in 2005 of the EU constitution have increasingly muddied the golden path for east central Europe. Their rejections were fueled not only through a lack of confidence by the electorate in the EU’s leadership but also by resentment over the supposed invasion of Western Europe by “Polish plumbers;” that is, east central European economic advances at the expense of France and Holland’s workers.6 The EU model has been further tarnished by the out of control French race riots of November 2005 in which tens of thousands of cars were burned and resulted in an eight-week State of Emergency being declared.7

While the east central European EU members undoubtedly remain committed to the union there must be some disquiet. The French and Dutch rejection of the EU
constitution was perhaps a shock to the new members. But the unforeseen French ethnic
riots, which occurred in a supposed bastion of egalitarianism in the heart of the EU,
should have sent alarm bells ringing throughout east central Europe with its numerous
historic national rivalries. Not only was the most senior member of the EU, the French
government, seemingly impotent to quell the situation but also the riots at their height
spread cross-border into Germany and Belgium. Some reflection by east central
Europe’s leadership and a quiet search for alternatives and fallbacks to the EU plan for
east central European would seem prudent. One solution is the neglected premise of
regional federalism that could be used as a complimentary solution in taming internal
discord and securing external security.

East central Europe is a region of huge economic and political potential. Rich in
natural resources, fertile land, and industry, it sits astride major waterways and seas. Its
Danube basin was once the heartland of the Austro-Hungarian Empire. The region’s
northern tier at one time constituted the Jagiellian Kingdom of Poland, a great power of
the 15th and 16th Centuries. In more recent times, east central Europe has been coveted by
Wilhelmine Germany as Mitteleuropa and was plundered as an economic and political
protectorate of the Third Reich. The conclusion of the Second World War brought no end
to forms of occupation, as it became a largely unwilling possession of the Soviet Union.
The current gradual reshaping of Europe under the European Union is a positive
development but it must be pointed out that long troubled east central Europe needs much
more than appendage status in the EU to insure its future.

The history of east central Europe indicates that stability in the region is often
short lived and is subject to both the imperial ambitions of neighboring states as well as
internecine factionalism. The answer offered by the EU, European unity and identity, is an untested proposition, indeed as will be seen, previous efforts at achieving European political and military unity have been disappointments. Is it reasonable to assume that Hallstein’s EU bicycle can continue to move forward, avoiding every pothole and overcoming every bump?

In absorbing east central Europe, both NATO and the EU have unwittingly inherited the underlying tension that surrounds the centripetal and centrifugal force that is national self-determination. While the concept and process of national self-determination has been accorded the status of a “building-block” for liberal democracy, this book will suggest that the concept’s legacy in east central Europe may be more of a stumbling block to integration – or at the very least a variable that must be understood as posing a challenge as much as a support for integration. It may not be the ghost of Marxism that haunts east central Europe but instead the shadow of a single American president – Woodrow Wilson. Breaking free of this shadow is perhaps possible but almost one hundred years after the Versailles Treaty of 1919 the testament of Woodrow Wilson continues to hold east central Europe in its grasp. It is far from assured if east central Europe has yet fully matured from its post-Versailles status as the remnants of empire to become the fully functioning partners capable of sharing sovereignty within the complexities of the European Union.

At Versailles in 1919, Woodrow Wilson introduced the world to a particular formulation of national self-determination and unwittingly unleashed a concept that continues to this day to pose obstacles by turning big nations into small ones, fomenting civil wars, and dooming first the League of Nations and now the United Nations to an
unwieldy structure that at times appears to be nothing more than a debating society of two hundred supposedly equally sovereign members. Even Neo-Wilsonians like Robert McNamara\(^{10}\), have admitted Wilsonian national self-determination begat the seeds of violence in which well over a hundred million people perished as a direct consequence of war.\(^{11}\)

In dismembering the German and Austro-Hungarian Empires, Wilson exacerbated a region of instability and legitimized the concept that there should be a state for every nationality. The spark that ignited World War I was the bullet of an ultra nationalist Bosnian Serb in Sarajevo yet the lesson of ethnic extremism was not learned. At Versailles in 1919, the creation of the less than robust countries of Czechoslovakia, Poland, and Yugoslavia, temporarily satisfied some cravings for national self-determination. But Versailles also kept the region permanently enfeebled and deliberately dependent on the flawed League of Nations system, which was supposed to act as a broker between the new states and their restless German and Hungarian minorities.\(^{12}\) The League of Nations proved to be an impotent arbiter, bereft of enforcement powers against a resurgent Germany and contumacious Soviet Union.\(^{13}\) Therefore it was relatively easy for Hitler to exploit ethnic disputes and irredentism to help conquer Poland, Czechoslovakia, and Yugoslavia. Indeed, Hitler skillfully utilized national self-determination as a core concept as early as 1920: “We demand the union of all Germany in a Greater Germany on the basis of the right of national self-determination.”\(^{14}\) National self-determination was the primary pretext for the German dismemberment of Czechoslovakia in 1939 and annexations of Austria, Memel and Danzig. In line behind Hitler with their own claims of national self-determination were the Hungarians,
Bulgarians, Italians, Croats, and Slovaks. None of the victors of Versailles:

Czechoslovakia, Poland, Yugoslavia, and Romania were a match for Germany and its partners owing to their lack of military power, internal ethnic problems and disunity.

Later during the dark days of the Second World War, the dispossessed regimes of Yugoslavia, Czechoslovakia, Greece, and Yugoslavia with their exiled governments eking out a precarious existence in London on British subsidies seemed to have partially learned the lesson of Versailles. They half-heartedly attempted to federate to prepare for the aftermath of the Second World War but failed miserably. Federation was not a new idea to Eastern Europe, but all interwar and wartime attempts had faltered. But it was only after the Second World War when the Soviets had occupied the region and imposed their own brand of harsh unity that the most innovative solutions to the problems of east central European disharmony were floated only to be lost again during the long Cold War.

Foreign occupation beginning in 1939 with the onset of the Second World War and continuing through the Soviet era prevented any implementation of federalism in east central Europe. The Russian withdrawal from the region starting in 1989 led to not just democracy and the settlement of old grievances in peaceful ways as in Czechoslovakia’s Velvet Divorce and its partition into the Czech Republic and Slovakia in 1992. There also occurred in Yugoslavia a resurgence of nationalism and ethnic violence reminiscent of the worst excesses of the Second World War. In 1989 on the occasion of the 600th anniversary of the battle of Kosovo, Yugoslav President Slobodan Milosevic tried to harness nationalistic symbolism to keep the Serb dominated Yugoslav state from eroding:

Six centuries later, now, we are being again engaged in battles and are facing battles. They are not armed battles, although such things cannot be excluded yet.
However, regardless of what kind of battles they are, they cannot be won without resolve, bravery, and sacrifice, without the noble qualities that were present here in the field of Kosovo in the days past.¹⁶

Not to be outdone, Milosevic’s Croatian nemesis, Franjo Tudjman, similarly rallied the Croats to oppose, “Great Serbian hegemonistic desires.”¹⁷ The predictable result of the appeal to extreme nationalism was the deaths of at least 100,000 individuals in Bosnia-Herzegovina with additional casualties elsewhere in former Yugoslavia.¹⁸

In other east central European countries the old guard clung to power and had to be gradually dislodged by democratic means. The transition to a market economy was particularly painful for the poorer countries. Economic and political stability not regional geopolitics were the primary concerns thus old plans for a federal state in east central Europe were not of immediate interest to the leaders of these emerging states.

Fifteen years after the end of Soviet rule, the EU has firmly moved into east central Europe. Europe is no longer divided into two blocs but is pluralistic and interdependent. The Russian disengagement has resulted in greater involvement in east central Europe by several European powers: England, France, and Germany each have their own foreign policy goals regarding European integration. Russia remains an independent actor but greatly diminished in stature. But far from ushering in a guaranteed new era of cooperation and harmony, the case can be made that this actually presages a return to pre-First World War Europe or as political scientist David Calleo has put it: “Back to the Future.”¹⁹ Thus Europe may be soon more dangerous not less so and as usual east central Europe would be caught in the cross fire.

In east central Europe today, armed conflict has been reduced to occasional incidents in Kosovo and Macedonia while the regional economy is booming. However,
the dynamics of the past have not been completely stamped out. Nationalist tendencies, particularly if promises of economic prosperity are not fulfilled, cannot be easily dismissed. What if the EU bicycle cannot pedal fast enough to stay ahead of these old tendencies?

It is the role of academicians to constantly ponder, “what if?” That is the tradition to which this author adheres. What if the current vision of European integration falters? Is there an alternative to complete failure? What middle road could have been taken and what can we learn from that alternative that might be helpful for understanding the future prospects of integration. Interestingly, a focus on historical tendencies can enlighten us on possible positive alternatives. Old plans for federation formerly locked away in the archives of the FBI, CIA, US State Department, and Army Counter Intelligence are now relevant; the past can supply a map for the future. The case can be made that regional federation offers a solution to extinguish the long-standing internal nationality-based disputes while shoring up external security concerns.

These early Cold War blueprints for federalism filed under their various intriguing code names, Intermarium, International of Liberty, Central Union, Prometheus League, Green International and others still offer viable and alternative visions for east central Europe. All previous efforts at unity in east central Europe came to naught because of factional disagreements and the overwhelming power of Hitler’s Germany and then the Soviet Union. However, Germany is now pacified within the EU and Russia has temporarily retreated from most of its so-called near abroad except for Belarus and a handful of isolated military bases in Georgia and Ukraine. These facts are not necessarily lost on the leaders of east central Europe who might well use the respite from immediate
security worries to evaluate their own options. The current protections and benefits provided by the EU permit a respite and the luxury to reexamine the concept of regional federalism to insure future survival. Now is the time for east central Europe to reevaluate federalism in terms of taming national self-determination and providing for a secure future.

**Wilson versus Madison, a European Dilemma**

It is ironic that even as the United States has found itself temporarily at odds with the continental powers of France and Germany over the intervention in Iraq, the future of Europe and in particular east central Europe is being shaped by the political theories of two long dead American presidents, Woodrow Wilson and James Madison. Wilson of course is best remembered for his triple legacy: The Fourteen Points, the Versailles Treaty, and the League of Nations system; all of which continue to define Europe in terms of national self-determination, existing borders, and the immense investment in the ongoing process, generally known by the moniker neo-liberal institutionalism. The doctrine of institutionalism is based on the premise that cooperation through international governmental organizations such as the United Nations (UN) and European Union (EU) offer the best path to peace, prosperity, and security.

James Madison, on the other hand, seems an unlikely candidate to influence the future of twenty-first century Europe. James Madison, the fourth president of the United States, never traveled beyond the borders of the United States. Madison’s greatest weakness was in foreign relations. The War of 1812 with Great Britain or as his critics referred to it, “Madison’s War,” resulted in a territorial stalemate while the British
humiliated the Americans by sacking and burning the White House and forcing the Madison government to temporarily flee Washington.

Prior to becoming president, Madison offered a monumental contribution to the development of the United States as a stable functioning democracy. The *Tenth Federalist* was originally published November 23, 1787 in the *New York Packet* and was Madison’s first contribution to the well-known *Federalist Papers*. Some scholars acknowledge the *Tenth Federalist* “as perhaps the most significant contribution to the theory of government ever written by an American.” The renowned political scientist, Robert Dahl, praised the *Tenth Federalist* for its precise, almost mathematical logic, ascribing to it the basic rationale for the American political system. The *Tenth Federalist* has been labeled the shining jewel of the *Federalist Papers* and has been called the ur-text of American polity.

The *Tenth Federalist* was completed during the declining days of the Articles of Confederation of the United States and specifically addressed the issues of faction and insurrection. Looking no further than Madison’s first sentence of the *Tenth Federalist* can be found the bold proposition:

> Among the numerous advantages promised by a well-constructed Union, none deserves to be more accurately developed than its tendency to break and control the violence of faction.

While Madison was focused solely on the United States, this passage sounds like nothing more than a succinct prescription for curing the ills of the past 150 years in east central Europe. The well-documented fragmentation of Yugoslavia that began in 1990 was but one small example of the blight of national and ethnic faction that has plagued east central Europe. The *Tenth Federalist* sagely noted that disagreements about matters such
as religion are fertile grounds for inflaming mutual animosities and violence. And while national self-determination was likely an unknown concept to Madison, the *Tenth Federalist* offers a cure for all forms of division: a federal republican system in which there is a fair allocation of representation among competing factions.

Madison in the *Tenth Federalist* defined faction as:

By a faction, I understand a number of citizens, whether amounting to a majority or a minority of the whole, who are united and actuated by some common impulse of passion, or of interest, adversed to the rights of other citizens, or to the permanent and aggregate interests of the community.

East central Europe owing to its complex history and diverse composition is rife with factions of every stripe: political, ethnic, economic and religious. But faction may either be a curse or a saving grace as the region is also particularly well suited to a federal republican system of government. Due to the numerous national groups, no one faction could predominate by sheer numbers. Both Wilson and Madison espoused a democratic form of government but as explained by Madison, no matter how well intentioned a democracy, it will be inevitably overwhelmed by faction and eventually reduced to violence, civil war, and ultimately oppression unless measures are taken to mitigate and control factional urges.

Woodrow Wilson, in contrast to Madison, ignored the problem of faction and instead concentrated on democracy based on national self-determination. The centuries long oppression of the Poles, Czechs, Serbs and others at the hands of the German, Russian, Austrian, and Ottoman empires was remedied at Versailles by fashioning new states based on ethnicity. Unfortunately for the national aspirations of the new states, the countries created were not wholly homogenous in ethnic composition and internal factions based upon nationality abounded. Wilson though had seemingly genuine
sympathies for the non-German subjects of the Austro-Hungarian Empire, particularly the Czechs that was manifest as early as 1898 in his massive study of governance systems through the ages, *The State*.\textsuperscript{26} This Wilsonian identification with the plucky Czechs led in part to the destruction of the dual monarchy of Austria-Hungary and the creation of Poland, Czechoslovakia, and Yugoslavia. These states in turn were dogged by further ethnic tensions awakened by Versailles\textsuperscript{27} but not satisfied there.

Examples of this fractiousness include the assassination of the Yugoslav King Alexander by Croat and Macedonian terrorists in 1934, Poland’s repeated problems with its German and Western Ukrainian minorities, and Czechoslovakia’s ultimately fatal struggle with Sudeten German, Slovak, and Ruthenian nationalists. Further destabilizing matters, pockets of inassimilable Hungarian and German enclaves were scattered throughout the former Austro-Hungarian Empire. Wilson had banked on the League of Nations system to control the volatile situation and for a while the League and its partner, the Permanent Court of Justice\textsuperscript{28} in The Hague, did try to keep a lid on the boiling pot. Ultimately, the circumstances of artificial borders, irredentism, and trapped minorities were exploited by Nazi Germany, Italy and Hungary to destroy the states created by Versailles.

The unintended byproduct of Wilson’s awakening of nationality-based governance structures in east central Europe led to the deadly resurgence of German, Hungarian, Italian and Bulgarian nationalism. It also brought about the creation of Fascist Croatia and Slovakia, two nationalities spurned by Versailles who found an outlet for their nationalism under Nazi tutelage. The result was nothing more or less than what Madison had predicted, the triumph of faction and violence over democracy. Wilson’s
dependence on international organizations as the standard for controlling faction or what was then termed “minority rights” had failed. Madison however had looked to a state governance system itself, federalism, as the antidote to factionalism.

Unlike Wilson, Madison acknowledged in the *Tenth Federalist:* “the causes of faction cannot be removed, and that relief is only to be sought in the means of controlling its effects.” Wilson’s emphasis on nationality as the driving force of democratic self-determination was therefore misguided, because it tended to accentuate existing divisions and deviated from the established success of the republican form of government in the American experience. Not everyone was oblivious to the inherent vice of national self-determination. Wilson’s aide, Walter Lippman, later called the concept “un-American” and “an invitation to sheer anarchy.”

Ironically, the actual American experience at its founding was not one based on national self-determination and the country’s subsequent history has aspired to the alternative metaphor of a “melting pot,” which implied a more inclusive or accepting, rather than exclusive, political construct at its core. Yet Wilson’s gift to east central Europe and the world was the notion that nationality is fundamental to self-determination. Madison, on the other hand, confirmed that democracy and self-determination can be had within a larger framework wherein republican representation and inclusiveness are the centerpieces. Madison later refined this into the form of what we now call democratic pluralism, the so-called party system of competing interests that channels a multiplicity of social and economic concerns into major political parties. Wilson, on the other hand, ended up as the champion of national self-determination, a political construct that when taken to the extreme, encouraged bloodshed and strife, as it
points to the nation (no matter how small) as the unit of governance. In short, reconciling
national self-determination with pluralism in east central Europe is a challenge that must
be met if the one hundred and fifty-year cycle of internecine conflict is to be broken.

**The European Union**

The European Union (EU) has characterized itself as a unique entity in
international relations, neither a new state nor an international organization, using
delegated authority with the consent of its member states. The EU is also considered
overwhelmingly to be the best hope for east central Europe’s juvenile democracies and
fragile economies. But is the EU a panacea for east central Europe, a white knight riding
to rescue? Or is it hobbled to some extent by the same Wilsonian values that have held
back east central Europe? Despite spurning the title international organization, the current
EU seems to be a classic application of neo-liberal institutionalism, the theory that
institutions are the leading method of promoting intra-state cooperation. As a
consequence of its structure, the EU is dependent upon ongoing cooperation between
supposedly equal sovereign entities any of which can veto initiatives in all sectors
including defense and foreign policy.

The eight-nation EU expansion into east central Europe was concluded in May 2004. In May 2004 the Baltic States, the Czech Republic, Slovakia, Slovenia, Poland, and
Hungary all joined the EU. There was little opposition to EU membership in the
candidate states. The electorates of Slovenia, Hungary, Lithuania, Slovakia, Czech
Republic, and Poland enthusiastically voted yes to EU membership in the first few
months of 2003. Poland the most populous candidate with the strongest economy
reported a landslide of 77% in favor of joining the EU in their referendum. The Czech
Republic also experienced a similar surge of yes votes in favor of the EU despite the skepticism of its president, Vaclav Klaus. The rationale in each case was that membership would enhance long-term economic prospects.\textsuperscript{36} The expansion was viewed as the initial pay off of a decade long program begun in the early 1990’s, the goal of which was nothing less than unprecedented peace, stability, prosperity, and democracy for all of Europe.\textsuperscript{37} But while the countries of east central Europe rushed to join the EU in hopes of future economic gain, a debate raged at the EU’s highest levels.

Former French president Valery Giscard d’Estaing, who headed the European Convention, a 105-member group that help draft the proposed EU Constitution, “Seeing enlargement become a reality made me realize, like a brutal revelation, the immensity of the work to be accomplished, and its extraordinary complexity.”\textsuperscript{38} Giscard further questioned whether the EU was institutionally prepared for the complex task of successfully integrating the new candidate states. Public opinion supported Giscard in part: In the EU’s heartland only 53 percent of Germans favored the EU’s eastward foray, according to samplings by the German polling firm \textit{Emnid}. Nearly 80 percent favored a slower transition period.\textsuperscript{39} Likewise, the French remain fearful of cheap labor, the so-called “Polish plumber phenomena,” from the new members draining jobs from their country. The “widening” of the EU does not necessarily correspond to the “deepening” favored by the so-called euro federalists who are focused on greater integration within the EU rather than mere expansion of the existing system.

Proponents of EU deepening have promoted a vision of a truly unified Europe, integrated economically and politically with the Euro currency, European Courts, and Single Act as only the beginning. Proponents of this vision have spoken enthusiastically

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of a United States of Europe\textsuperscript{40} complete with a president, real sovereignty, foreign
ministry, citizenship and unified military command.\textsuperscript{41} However, the transition from
hybrid international organization to a super state will not only be far from seamless but
perhaps impossible. The United States-led invasion and occupation of Baathist Iraq
created a temporary yet noisy split among American allies: the United Kingdom, Spain,
Italy and Poland on the one hand and war opponents: France, Belgium and Germany on
the other indicating a far from united Europe. Only the most optimistic euro federalists
could believe that Germany, the United Kingdom, and France along with all the lesser
states would willingly surrender their foreign policy-making powers to a central authority
or abandon the long standing NATO military alliance. Nonetheless the reform minded
European Convention recommended the post of EU Foreign Minister be created along
with a massive four hundred-article draft constitution backed up by eighty thousand
documents of rules and regulations.\textsuperscript{42}

The EU will require a much-needed administrative overhaul with the accession of
east central Europe if the new members’ economic dreams are ever to be realized. A
bigger EU may ironically be a weaker EU, collapsing under the weight of its massive
bureaucracy and sluggish mature economies, with the newcomers causing further
inefficiencies and problems in a situation reminiscent of a faltering over expanded
conglomerate.\textsuperscript{43} Fraud perpetrated against the EU, typically from entitlement programs
and agricultural subsidies, is thought to approach $1 billion dollars per year.\textsuperscript{44} The EU
for example has played its sugar producers almost triple the world price.\textsuperscript{45} In one typical
scheme which may foreshadow problems to come, Croatian sugar “producers” exporting
to Greece creatively swindled the EU for over $1 million in subsidies despite the fact no