

It is not about the economy

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The European Union and its internal market made the continent incredibly rich. Consequently, the European project became very popular. In the course of the Union's history, as many as 21 states freely gave up substantial parts of their sovereignty. They decided to carry out radical reforms in order to meet strict accession criteria. Conversely, the EU warmly welcomed these new Member States. Now the EU, and in particular the Eurozone, is facing a political, economic and monetary crisis, many people ask the question why some states were allowed to join the Union in the first place. Why did rich states decide to cooperate with poor countries on equal basis? Why should northerners pay for Greeks or Spaniards?

Most commentators give economic reasoned answers only. States should facilitate the acquisition of wealth (getting rich is apparently the sole purpose of men). In the opinion of these contributors, international cooperation should be in the country's economic self-interest. Greece, Spain, Italy and even France should leave the Eurozone if these countries' memberships become too expensive. Some even plead for a 'NEURO', a monetary union of the richest (northern) European countries only.

Let me consider the standpoint of these *homo economicus*. Is it wise to just calculate self-interest in the matter? An important lesson learned from the past is that states in financial trouble can pose major threats. They often endanger the liberty of their own people. Furthermore, war on the continent did not seldom spring from bankrupt states. The bankruptcy of the French *Ancien Regime* resulted in the French Revolution and subsequently the plundering and destruction of Europe by Napoleon. In 1923, the German Mark was subject to hyperinflation. The resulting economic crisis paved the way for the rise of the Nazi-party. We must not forget that financial crises could pose similar threats for the liberty and peace of our time. Spain, Italy and Greece, notably countries with a dictatorial tradition, have dangerously high youth unemployment numbers. In Greece, neo-Nazi parties like the Golden Dawn are already on the rise.

As a matter of fact, the European Union and the Monetary Union were founded to prevent such developments from ever happening again on the continent. In Europe we needed two great wars in order to learn a lesson which the Americans already comprehended in the eighteenth century. In Federalist Paper 51, Madison explains that the rights of the people need a double security. Governments must not only be controlled by themselves, but they also need to check each other. In the 1950's six European states founded the European Coal and Steel Community in order to secure peace and liberty on our side of the Atlantic. When forty years later twelve states decided to introduce the Euro, they were primarily motivated by the same constitutionalist goal. Moreover, at that time, they had an actual reason to increase the system of checks and balances in Europe. East and West Germany wanted to reunify. However, one Germany with its own (strong) coinage was considered too large a threat. Therefore, the biggest country of Europe was forced to give up its D-Mark. In essence, the Euro is but a political check.

In sum, European economic prosperity is a means, not an end. Economic and monetary cooperation are primarily initiated in order to secure fundamental rights, rule of law and democracy in Europe. The acquisition of wealth is only a secondary goal. Last week, the Nobel Peace Prize Committee reminded us of the issues which are really at stake in Europe: never again war. Wealth can only be enjoyed after liberty and peace are secured.