Changing Ideas and Practices of Sovereignty:

The mainstreaming of populist politics in the EU

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The rhetoric of sovereignty has become pervasive in the European Union. Scholars have abundantly documented the growing politicization of the European Union (e.g., Hooghe and Marks 2009; Wilde, Leupold, and Schmidtke 2016; Nicoli and Zeitlin 2019), fueled by increasing populist appeals to national sovereignty throughout the crises of the 2010s. A widely agreed upon hallmark of populism is an appeal to "the people" as opposed to the "elite" (Mudde and Kaltswasser 2017: 5). Such appeals have certainly been disruptive for a European Union that builds on the legacy of the European Coal and Steel Community. The ECSC originated as a an elite phenomenon premised on "pluralist" representation and "technocracy" (Haas 1964), purposefully removed from democratic politics at the national level in order to prevent conflicts among diverging nationalist aspirations. Populist attacks on the EU thus strike precisely at the heart of the European Union's historic identity. From this perspective, the populist surge at the national level appears to threaten the European Union and its capacity to make decisions. Perhaps the clearest manifestation of this danger has been the EU's excruciatingly slow response to the crisis of the Eurozone, often analyzed as a result of Germany's assertiveness in defense of institutionally entrenched ordoliberal ideas (e.g., Blyth 2013; Matthijs & Blyth 2018; Schäfer & Streeck 2013; Schmidt & Thatcher 2013).

Yet a puzzling and less-often remarked fact about recent EU crises is what I call the mainstreaming of populist politics. Against many expectations, the populist rhetoric of sovereignty has not altogether stymied European leaders' initiatives. As

we will see, EU leaders have begun to reframe what the EU polity is about in terms

of sovereignty – a process that goes hand in hand with the politicization of the EU.

The difficulty they faced is that the idea of popular/national sovereignty retained

enormous political vitality. In the absence of a broadly shared sense of European

peoplehood – let alone nationhood – this vitality lent credence to populist calls for

"the people" to exert more power. In this context, EU leaders have resorted to

mainstreaming populist politics by increasingly paying respect to the sovereignty of

the member states, or even by explicitly invoking sovereignty in their efforts to

build power at the EU level. Integrationist steps that were long rejected as

infringements on national sovereignty suddenly become conceivable in the name of

modernizing the practice of sovereignty. For example, the Eurozone crisis has

produced a financial assistance mechanism that, in the name of respecting the

sovereignty of both contributing and recipient states, placed the latter under close

but temporary EU tutelage – a scenario that, before the crisis, would have appeared

as unacceptably encroaching on the states' fiscal sovereignty. This also indicates

that the EU has evolved more dramatically on the tectonic level of sovereignty than

the enduring façade of ordoliberal status quo would suggest.

This paper is an attempt to take stock of this evolution in the ideas and

practices of sovereignty and its implications for the future. First, I theorize the

mainstreaming of populist rhetoric in recent crises, resulting in a more politically

robust framing of the EU polity as fully compatible with a modern and pragmatic

conception of national sovereignty. While this characterization deviates from many

conventional theoretical expectations about the EU, it builds on and contributes to a

growing literature about sovereignty as a set of practices. Second, I illustrate empirically how sovereignty practices evolved in the recent Eurozone crisis. In this case, citizens' disaffection with the EU and routine invocations of sovereignty did not impede integration. On the contrary, they served to reframe policy and constitutional debates, paradoxically enabling major new institutional initiatives at the EU level. Third, I speculate on a similar dynamic that points to the changing nature of Euroskeptic invocations of sovereignty, reminiscent of invocations of states rights in the United States after the Civil War. This dynamic will not necessarily slow down or prevent new EU political and institutional initiatives. Yet future initiatives may adopt a direction that many customary advocates of the EU will find questionable, or even politically repugnant.

I.   The EU's mainstreaming of populist concerns about sovereignty

A conventional scholarly expectation is that populist concerns with sovereignty are fundamentally inhibiting for the EU. Hooghe and Marks' (2009) influential "post-functionalist" theory of integration thus sees politicization as the source of a "constraining dissensus". More recently, they have maintained that "national sovereignty and its political expression, the national veto, are obstacles to problem-solving, which is why many international organizations pool authority among their member states in quasi-majoritarian decision-making" (Hooghe and Marks: 2018: 114). The assumption that politicization is an obstacle to European

integration and that controversies about sovereignty are counterproductive can be traced back to the IR origins of the recent scholarship on the EU. To explain unprecedented integration between sovereign states, Keohane and Hoffman (1991) coined the concept of "pooled sovereignty". In this vein, Moravcsik (1998: 21) saw the EU as vindicating "the central insight of regime theory: the decision to delegate or pool sovereignty in international regimes is analytically separate from (and subordinate to) bargaining over substantive cooperation."

Although many EU scholars are critical of intergovernmentalism as an approach to the EU, they have often accepted its idea that integration works best when it does not attract too much domestic political attention and, in particular, when sovereignty is not overtly discussed. Some scholars have remarked that politicization does "not necessarily" lead to renationalization (de Wilde & Lord 2015: 145, 169; see also Börzel 2016: 19; Genschel and Jachtenfuchs 2018: 178). Yet the post-functionalist diagnosis of "constraining dissensus" has remained a central reference point for scholarly debates, albeit with caveats (e.g., Grande and Kriesi 2016). For example, Kriesi and Hutter (2019) associate the politicization of the European Union with rather bleak prospects for European integration, insofar as "new Eurosceptic challenger parties have turned out to be the main drivers of the politicization of European integration" whereas "mainstream parties which have typically been pro-European have sought to depoliticize European integration in many ways". Likewise, Jones, Kelemen, and Meunier (2016: 8, 19) warn about the perils of "failing forward" when integrationist reforms trigger political backlash and thus become "self-undermining." Finally, in a recent "amendment to

postfunctionalism" that draws lessons from recent crises, Börzel and Risse (2018)

argue that "depoliticization through supranational delegation" remains a viable

strategy, but do not question the postfunctionalist idea that politicized disputes

about sovereignty generally lead to failure.

If however we step back a little from the scholarship on the EU, there are at

least two theoretical ways of thinking about how the EU is able to overcome the

hurdle of a populist politics of national sovereignty. First, recent International

Relations scholarship that analyzes sovereignty as a nexus of practices suggests a

partial solution. Building on this literature, sovereignty can be defined a set of

evolving practical realities that are seen as characteristic of statehood at a given

historical moment – including practices of political authority, territorial jurisdiction,

citizenship demarcation, etc. Sovereignty is thus much more fluid than is often

implied. New practices of sovereignty can emerge, in the first place, from

incremental adjustment and reflexive deliberation. In this vein, Schmidt (2014) has

analyzed sovereignty as an "entrenched habit" that can change in response to real-

world challenges. For instance, the new military and geopolitical context after 1945

set the stage for the unprecedented practice of establishing military bases in other

sovereign countries, as policymakers "defined workable courses of action, set more

specific aims, and come to terms with new situations" (Schmidt 2014: 824). This is

quite relevant to the European Union. In addition to changed external

circumstances, the process of European integration itself acts as a powerful stimulus

for member states to alter their practices of sovereignty. EU scholars have noted

that extensive areas of "pooled" or "delegated" sovereignty accrue at the EU level,

but this itself suggests a great fluidity of the member states' sovereignty practices. Sovereignty is never really a stable equilibrium. When national politicians perceive undue encroachments of the EU on national sovereignty, they are quick to assert what Werner and de Wilde (2001) call "sovereignty claims". European integration is therefore suffused with what Adler-Nissen and Gammeltoft-Hansen (2008: 15) call "sovereignty games," in which "states engage in new practices and modify their understandings of their own sovereignty."

Although this pragmatist evolution of ideas and practices of sovereignty largely takes place at an elite level, it produces a new reality on the ground that partially disarms populist discourse about sovereignty. EU leaders can plausibly argue that the member states are still recognized as sovereign within and beyond the European Union, and that the EU has not altered this fundamental fact. The word "sovereignty" is not uttered in the Treaty on European Union, whereas many national constitutions explicitly mention sovereignty. For example, the French constitution states that "national sovereignty belongs to the people who exerts it through its representatives and by way of referendum" (Art. 3). There is however no rigid, time-invariant definition of what it means for a people to possess sovereignty. For example, it used to be, before the advent of the euro, that the power of European states to coin their own currency was considered an essential aspect of national sovereignty. This view of monetary sovereignty as an essential aspect of "high politics" led Stanley Hoffman to predict, in the 1974 version of his famous article "Obstinate or Obsolete?" about the fate of the nation-state in Europe, that there would be no "decisions on monetary union (past the first stages of

narrowing fluctuations between currencies)" (Hoffmann 1995: 84-85). We know

what happened that prediction of course, but it is remarkable that national

sovereignty, as it turned out, did not get in the way of monetary unification. In fact,

an important set of motivations for the creation of the euro – especially among

French officials – was to enhance national sovereignty in comparison to the status

quo ante of the European Monetary System, in which the deutschemark had *de facto*

become the anchor currency (Jabko 2006: 154-166). In the new status quo of the

early 21st century, sovereignty practices in the European Union surely remain – for

now – primarily centered on the member states, rather than on the EU itself. Yet for

Eurozone member states, the practice of national sovereignty within the European

Union has effectively been redefined, so that the possession of a national currency is

no longer viewed as an essential attribute of sovereignty. While populist politicians

remain free to rant against the existence of the euro, this can easily backfire. Even

voters who are swayed by populist rhetoric clearly hesitate to support a return to

national currencies that ceased to exist almost two decades ago.

The second way in which the EU has tried to rein in the populist vibrancy of

sovereignty and make it compatible with its own institutions is not discussed by this

IR scholarship on sovereignty practices – and yet it is central to what I call the

mainstreaming of populist politics. To make sense of sovereignty practices in the

European Union today, a focus on international relations and diplomatic

interactions can take us only so far. In most of modern international history, the

sovereignty of internationally recognized states was a matter of course and, for that

reason, it could evolve quietly and pragmatically. Practices of sovereignty in

international relations typically evolved as a result of incremental experimentation in a changed international context, as elite circles of policymakers reflected over the shortcomings of established practices (e.g., Schmidt 2014). IR scholarship on EU sovereignty practices has adopted a similar perspective, noting that "direct sovereignty claims are considered inappropriate in Brussels," and thus envisioning claims of sovereign authority as "part of daily diplomatic battles, which often occur under the radar of both public and academic attention." (Adler-Nissen 2014: 3, 174) In an increasingly politicized EU context, however, the fact that existing sovereignty practices are problematic does not mean that conflicts of authority will be resolved in Brussels along a smooth pattern of day-to-day incremental change. That is why the populist politics of sovereignty has been felt as so threatening to the EU. Populist appeals to sovereignty are an attack on the EU's historically established way of resolving conflict by diplomatic channels. And it raises the specter of an open and irreconcilable conflict between different national sovereignties, which is precisely the problem that the EU was originally designed to overcome.

The problem, when it comes to European mass politics today, is that the rhetoric of sovereignty keeps coming back every time there is a crisis. It stems from the fact that popular/national sovereignty, as an idea, retains considerable political currency. As Benedict Anderson (2006: 7) put it, "the concept (of sovereignty) was born in an age in which Enlightenment and Revolution were destroying the legitimacy of the divinely-ordained, hierarchical dynastic realm. (...) Nations dream of being free, and, if under God, directly so. The gage and emblem of this freedom is the sovereign state." To be sure, this "dream of being free" has been tamed within

the European Union. Jürgen Habermas has argued that the EU may be ready for a "double sovereignty" in which a "public" made up of "European citizens" is able to hold "European peoples" in check (Habermas 2014: 10-11). Even in this scenario, however, it is difficult to deny that aspirations to national sovereignty retain political currency and periodically come back to the fore, especially at a time when European nations face situations in which their freedom of action seems constrained by outside forces, including EU institutions.   In the absence of an explicitly defined and widely recognized "European people," it remains tricky for EU institutions to claim to embody any form of sovereignty – be it "pooled" or "delegated". The sovereignty of the people is a higher-order principle in modern European political culture, and cannot be so easily farmed out – except to an entity like the national state, since its boundaries are by definition congruent with those of the nation and it can thereby credibly claim to represent "the people". This makes the discourse of populists particularly effective in the European Union today. As Brubaker (2017: 371) put it, the EU provides "a distinctive focus and an irresistible target" for various stripes of populism. Given that the EU has become an important power hub, suspicion of EU "technocrats" and sensitivity about further "losses" of sovereignty now reach unprecedented levels. Pressures in the EU political system therefore tend to accumulate without being diplomatically resolved, ultimately leading to a breaking point, a.k.a. "crisis".

In fact, there is a solution to this problem as well, but it involves a highly visible political process, rather than a diplomatic and depoliticized one. EU scholars are of course right to point out that politicization can easily turn into a "constraining

dissensus" (Hooghe and Marks 2009) or even a "trap" (Genschel and Jachtenfuchs

2018) for the EU, and that it was certainly "not part of the neo-functionalist

scenario" (Levkofridi and Schmitter 2015: 17). Yet a key claim underlying the

diagnosis of a "constraining" politicization is much more arguable – namely, the

claim that the EU "undermines national sovereignty" (Hooghe and Marks 2009: 11).

Neither is it necessarily the case that "the constituting authority [i.e., the people] in

founding a supranational authority, *sacrifices* parts of its sovereignty" (Habermas

2014: 11, italics are mine). Contrary to many scholarly as well as popular

discourses, national sovereignty and European integration do not need to be

inherently conceived or experienced as mutually exclusive. When a crisis erupts

and it becomes evident well beyond policymaking circles that established practices

cannot continue, the EU can certainly retreat as states reassert their sovereignty, e.g.

in the case of Brexit – but that is not the only possible outcome.

From a pragmatist perspective, sovereignty is a *process* that resists any

reifying attempt to define it as a fixed set of powers. The reality of relatively fluid

sovereignty practices therefore suggests an alternative path that *can* ultimately lead

to more integration, rather than paralysis and disintegration. In situations of crisis,

politicization can actually accelerate the reconstitution of sovereignty practices that

become more evidently fragile. The challenge for the EU, then, is to mainstream the

vibrancy of sovereignty rhetoric in such a way that its existence is not

fundamentally in question whenever sovereignty is invoked. If this effort succeeds,

sovereignty practices are progressively re-articulated, as member states take steps

towards deeper integration. Politicization then triggers a process whereby, rather

than "sacrificing" (or "pooling," or "delegating") their national sovereignty, a majority of Europeans change their view of what it means to be sovereign within the European Union. In order to buttress the EU's legitimacy, EU leaders bank on the resilient vibrancy of national sovereignty, as they invokes this sovereignty in order to justify EU institution building. Instead of resolving conflicts diplomatically and skirting the issue of sovereignty, they dramatize the fragility of existing sovereignty practices and propose EU solutions for renewing them and making them more robust. But this is a double-edged process, since EU solutions that pay respect to national sovereignty will likely not always be cosmopolitan and progressive in orientation – and will thus depart from the ideals that we have come to readily identify as "pro-European". This has already started, insofar as the mainstreaming of populist politics has led to austerity policies. Although these policies are often attributed to deeply resilient ordoliberal ideas at the EU level, I will suggest that the increasing political salience of sovereignty at both the national and the EU levels mattered at least as much.

In the rest of this paper, I outline how the mainstreaming of populist politics was performed in the recent Eurozone crisis, and how it could be done again in future crises that the EU will confront. My goal is to show that, in the Eurozone crisis, sovereignty practices were redefined in an open and visible manner. Rather than working quietly in Brussels through everyday diplomatic channels, political leaders dramatized the stakes of the crisis so as to be able to successfully reconstitute sovereignty practices. Going forward, politicians who confront EU crises will be tempted to dramatize their actions as well. The experience of Brexit

will tend to deter a radical rhetoric of sovereignty that involves complete secession

from the EU. But the mainstreaming of populist politics may also steer the EU away

in directions that scholars and "pro-EU" actors may find questionable, or even

repugnant. If the experience of the United States after the Civil War is any guide, EU

leaders will address sovereignty concerns in new ways, including possibly some that

deviate from the predominantly liberal institutions and policies to which we have

been accustomed so far.

I.   Reconstituting sovereignty in the Eurozone crisis

The Eurozone crisis was profoundly destabilizing. In 2009-10, several states

and banks on the Eurozone's periphery were caught in a debt spiral that pushed

them on the verge of default. Both in core and in peripheral states, policymakers'

responses to the crisis were intensely politicized. The crisis was defused with great

difficulty, and transfers of resources were limited. The "no-bailout" principle

remains the Treaty and the EU still does not have a fiscal union. In view of such

limitations, scholars have often stressed factors of continuity with the status quo

ante – e.g., German power, neoliberal ideas, or institutional constraints (e.g.,

Schimmelfennig 2015; Matthijs and McNamara 2015; Matthijs and Blyth 2018).

Constraints and continuity are only one side of the coin, however. There is now a

permanent institution in charge of issuing loans to struggling states, the European

Stability Mechanism; the European Central Bank has become more activist, and now

regulates a new Banking Union. Thus, "taken together, the series of incremental reforms adopted sequentially in response to the crisis (…) has led to one of the most rapid periods of deepening and integration in EU history." (Jones, Kelemen and Meunier 2016: 3)

How did EU leaders overcome obstacles to reforming the Eurozone? Although it is tempting to read EU reforms as the result of a "neofunctionalist" drive to "depoliticize highly salient issues by delegating fiscal powers to non-majoritarian supranational institutions" (Börzel and Risse 2018: 84), new delegations of powers were quite circumscribed and arguably ineffective at driving depoliticization. Member states did change how they envisioned fiscal matters, but these changes took place in the context of continued politicization. Instead, EU leaders maintained their commitment to "experimentalist governance" in how they implemented common rules (Zeitlin 2016), and the Economic and Monetary Union moved in the direction of a collective insurance scheme (Schelkle 2017). On balance, the fact that sovereignty over fiscal matters has remained a cardinal value for the member states prevented extensive integration of fiscal powers. Nevertheless, the unfolding of the crisis ushered in major changes in how member states practiced that sovereignty. This reconstitution of sovereignty can be schematically illustrated in the Eurozone's changing approach to the "no-bailout" provisions of the Treaty.

The first step in this reconstitution was the revelation of the vulnerability of existing practices. Before the crisis, the practical exercise of sovereignty was divided in the Economic and Monetary Union. While sovereignty over money was effectively exercised by the European Central Bank, other economic policies

remained member state prerogatives. Crucially, "the 'no bail-out rule' was enshrined in treaty form" (Dyson and Featherstone 1999: 783). This rule, in addition to the small size of the EU budget, sharply limited reciprocal fiscal obligations, so as to preserve national sovereignty. German political leaders, in particular, had championed the "no-bailout" rule as a safeguard against excessive spending by other states. All member states had to abide by fiscal deficit rules and to participate in "economic coordination", but this process was not extremely constraining. Although sanctions against rule violators existed, they were difficult to trigger, as they challenged member states' sovereignty. Instead, it was assumed that financial markets would impose their "discipline" and prevent excessive indebtedness.

The circumstances of the crisis showed that these practices and assumptions were unsustainable. Greece, Ireland, Portugal and Spain suddenly faced soaring debt financing costs that drastically constrained the practice of these member states' economic sovereignty. Meanwhile, the Eurozone found it could not afford to ignore the difficulties of these countries. After the bankruptcy of Lehman Brothers in 2008, policymakers became especially aware of the risk of contagion of financial crises.[1] The idea that there would simply be "no bailout" was therefore no longer credible. It also became obvious that scarce EU resources and limited intergovernmental cooperation made the crisis more acute. Although German Chancellor Angela Merkel took up the task of defending Germany's fiscal sovereignty, she as well as other EU leaders also recognized that the EU institutional framework had to change. In the fall of 2010, EU Council President Herman Van

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[1] Author interviews, Paris, December 20 and December 22, 2010.

Rompuy drafted, in close consultation with the German and French governments, a

report that recommended "a fundamental shift in European economic governance"

(European Council 2010b: 1).

Second, EU leaders started to search for European solutions to the crisis. In

March 2010, EU heads of government had set for themselves "the objective of an

improved crisis resolution framework and better budgetary discipline, exploring all

options to reinforce the legal framework" (European Council 2010a: 6). Yet this

"exploration" was fraught with political obstacles. EU political leaders could not

afford to resolve problems among themselves in a purely technocratic mode, away

from the public eye. Recognizing their predicament, they pursued a two-track

approach that intended to achieve a politically defendable balance between new

forms of solidarity and of discipline. On the side of solidarity, EU leaders established

a multilateral fund, the European Stability Mechanism (ESM) that exists by

exception to the general "no bailout" rule. The ESM was created to distribute loans

to qualifying member states, but only when the stability of the Eurozone was in

jeopardy. Member states responded quite slowly and cautiously to market

pressures, and were initially reluctant to commit the necessary funding to

underwrite a public collective guarantee (Gocaj and Meunier 2013). Many

observers at the time doubted European leaders' commitment to extend financial

assistance to struggling member states. In hindsight, however, "the amount of

international support given in the course of the Euro Area crisis was unprecedented

in the history of multilateral lending." (Schelkle 2017: 171) In sum, the "no-bailout"

rule remained in effect but ceased to be absolute, and solidarity was enhanced.

On the disciplinary side, EU leaders invented a new multilateral authority structure. In effect, this structure expressed a bifurcated understanding of sovereignty with respect to national economic policies. On the one hand, member states "under programme", i.e. those requiring financial assistance under the new European Stability Mechanism had to enter into contractually binding memoranda monitored by a "troika" (the Commission, the ECB, and the IMF). If the memorandum conditions are not respected, scheduled disbursements of financial assistance can be withheld, thus exerting considerable pressure in favor of austerity measures. As then-Eurogroup president Jean-Claude Juncker declared before the first Greek memorandum, "The sovereignty of Greece will be massively limited" (EU Observer 2011). On the other hand, the member states that are not, or are no longer, "under programme" remain mostly free to decide on their economic policies. To be sure, the EU is increasingly able – in theory – to impose fines and thus to restrict the fiscal space of all Eurozone member states (Matthijs and Blyth 2018). For states that broadly abide by the rules, however, the EU only issues non-binding "recommendations". Even when the EU is indeed able to impose fines, it can choose not to, as has always been the case so far. The EU has been quite reluctant to encroach on the sovereign economic policy prerogatives of broadly compliant member states, and this is unlikely to change in the future.

Third, the new measures that EU leaders adopted took on board sovereignty concerns expressed by the member states. Both the move toward more solidarity and the reinforcement of discipline were problematic from the perspective of sovereignty. On the creditors' side, there was a danger that governments invoke

their sovereignty to refuse an extension of national contributions to the ESM. While

national leaders were willing to contemplate unprecedented financing in order to

prevent disorderly sovereign default, they wanted to keep the ESM under a tight

leash. Most egregiously, Merkel opposed a "Union of financial transfers" and any

debt mutualization – even declaring that "Eurobonds" would not come into

existence "as long as I live".[2] She was confronted with the sovereignty-conscious

German constitutional court's restrictive definition of the EU as "an association of

sovereign states, and, hence, a secondary political entity" (Schorkopf 2009: 1220).

Thus, she pleaded to her partners for a preservation of the Treaty's "no-bailout"

provisions in order to cover herself from adverse court rulings (Author Interview,

French president's office, January 2012). She also wanted to reassure other

Northern European states that threatened to withdraw their support to the ESM

treaty, especially Finland. To address such sovereignty concerns, EU leaders agreed

that the ESM would be an intergovernmental institution, separate from the EU, and

would be activated only as a "last resort" to preserve the integrity of the Eurozone.

Although states "under programme" were obviously less fixated on the no-

bailout rule than creditor states, they resented the disciplinary measures imposed

by the EU in part for the same reason that creditor states resented solidarity –

namely, because they saw it as infringements on their sovereignty. For this reason,

they were reluctant to request financial assistance from their partners. Spain thus

did not seek an ESM loan until July 2012, despite the escalating costs of financing the

public debt. Greece's successive governments had no choice but to seek EU loans

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[2] http://www.spiegel.de/international/europe/chancellor-merkel-vows-no-euro-bonds-as-long-as-she-lives-a-841163.html

from the early stage of the crisis, but they constantly pushed back against the Troika's austerity measures. To address such resentments, the constraints that were placed on states "under program" were carefully defined as temporary and mutually accepted quid pro quos for loan financing. As it turned out, no member state was prepared to cling to an absolute notion of national sovereignty if that meant facing the steep economic and political costs of leaving the Eurozone. As Greek Prime Minister Alexis Tsipras tweeted in July 2015: "Honoring the sovereignty of the Greek people to express their will is in no way a decision to rupture w/Europe."[3]   EU elites handled the left-populist challenge from Greece with a characteristic carrot-and-stick approach, telling Tsipras that financial assistance would be disbursed only if he accepted continued austerity.

Fourth, a coalition was built to institutionalize the new sovereignty practices. This coalition can be conceived in terms of concentric circles around German and French political leaders. The "Merkozy" alliance between German Chancellor Angela Merkel and French President Nicolas Sarkozy was sealed at a meeting in October 2010, when they agreed to promote a permanent bailout mechanism in tandem with greater discipline.[4] The fact that Germany was prepared to accept the logic of conditional bailouts began to mollify Northern European hardliners, and the fact that France supported a strengthening of discipline put pressure on states that resisted EU demands in the name of their sovereignty. The European Council subsequently endorsed most of the French-German proposal in December 2010, and increasingly coalesced in favor of "strengthening governance" as a solution to crisis.

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[3] https://twitter.com/tsipras_eu/status/614939404885434368
[4] Author interview, French president's office, November 3, 2010

Sarkozy's successors, François Hollande and later Emmanuel Macron, each pushed for their own visions of "stronger governance", but they continued with the same alliance with Merkel.

Although EU leaders used the language of "governance" in part to assert control over the crisis, they also still needed to peddle new sovereignty practices to their domestic constituencies. The case of Germany is especially interesting. Angela Merkel's choice to support a permanent bailout mechanism faced opposition from many actors in Germany who argued for the defense of narrowly conceived sovereignty. Within her own coalition, many conservatives favored a strict interpretation of the "no bailout" rule (Jacoby 2014). A new anti-EU party, Alternative for Germany (AfD), emerged on the far right. Yet Merkel increasingly sided against nationalists and ordoliberal fundamentalists in Germany, and became the de facto spokesperson of a different and increasingly assertive coalition. She declared to the German Parliament: "We need more Europe (...) If the euro fails, Europe fails".[5] She also capitalized on the credibility that she had acquired in defending Germany's sovereignty concerns and fiscal interests in order to militate for EU governance reforms.

At the end of the day, theses reforms enabled considerable changes in sovereignty practices and defused the crisis – not despite, but because of, their considerable politicization. The progressive resolution of the crisis after 2012 ironically lessened the urgency of further changes in sovereignty practices. In August 2018, the Eurogroup announced the "successful conclusion of the ESM

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[5]http://www.bundesregierung.de/ContentArchiv/DE/Archiv17/Regierungserklaerung/2011/2011-10-27-merkel-eu-gipfel.html

programme" in Greece (Eurogroup 2018). In this new context, Macron's proposal to create a "Eurozone budget" has made little progress – let alone his (very Habermasian) call for a "European sovereignty" alongside national sovereignty.[6] As long as the political vibrancy of sovereignty still operates primarily at the national level, it may be premature to expect the idea of a "European sovereignty" to resonate in quite the same way and to produce changes in sovereignty practices. For this to happen, the fragility of national sovereignty practices would have to be further demonstrated – for example, by a re-ignition of the Eurozone crisis. That being said, the very fact that momentous changes in sovereignty practices have already occurred shows that more changes remain possible in the future – especially if new vulnerabilities are revealed.

II.   The EU after Brexit – from sovereignty to states' rights?

This last section is necessarily more speculative and tentative. It extends the logic of the foregoing analysis to what the EU may increasingly look like in the future. The ongoing exit of the UK proves that a reassertion of national sovereignty by secession from the EU is of course possible, but also much more costly and complex than its advocates had promised. In this respect, Brexit may turn out to be an unusual crisis and a watershed in the same way that the US Civil War was a watershed for the United States, by practically foreclosing the exit option – both

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[6] https://www.elysee.fr/emmanuel-macron/2018/04/17/discours-du-president-de-la-republique-au-parlement-europeen

because the would-be exit candidates re-assess the costs of exit and conclude that they are too high, and because the core member states of the EU will not want to alienate an increasingly vocal bloc of sovereignty-conscious member states. *Mutatis mutandis*, that is what happened after the US Civil War – or, more accurately, after the period known as Reconstruction. The United States government left the Southern states free to implement Jim Crow laws, even though they were antithetical to the Union's principle of equality under the law, and the American political system continued to develop in such a way as to allow this to happen. The South was kept not only in the fold but at the center of the Union, when the US Supreme Court famously ruled that races could be "separate but equal", and when Woodrow Wilson, a Southerner and supporter of segregation, became president under the banner of progressivism.

How could this kind of reorientation take place in the EU case? As Gibson (2012) has argued, "subnational authoritarianism" is quite possible in "federal democracies" because of partisan linkages between elected officials who compete for preeminence in representative institutions. This is already evident at the level of the European Parliament, where Viktor Orban has been able to parlay the EPP affiliation of Hungarian Fidesz MEPs into remarkable EU leniency toward his authoritarian moves (Kelemen and Scheppele 2019). With the predictably strong EU presence of other right-wing populist parties (from Italy, France, Poland, Hungary, the Netherlands, Austria) after the 2019 European elections, we can foresee more of the same in the future. If and when these parties control an increasing share of the European Parliament, it will become increasingly difficult for

the Christian Democrats and the Socialists to govern the EU from the center, as has been the case historically. Alliances with the far right will become more tempting for the moderate right, not only at the local and national levels but also at the EU level – at least on an ad hoc basis, when it comes to voting on specific EU legislative texts. The tone of these texts therefore promises to shift to the right and to adopt an increasingly populist tone, which could be matched by rhetoric coming out of the Council or even the European Commission. Confronted with this kind of rhetoric, even more centrist politicians would have to react by reframing their proposals in terms of sovereignty, a rejection of "the establishment," and a proximity to "the people." Indeed, some scholars have noted that this is already the case, and that there is an affinity between "technocratic" leaders like Macron and populist discourse in their shared rejection of institutional mediations such as the established party system (Caramani 2017).

If that general shift toward a populist rhetoric happens at the EU level, this promises to further displace certain conventional expectations about the EU. First, invocations of "sovereignty" will no longer be beyond the pale. According to Adler-Nissen (2014: 3), "direct sovereignty claims are considered inappropriate in Brussels." This remains true at the level of diplomats, but the previous sections of this paper suggested that it is already no longer really the case amongst EU as well as national political leaders. An EU where populist claims become generalized will mean that "direct sovereignty claims" would be as common in Brussels as claims of "state rights" in Washington DC today. These claims are seen by many observers as part and parcel of what federalism is about. That is not yet the case about the EU,

where federalism is/was what the British call the "F-word" and synonymous with a centralization of power. Federalism, however, entails a theory of dual sovereignty. It asserts not only the supremacy of federal law, but also the sovereignty of the constituent states. This second aspect will become more vivid if EU decisions are dramatized in ways that they have not been in the past, in an effort to appear "less elitist" and "more political".

The further politicization of sovereignty could then go in two directions. In one scenario, it could lead to a hands-off politics whereby the member states are left undisturbed by Brussels – following, roughly speaking, the pattern of post-Reconstruction priority of "state rights" in the United States. Alternatively, it could lead to more interventionist EU politics and policies, as the EU is challenged to do more for "the people" – following the pattern of US politics since the Civil Rights era. In this second scenario, however, interventionist policies would not necessarily be the kind of liberal policies that scholars have come to identify as "pro-European". This would depend on the balance of power between moderates and far right (and maybe far left) populists at the EU level. In sum, the tug of war between competing claims of sovereignty and competing claims to represent "the people" is likely to be more substantive than the relatively abstract debates of the past between advocates of intergovernmentalism and proponents of supranationality.

A second conventional expectation, namely that EU bodies are depoliticized and that EU policies are or have to appear as primarily technical or regulatory (e.g., Majone 1994, Genschel and Jachtenfuchs 2016), will also be displaced. EU administrative culture will change at the Commission, and perhaps also at the ECJ

and the ECB, as all these bodies become more subject to the kind of politicization that is in evidence in the United States and other federal polities. Of course, this politicization would never completely supplant the Weberian ethos of administrative impartiality that is characteristic of any state bureaucracy (including the US federal bureaucracy). But it would become impossible to analyze major EU decisions primarily in terms of a yearning for "technocratic authority" (Matthijs and Blyth 2018). The politics of the decisionmaking process would become too obvious and transparent for the EU to take refuge in technocratic claims. Conversely, this would open up the possibility for political forces to use the EU policymaking apparatus for a variety of endeavors. This would not necessarily translate into more decisive EU actions, as the EU would remain subject to multiple lines of authority and veto points. Yet, in situations of crisis, the leading political forces would be able to engage in more robust forms of politics and policymaking of the kind that is already evident in the EU and the US (Jabko and Sheingate 2018) – not necessarily in a direction that customary advocates of integration find congenial, though. In this sense as well, therefore, the cleavage between "pro-" and "anti-Europeans" would therefore dissolve in favor of more substantive and more socially rooted political cleavages, including the left-right cleavage.

It is not too difficult to imagine a new situation of politicized crisis in which invocations of sovereignty flare up and once again serve as the frame for reform and the reorientation of sovereign practices at the national as well as at the EU level. The Eurozone could once again find itself in a situation of crisis over, for example, the still fragile situation of Italian banks in the absence of deposit insurance. The

Italian government might invoke its sovereignty to force the EU to establish such a system, for fear of contagious disorderly defaults. The Italian government could then claim a symbolic victory over the "powers that be" in the EU, whereas EU officials could claim an extension of its banking union in an area that was previously subject to banking nationalism and beyond EU reach. Another source of crisis would be a new massive wave of refugees of the kind provoked by the Syrian civil war in 2015. While that crisis was defused by circumstances and through a variety of measures, the issues of border control and refugee allocation remain highly sensitive. Despite an adverse ECJ ruling, Hungary and Poland have famously refused to accept any refugees on their territory. This is actually reminiscent of what happened in the United States in 2015, when a number of states, in the name of protecting their rights and the safety of their citizens, have also refused to participate in the US federal government's relocation program of the (small) number of refugees from Syria. There are also US historical precedents of federal policies that were highly repressive of outsiders – e.g., the Chinese Exclusion Act, the restrictive immigration quotas of the 1920s, etc. If they manage to coalesce effectively or to make their concerns heard at the federal level, constituent states are able to bend federal legislation in a highly repressive direction, in addition to their ability of simply resisting policies from the federal level. Here again, the politicization of sovereignty has indeterminate consequences – depending on the balance of political forces, it could lead either to more open or to more repressive policies in the face of crisis.

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      The Eurozone crisis revealed the fragility of EU institutions but also their plasticity, even in the face of intense politicization. Tensions between sovereignty practices and European integration reached a climax, but they ultimately led to new practices of sovereignty and further integration. EU leaders were able to reform existing institutions while carefully attending to member states' highly politicized concerns about sovereignty. In the Eurozone crisis, for example, they authorized bailouts to preserve the integrity of the Eurozone and under strict multilateral supervision. To garner support for such changes, leaders of member governments and EU institutions engaged in politicized debates about sovereignty. Scholars have trouble explaining how crises are resolved through evolving sovereignty practices, however. They frequently assume that politicization and the rhetoric of sovereignty necessarily entail dismal prospects for integration; and/or that integration, if it happens, will follow the liberal/cosmopolitan patterns of the past. Neither of these too assumptions seems safe in a post-crisis, increasingly populist EU.

      We need to come to terms with a new, more politicized EU that will not necessarily look like the EU of yesteryear. In a post-Brexit EU, invocations of sovereignty and populist appeals to "the people" are likely to flare up more often in increasingly frequent crises. If the EU is to persist, it will need to keep finding ways to reconcile evolving sovereignty practices with the pursuit of its integration. In the past, scholars could plausibly characterize the EU as essentially depoliticized, liberal, and cosmopolitan – to the extent that it managed to keep national politics

and especially "anti-EU" forces at bay. The crises of the 2010s already suggest that this vision is no longer very plausible. Today's populists want to take over the EU, more often than they want to leave it. Therefore, the geometry of coalitions will likely become increasingly complex. More than ever before perhaps, EU politics will make strange bedfellows. This will sometimes produce coalitions in support of more integration – although not necessarily the kind of integration that many EU advocates have come to identify with the EU.

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