
Comparing corporate reconstructions of federal macroeconomic government systems: European Union, 1978 – present time, United States, 1900 – 1950

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Résumé

The dominant trend in political economy studies of the Eurozone crisis relies on inter-governmentalist interpretations applying IPE concepts (e.g. *Comparative Political Studies*). Naturally, these scholars have drawn on IPE analyses of balance of payments crises. Yet some authors also recognise the peculiarity of the Eurozone crisis: "the crisis has taken place – as no previous sovereign debt crisis had – within the unique economic and political context of an extensive yet incomplete regional integration scheme, where monetary and fiscal policy authority is divided between ... the supranational and national levels" (Copelovitch, Frieden and Walter, 2016). This peculiarity is precisely the reason that most scholars partaking in this debate also acknowledge that the only viable solution is, eventually, the creation of new federal institutions.

This is an unexpected conclusion for scholars emphasising intergovernmentalism. For if this is so, then the tools and concepts of IR can no longer be used to study the matter. The field of inquiry is rather the historical sociology of the emergence of federal political orders.

The Eurozone crisis has also spawned a new trend, namely comparative federalism studies attempting to draw lessons from the history of macroeconomic governance institutions in the United States (e.g. Frieden 2016). This path is full of promise, provided that we define precisely what is comparable and that we theorise the comparative exercise. One characteristic of the recent scholarship is the chronological indetermination of the comparison and the absence of any theoretical justification of the periodisation: some compare the Hamiltonian assumption by the Federal administration of the debts of the States after the War of Independence, others the 19th century and the State defaults of 1846-8 and others roam the entire length of US history in search of relevant comparisons. These papers give the impression of a muddled and erratic sketch that nonetheless contains fascinating insights and a brilliant intuition for providing a foundation to comparative research.

Here, I attempt to provide an answer to the periodisation question by building upon the theory of European integration developed in my past work (Georgiou 2016) which starts from the idea that European integration is guided by the necessities of large-scale production and by the actors that organise such production, namely large oligopolistic corporations. The integration process must therefore enable their thriving, the assertion of corporate elites

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as the dominant social group in the new integrated Europe but also the evolution of macroeconomic governance structures along a path congenial to the seamless operation of European corporate capitalism. The equivalent period in the history of the United States is the first half of the 20th century, which saw the setting up of the the Federal Reserve System and the peculiar kind of fiscal federalism that obtains in the United States.

References

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