Introduction

'I love the way capitalism finds a place – even for its enemies'

(Banksy)[1]

Which form of capitalist governance best fosters peace, prosperity, social cohesion, and environmental protection? Finding the right answer has been an elusive quest. Neoliberalism served as the global yardstick at the turn of the century. It was replaced by a more social and environmental agenda with the UN Paris Agreement on climate change in 2015. Most recently we have seen the rise of protectionism, epitomised by the policy of US President Donald J. Trump. In Europe as well, the European Union has sent conflicting messages, being described variously as a neoliberal behemoth, an environmental leader, and as 'Fortress Europe'.

In this book I argue that making sense of this complexity calls for revisiting the three different principles of capitalist governance: *liberty* (freeing the market to unleash growth), *solidarity* (reining in the free market to protect the weak and the environment), and *community* (safeguarding the group through protectionism and military might).[2] For convenience, I refer to these three principles as *liberty* capitalism, *solidarity* capitalism, and *community* capitalism. This trinity signifies that the governance of capitalism goes beyond the stereotypical dichotomy between pro-market liberals (*liberty* capitalism) and anti-market egalitarians (*solidarity* capitalism). The third form of governance, *community* capitalism, is worth highlighting in current times – the most glaring example of which has been promoted by President Donald Trump, who combines radical neoliberalism (low social and environmental standards, attacks on redistributive programmes) with protectionism in the service of an arch-nationalist agenda. Yet Trump is just the most visible example of *community* capitalism, for as the book shows, this form of capitalist governance has always existed to a certain degree, including in Europe.

I contend that studying the European Union helps provide insights into how a compromise between *liberty, solidarity*, and *community* capitalisms is struck, as the Union is in a constant process of negotiation among bickering

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

members. The Union and its predecessors have created a new mix of capitalism from scratch, one that is partially federal.[3] This characteristic is all the more important since the Union has been targeted by nationalists both inside and outside of Europe, by President Trump in particular. The reason for this is that it represents a long-standing attempt to mediate between different countries, as well as the three forms of capitalist governance distinguished here. While the European Union is imperfect and could disappear in the future,[4] its study sheds light on how compromises surrounding the governance of capitalism are achieved. I do not argue that capitalism or European integration are flawless, but rather that the examination of their relationships is tremendously important, and not just for Europeans. By exploring the dynamics of the European supranational governance of capitalism in the past, we gain valuable insights into how the worldwide capitalist system might be regulated, and into alternatives that were not pursued.[5] The European Union is not just a neoliberal entity unable to deal with Trump, Putin, and Xi, but a mix of *liberty, solidarity*, and *community* capitalism.

This book focuses on the interaction between capitalism and European integration between 1945 and 2025, drawing on studies from areas of scholarship that rarely enter into dialogue with one other, as well as through new archival research. It links literature on European integration with scholarship on capitalism over the long-term,[6] and combines the nation-centred 'varieties of capitalism' approach with the more global outlook of international political economy and economic history.[7] It also incorporates European organisation within the broader history of international governance, which often neglects the European Union and its forerunners,[8] by showing why the European Union ultimately (and indeed surprisingly) prevailed.[9] It covers fields that are often treated separately, ranging from monetary policy to the welfare state, from environmental issues to military policy.

This book advances three claims. First, all societies have sought to balance the three types of capitalist governance, namely *liberty, solidarity*, and *community* capitalism. Second, the European Union offers an ideal case study for understanding how polities negotiate compromises between these types of capitalist governance. Third, dealing with *community* capitalism has been one of the most pressing challenges for Europe in the past, and is ever more crucial today with rising protectionist and military tensions. In the following pages these three ideas are discussed in detail, before presenting the cubist perspective of the book, as well as its contribution to the existing literature.

The Trinity of Capitalism: Liberty, Solidarity, and Community

Jürgen Kocka has defined capitalism as an economic system based on decentralisation (the market's role in settling transactions), commodification (market-based rules and the profit motive permeating broad segments of

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

society), and accumulation (the concentration and perpetuation of capital).[10] From the nineteenth century onward, industrial capitalism has created huge upheavals, increasing economic growth and raising life expectancy, but also creating new forms of social domination, in addition to poverty, environmental damage, and international imbalances.[11] Colonialism and unregulated capitalism have fuelled violence and inequality both within and among states. Industrial capitalism has created strong interdependence between communities that previously lived more or less isolated from one another, in the form of massive flows of raw materials, goods, capital, and people.

I argue that in order to manage these tensions, societies have striven to strike the right balance between the three goals of capitalist governance, namely *liberty, solidarity*, and *community*. These three goals are ideal types used to describe reality. In any given capitalist society, leaders emphasise *liberty* if they believe that freeing markets will unleash plenty, *solidarity* if they prioritise protecting the weak (the poor, minorities, Nature), and *community* if they emphasise the power of the group to which they belong. In a nutshell, the first group favours free trade, the second redistribution, and the third nationalism and protectionism. All three of these elements are required for a capitalist society to thrive, as each one needs innovators (*liberty*), carers (*solidarity*), and a sense of unity and kinship (*community*). These three ideal types are helpful in understanding how actors organising capitalism (governments, entrepreneurs, trade unions, NGOs, etc.) have endeavoured to find the right balance between these three poles.

This trinity challenges the idea that the organisation of capitalism is predicated on a simple binary opposition between free markets and redistribution. By contrast, for many actors the primary goal of capitalism is actually to increase the power of their own *community* (whether it be a nation, religious or ethnic group, or in the case of the EU a continental group), and not growth through a free market (*liberty*), or protection for the weak (*solidarity*). These actors emphasise borders, a sense of belonging, security concerns, and defending the community's identity against external threats. *Community* capitalism translates into economic policies emphasising protectionism, cartels, high military spending, restrictive immigration policy, and privileges granted to national companies. Entrepreneurs sometimes have a direct interest in this organisation of capitalism, for the surest way to bolster profits, at least in the short term, is to shield one's company from competition via state aid, high tariffs, monopolies, and cartels. Companies often prefer to strike agreements that stifle competition, thereby securing high and stable prices. While some entrepreneurs have accumulated wealth through open competition, others have done it through close and mutually dependent interrelations with members of their own family, diaspora, or nation, or through specific protections granted by political authorities.

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

The notion of *community* resonates with the contemporary debate surrounding the resurgence of protectionism, which is sometimes referred to as 'geoeconomics', the 'geopolitical turn', the 'weaponisation of capitalism', 'deglobalisation', 'statecraft', the rise of 'homeland economics', or the 'Machiavellian moment'.[12] In the eighteenth century, in his book, *The Wealth of Nations,* Adam Smith described this form of capitalism as 'mercantilism'. Later, the term 'neomercantilist' was coined to describe the economic policies of Japan and China in the late twentieth century.[13] The concept of 'community' used in this book transcends both. Returning to the foundation of such policies, namely the defence of a particular group, the term resonates with the reflections of thinkers such as Max Weber, Albert Hirschman, and Elinor Ostrom, who have approached capitalism through the prism of what this book will call the principle of *community* (see Chapter 1).

The key characteristics of the organisation of capitalism can be captured through the lens of *liberty, solidarity,* and *community*. US monetary policy offers one example (since the trinity works for both European and non-European forms of capitalism). The US pursued an approach firmly rooted in *liberty* after the 1979 Volcker Shock, where it hiked interest rates in order to tame inflation. After the 2007 financial crisis, it briefly adopted an approach emphasising a little bit more *solidarity,* when it injected huge amounts of money into the economy. At the same time, Washington has long pursued a *community*-based approach by regularly weaponising the dollar through international sanctions and extra-territorial action, including massive fines handed over to foreign multinationals.[14] Along the same lines, international relations can be pursued via rules-based liberal internationalism (*liberty*), global programmes for redistribution and environmental protection (*solidarity*), or a purely transactional zero-sum game between inherently rival groups (*community*).

Community capitalism is often paired with *solidarity*, since protectionism and subsidies are frequently justified by the need to save jobs. Yet in many instances, *community* capitalism redistributes wealth (through tariffs and state aid) from the broader population to the lucky few (a small number of well-connected companies), while preserving few jobs and sometimes raising prices. This approach has aptly been described as 'corporate welfare'.[15] Such an approach (*community* without *solidarity*) has been the policy pursued by President Trump (2017–2021, 2025–). His administration has erected trade barriers, cut taxes for the rich, and slashed both social and environmental standards. He has thereby combined *community* capitalism with neoliberalism. An extreme variant of *liberty* capitalism, neoliberalism is defined not only by the promotion of free market rules, but also by direct attacks on the welfare state (see Chapter 1).

The three principles of the trinity are often combined, and frequently overlap. The governance of Western capitalism was largely influenced by *solidarity* and *community* from 1945 to 1980. From the 1980s *liberty* came

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

to the forefront, with the rise of neoliberalism. *Solidarity* capitalism has reinvented itself by expanding to new areas, such as environmental protection and the protection of minorities, while sometimes neglecting more traditional forms, such as the fight against wealth inequality. Since 2016, *community* capitalism has returned with rising protectionist – and even military – tensions.

The power exercised by state authorities differs between the three models. In the *liberty* approach, the state is central to creating a framework for the market, but limits its role to that of a so-called neutral arbiter, allowing entrepreneurs to play a larger role. Of course, market rules are never purely 'neutral', as they are the result of balance of power among regulators, and produce distributional effects.[16] But the overall framework of state intervention is rules-bound. By contrast, in the *solidarity* and *community* approaches, public authorities make discretionary choices explicit, either to protect particularly disadvantaged groups at the expense of the most affluent (*solidarity*), or to favour local actors at the expense of foreign ones (*community*). Trade unions and environmental NGOs play a larger role in *solidarity* capitalism. In *community* capitalism, political authorities organise civil society in such a way as to strengthen the group. Entrepreneurs and trade unions can be influential as well, but generally in more of a national than transnational manner. The shift to *community* capitalism – and notably to more assertive trade, industrial, and military policies – is a challenge for the European Union, as it has often considered itself more of a rules-based organisation than an actor making explicit discriminatory choices.[17]

The Trinity of Capitalism in Europe

To examine how capitalism works, a focus on the EU is illuminating for three reasons. First, since the late 1940s, European integration has created a new kind of hybrid capitalist system from scratch, thereby providing a unique case study. The EU has often been criticised for conflicting reasons, being seen as too neoliberal or over-regulated. European integration has simultaneously generated a radical form of neoliberal capitalism; an ambitious attempt to regulate that capitalism through binding social and environmental rules; and a highly ambitious project to establish a sense of *community* from the top down. These three features have been the subject of intense debate. Is the EU the epitome of a regulated market, following loosely what Keynes envisaged in 1919, or instead a space for absolute, cut-throat competition, as Hayek imagined in 1939?[18] Have Europeans shunned solidarity, or have they built a European welfare state of sorts? Was there ever a genuine and assertive European 'community', or is Europe just a regulated market with a limited sense of self-identity and an imperfect democratic system?[19]

Second, as a relatively transparent international organisation, the EU offers an interesting lens to study how compromises are struck. The Union is

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

relatively transparent in the sense that it is based on open debate, which is often more explicit than in national forums because it involves foreigners who must spell out their ideas more explicitly than they would if addressing a compatriot from the same culture.[20] These debates are also broader than national ones because they involve individuals rooted in very different capitalist traditions, ranging from Scandinavian Social Democracy to German ordoliberalism, from English neoliberalism to French Colbertism. As a result, the options present in Brussels are more diverse than in many other places.

Third, the European Union and its forerunners have been extremely influential in organising capitalism, initially with trade (coal and steel since the 1950s, other goods since the 1960s), somewhat later with regional and environmental policy (in piecemeal fashion from the 1970s), and ultimately with monetary policy and the free movement of people, capital, and services (since the 1990s). The Covid crisis (2020–2021) and the Russo-Ukrainian War (2022–) further broadened the EU's range of intervention. Crucially, however, the EU has not replaced nation states, which have remained the leading source for welfare state funding (health, pensions, schools), and have preserved a monopoly over legitimate violence (police, justice system, military).

European integration represents a new and unique development in contemporary history. Never before have nation states, including some of the world's most powerful, chosen to voluntarily pool their sovereignty in connection with the management of capitalism, involving key areas such as border control and their currencies. Important differences remain among member states about the kind of 'Europe' to which they aspire,[21] but while opinions vary regarding European integration, nobody denies its impact. Even the UK, which applied to join the European Economic Community in 1961 and left in 2020 has remained deeply influenced by the EU. The EU now covers most of the European continent, its trade regulations have global impact, and its experience of regional integration has served as an inspiration for other regional groupings, as well as a symbol of decadent liberal cosmopolitanism for its opponents.[22] In other words, the EU is not perfect, and could ultimately disappear, but it nevertheless provides a useful window into understanding how compromises relating to capitalism can be struck. The EU matters not just for Europeans but for the whole world, an example of how people can (or cannot) organise themselves beyond nation states and empires.

I consider the European Union as a hybrid organisation driven by both nation states and supranational institutions.[23] On the one hand, European member states have voluntarily chosen to engage in European integration to promote their national interest, particularly in economic matters, and have largely retained control over the decision-making process.[24] On the other hand, supranational institutions (the European Commission, Parliament and Court) have played an important role as well. This book will focus on the European Commission, whose leadership has been crucial, especially for

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

policies initially considered as relatively secondary, but that eventually proved crucial.

The interpretive lens of the trinity of capitalism can be combined with an intergovernmental approach (i.e. one based mainly on the power of national governments). For example, British Prime Minister Margaret Thatcher (1979–1990) upheld a vision of the EU that was both intergovernmental and neoliberal. French President Charles de Gaulle (1959–1970) also preferred an intergovernmental model as well, but was more inclined toward *community* capitalism. German Chancellor Willy Brandt (1969–1974) placed more emphasis on *solidarity*, while the Italian politician Altiero Spinelli (1970–1986) was a staunch federalist, as well as a strong supporter of *solidarity* and *community* capitalism.[25]

The Challenges of Community Capitalism

The *liberty, solidarity*, and *community* typology is useful for four further reasons. First, it reveals the very existence of *community* capitalism. It helps deconstruct the discourse of leaders who assert their actions are motivated by a quest for general welfare (under the category of *liberty* or *solidarity*), even though bolstering the *community* remains central to their objectives. Companies rarely acknowledge that they would prefer a cosy cartel rather than free competition. States rarely recognise the regressive effect (when a measure benefits the rich more than the poor) of some state aid to industry or other protectionist measures. *Community* capitalism also sheds light on distributional conflicts. Since expenditure cannot be unlimited, if a public authority spends more to support companies, it must cut other spending, such as social programmes benefiting the poor. 'Corporate welfare' can replace the 'welfare state'. *Community* capitalism has been ubiquitous in Europe (Chapter 5). For example, post-war Germany officially had no industrial policies, but when viewed through the lens of *community,* a discreet but effective German industrial policy is clearly discernible. Some form of *community* capitalism persisted in many countries, even in Thatcher's neoliberal Britain.

Second, the trinity facilitates comparison across time and space. The concept of *community* captures similarities between practices of capitalist governance that have borne different names at different times, from DARPA in the US to regional aid in Germany. The trinity helps underscore how Europeans combined their different national approaches, each based on a peculiar mix of *liberty, solidarity,* and *community*. Since all countries have a different mix, European integration has involved striking the right balance not only between countries, but also between different forms of capitalist governance. Examining the notion of *community* capitalism helps compare different experiences, and to thereby determine the conditions required for the emergence of efficient industrial policy, on both the national and international levels.

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

Third, the trinity helps uncover alternatives that were discussed and considered before ultimately being discarded. By using ideal types, the trinity underscores the fact that there have always been solutions in keeping with *liberty*, *solidarity*, or *community* capitalism, even if they were not considered to be reasonable by the *Zeitgeist* of the period. This allows us to move beyond simplistic political discourses, whether they are based on the 'there is no alternative' argument (promoted by Thatcher), or the populist argument that public policy is always the same (with elites forming a conspiracy against 'the people').[26] It also helps overcome the technocratic approach of certain institutions, which sometimes portray themselves as pragmatic non-political entities, a claim sometimes made by European Commission officials. On the contrary, this volume takes the view that all economic decisions are choices for a certain mix of governance of capitalism. The rise of neoliberalism in the late twentieth century, or the resurgence of protectionism today, is not automatic and inevitable – both grew out of a balance of power among actors, one that the trinity can help elucidate. History provides perspective for the current rise of *community* capitalism, as European institutions have grappled with protectionism in the past, and even promoted it (see Chapters 5, 6, and 10).

Fourth, the concept of *community* capitalism helps explain several surprising political convergences. For example, low-income individuals have sometimes favoured *community* over *solidarity*. Nationalism prevented the emergence of a united pacifist workers' movement in Europe in 1914. Similarly, the declining affiliation of the poor with centre-left parties in the West from the 1980s onward may partly be a consequence of rising identity politics, and a decline of the centre-left's focus on class inequality.[27]

The concept of *community* should not be considered as a negative one. Past crises have often been sparked by imbalance among the trinity, such as an overemphasis on *community* capitalism in the 1930s, or on *liberty* capitalism in the 'high neoliberal' early twenty-first century. On the whole, this book does not argue in favour of a particular balance, other than that the most radical paths should be avoided (see Chapter 1). *Liberty*, *solidarity*, and *community* are goals that leaders pursue in the governance of capitalism, but they are also related to values that are dear to most human beings, the quest for liberty, equality, and identity.[28]

A Cubist Perspective Revealing Alternatives

Cubist painters deconstructed the traditional image by presenting multiple perspectives at the same time. Similarly, albeit in much more modest fashion, this study strives to capture complexity through lenses that are national, supranational (EU institutions), international (international organisations), and transnational (trade unions, environmental NGOs, and employers' organisations).[29] This book places emphasis on social, economic, and environmental

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

issues, all while connecting them to institutional, political, and geopolitical developments. It does not focus on the evolution of ideas relating to capitalism, although their evolutions are taken into account, for they have had a major influence on policies, as stressed by Polanyi.[30] As Keynes remarked in 1936, politicians who claim to be pragmatists are often 'the slaves of some defunct economist'.[31]

To identify the full range of policy choices that were and are available, this book uses the literature, interviews with actors, and original material gathered from archives in eight countries for the period between the 1950s to the 1990s (archives usually become available after a thirty-year embargo). Archives typically provide deeper insights than official discourse, allowing us to partially reconstruct the motivations driving various actors. Without archives, historians are left with the discourses and interviews of decision makers who generally claim to be driven by 'common sense'. Moreover, archives reveal alternatives that were not pursued and that may have disappeared from discourses, the media, and even the memoirs of those who advocated them. They are useful in identifying turning points or 'critical junctures', the moment when decisive choices were made.[32] Nevertheless, it is also important to be aware of the limitations of archives and archival research. Archives are often incomplete, and raise more questions than they answer.[33] I complement them by interviews with key actors, who provide invaluable – albeit often biased – information.

By emphasising the alternatives available to policy makers, this book avoids teleological narratives praising European integration as an inevitable march towards a brighter future.[34] On the contrary, it underscores the many alternatives to the EU that have been seriously considered since 1945 at the national (why cooperate with foreign states if national capitalism is efficient?), European (European organisations such as the OEEC and the Council of Europe predate the European Communities), and international levels (because the UN or the OECD have sometimes appeared to be more effective forums for cooperation). In other circumstances, a greater role could even have been played by postcolonial organisations, such as the British Commonwealth or the short-lived French Community, which covered mainland France and its overseas territories (1958–1960).[35]

States have been central actors in post-war Europe, increasing their influence over the regulation of capitalism in a manner never before seen in peacetime, as is demonstrated by the rising share of government expenditure as a proportion of GDP, and the ever-expanding influence of government policies. Public policies are a major element in the governance of capitalism, alongside others such as the relationship among enterprises, and the role of other non-state actors such as churches, trade unions, NGOs, intellectuals, etc.

This book focuses on the British, French, and German governments because they have been the most influential, and because they represent economic

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

orientations that are often antagonistic, thereby representing the continent's diversity. Italy has often played a lesser role than its size would suggest.[36] Rome has sometimes been a decisive player, for instance during the Milan Council of 1985, but it is first and foremost Italian nationals based in Brussels who have left their mark, including the federalist activist Altiero Spinelli, in addition to the two 'Super Marios' – Commissioner Mario Monti and President of the European Central Bank Mario Draghi. The other large European countries, such as Spain and Poland, were influential in European integration only later on. Smaller states can play an important role as well, but usually in specific circumstances.[37] Hence, the focus remains on Britain, France, and Germany, even if use is made of the secondary literature to capture the most important developments in other states, including countries in Central and Eastern European states which are often neglected.[38]

The Commission of the EC/EU is a fourth player calling for systematic consideration, in light of its seniority – it was created in 1958 – and impact. It has a monopoly over proposing legislation, which it implements in cooperation with national administrations. This book will argue that the Commission can, under certain circumstances and depending on the individuals at its helm, act as a powerful political force in the European integration process.[39]

The study of archives across eight countries also revealed the importance of actors beyond the main four outlined above. The roles of the European Parliament and the Court of Justice are studied in relation to certain debates, especially after they began to expand their presence in the 1970s.[40] Archives from other international organisations that have structured the European continent are explored in specific cases, such as those of the United Nations via the archives of the United Nations Conference on Trade and Development (UNCTAD), the Organisation for Economic Co-operation and Development (OECD), the General Agreement on Tariffs and Trade (GATT), and the International Labour Organization (ILO). Finally, the archives of non-state transnational actors are used to shed light on the balance of power in certain negotiations,[41] especially the European Trade Union Confederation (ETUC), the French trade union CFDT, and the British (CBI) and French (CNPF, later MEDEF) business organisations, with the latter being particularly useful because they compensate for the lack of archives for their Europe-wide counterparts (UNICE, later Business Europe).

I do not consider these actors to be monolithic. Governments are often split between protectionist ministries (agriculture and internal affairs), and others leaning more toward free trade (trade and foreign affairs). A company with a technological edge tends to lobby for more international openness, while an uncompetitive one prefers protectionist measures. Trade unions in export-oriented countries (such as Germany and Sweden) are less protectionist than others. Environmental NGOs prioritise *solidarity*, but to achieve this goal

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

some promote *community* capitalism (such as protectionism), while others call for *liberty* capitalism (with market-based mechanisms).

Bridging the Gap between Capitalism and European Integration Studies

This book bridges the gap between studies on capitalism on the one hand, and studies on European and international organisations on the other. With respect to the former, three strands of the literature on capitalism have contributed to this book.[42] The first of these are the general reflections on the links between capitalism and the socio-economic and political tensions it creates,[43] with special emphasis on studies highlighting globalisation's impact on welfare policies and the social movement.[44] This book contributes to the broader debate on whether it is possible to regulate globalisation, that is, to promote an international governance of *solidarity* capitalism, all while accommodating conflicting forms of *community* capitalism. It provides multiple examples of alternatives that were conceived, considered, and discarded (planning, control of multinationals), and sometimes belatedly adopted in a different guise (carbon tax, European preference). Hence, it also contributes to environmental history, as it provides concrete examples of the opposition between pro-environment and pro-business lobbying, as well as the internal divisions within the business community.[45]

Second, this study is informed by more recent literature devoted to industrial policy, which is more global (or US-based).[46] This book will uncover practices of *community* capitalism that were prevalent throughout Europe, West Germany included, in the form of regional aid and tolerance for certain cartels. It will test the main hypothesis about an efficient industrial policy by exploring various instances of international industrial cooperation, some successful, and others not (Chapter 5).[47]

Third, this book helps bridge the gap between literature on international relations and comparative political economy, notably the 'varieties of capitalism' literature. The latter has developed an important typological approach at the national level, especially in the opposition between 'coordinated market economies' and 'liberal market economies'.[48] Other illuminating studies of international political economy have shed light on recent evolutions in Western capitalism from a comparative national perspective,[49] but rarely in association with European integration.[50] While this questioning of national models is included in this book (Chapter 1), its originality resides in identifying transversal types of capitalist governance (affecting not just public policies but also enterprises, trade unions, and NGOs) that simultaneously concern national, European, and international actors.[51] It links purely economic developments with social, environmental, and geopolitical ones.

This book also contributes to the literature on European integration and international organisations, doing so in three ways.[52] First, it will show why

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

the European Union prevailed compared to other international organisations,[53] and sometimes in association with them.[54] This book will examine why many public policies were 'Europeanised', despite the fact that the actors involved considered and sometimes preferred other forums for cooperation.[55] For example, it will show that trade unions became interested in European institutions in the late 1970s when they understood that the European Communities could provide more effective constraints on multinationals than the UN, the ILO, or the OECD (Chapter 4). It will also explain the convergence of actors towards the Single Market Programme in the mid-1980s (Chapter 3), as well as the later reinforcement of the eurozone (Chapters 8 and 9) after the failure of national and international alternatives. Conversely, it will take into account failures (such as in energy and defence), especially those that led to the risk of disintegration (during the eurozone crisis).

Second, the book will also contribute to an understanding of how European integration actually works by merging national, supranational, and transnational approaches.[56] It will include both the perspective of those that consider nation states to be the main actors,[57] and those that emphasise transnational and supranational actors (such as the Commission, the Court of Justice, and the Parliament).[58]

It will argue that the balance of power within European institutions varies, as it is predicated on legal elements (which differ according to time and place), administrative resources, the context, and the character of leaders. Commissioners such as Etienne Davignon of Belgium, Jacques Delors of France, and Margrethe Vestager of Denmark have had a greater influence than their predecessors due to their greater assertiveness and effectiveness. The same logic applies to national leaders of course, but what is already well-known at the national level must be applied to the European level as well.

Third, while many social scientists consider the European Union to be a neoliberal behemoth,[59] this book recognises the neoliberal tendencies of European integration in certain fields – for example exploring the often neglected importance of competition policy in Europe's neoliberalisation (Chapter 8) – while demonstrating the diversity of European capitalism.[60] To this end, it will apply global histories of neoliberal ideas to actual European public policies.[61] Neoliberal markets are not the same as those governed by a moderate form of *liberty* capitalism.

This book shows the complex interplay of non-state actors in European integration, by drawing a more nuanced picture than the binary opposition between neoliberal companies and anti-market socio-environmental actors. The last decade witnessed an important rise in historical studies focusing on non-state actors within European integration, doing so despite the many difficulties faced by researchers struggling to access company records.[62] This book provides concrete examples of how enterprises have interacted with European integration sometimes by defending cartelisation, by lobbying for

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002

favourable legislation, and by fostering mixed feelings about European industrial policy.[63] Business actors were not always aligned with each other, notably with respect to environmental regulation, which could represent costly constraints for some, but business opportunities for others. On the whole, I will emphasise the diversity of the business community, following Bastian van Apeldoorn's pioneering study, where he distinguishes between 'neo-mercantilist' and 'neoliberal' business leaders.[64] Similarly, the book will provide examples to show the challenge of mobilising non-state social and environmental actors such as trade unions and NGOs, both for practical (lack of resources) and ideological reasons (strong internal divisions: see Chapter 4).[65]

Book Outline

This book traces the development of this trinity of *liberty, solidarity*, and *community* capitalism in Europe between 1945 and 2025, doing so in three main sections. The first lays the groundwork by presenting the trinity of capitalist governance (Chapter 1), and by examining the distinctiveness of European institutions (Chapter 2).

The second focuses on the Cold War period (1948–1992), marked by the importance of building a common market based on *liberty* capitalism (Chapter 3). It will clearly distinguish between the dynamism of social policy designed to accompany the market – visible in fields such as regional solidarity, gender equality, and environmental protection – and the failure of more disruptive projects, such as the harmonisation of social legislation, planning, and the democratisation of companies (Chapter 4). C*ommunity* capitalism also affected European integration: internally with various attempts to establish European industrial and defence policies (Chapter 5), and externally with a willingness to promote an alternative to the neoliberal globalisation process (Chapter 6). Following the economic crises of the 1970s, the return of the market was reflected in neoliberal tendencies, which were not hegemonic, especially with the creation of a monetary union (Chapter 7).

A final section reviews developments over the last three decades. Here once again, a distinction is made between liberal and neoliberal trends in monetary, trade, and competition policies (Chapter 8), attempts to regulate globalisation in a more social and environmentally friendly manner (Chapter 9), and the more recent challenge (since 2016) of building Europe as a strong and assertive community within a more protectionist and nationalistic world (Chapter 10).

The conclusion proposes a new chronology of post-war European capitalism in four phases. It establishes the conditions required for changes to the European governance of capitalism. Finally, it will feature the alternatives available both in the past and the present.

Downloaded from https://www.cambridge.org/core. UNIVERSIDAD AUTONOMA METROPOLITANA, on 11 Nov 2026 at 14:25:15, subject to the Cambridge Core terms of use, available at https://www.cambridge.org/core/terms. https://doi.org/10.1017/9781009682633.002