

ARTICLE

Revisiting Ordoliberal Influence in the Process of Early European Integration

Pavlos Roufos 

Department für Philosophie, Fakultät für Wirtschaft und Gesellschaft, Politik und Ökonomik, Witten-Herdecke University, Witten, Germany

Email: pavlosroufos@gmail.com

This paper aims at a re-appraisal of the relationship between ordoliberalism and early European integration. This will be pursued through a reconceptualisation of the ordoliberal framework – with an emphasis on correcting its misperception as an exclusively German tradition and its re-constitution within a transnational *neoliberal* framework. Moving beyond nation-centric historiography and building on research of transnational epistemic communities, this paper will examine the role of the neoliberal framework as a mutually shared approach towards markets and regulatory institutions that animated key architects of European integration. Those responsible for designing integration did not meet and negotiate as representatives of particular national interests or nationally distinct political economies. They shared common perspectives and goals framed within a specific liberal orientation with particular views about the economy, the state and the legal/institutional framework necessary for embedding the market orientation of European integration, best captured by the transnational neoliberal framework.

Introduction

European integration historiography was inaugurated by Ernst B. Haas,¹ followed by the work of Walter Lipgens,² both of whom emphasised shared ideas across borders and the portrayal of integration as a peace project moving beyond the nation-state. Haas had focused on how international cooperation and regional integration take place when societal actors decide ‘to rely on the supranational institutions rather than their own governments,’³ while Lipgens, through his admiration of wartime resistance movements and supranationalism, concluded that integration was ‘the most successful peace movement.’⁴ However, as Kaiser notes, their belief in supranational institutionalisation stemmed from a ‘normative overdrive’ with limited empirical grounding.⁵ When the ‘empty

¹Ernst B. Haas, *The Uniting of Europe: Political, Social and Economic Forces 1950–1957* (Notre Dame, IN: University of Notre Dame Press, 1958).

²Walter Lipgens, *A History of European Integration*, vol. I: 1945–1947, *The Formation of the European Unity Movement* (Oxford: Clarendon Press, 1982); Walter Lipgens, ‘Der Zusammenschluß Westeuropas. Leitlinien für den historischen Unterricht’, *Geschichte in Wissenschaft und Unterricht* 34 (1983): 345–372; Walter Lipgens and Wilfried Loth, eds., *Documents on the History of European Integration*, vol. 3: *The Struggle for European Union by Political Parties and Pressure Groups in Western European Countries 1945–1950* (Berlin: Walter de Gruyter, 1988).

³Haas, *Uniting*, xiv.

⁴Lipgens, *Der Zusammenschluß*, 346.

⁵Wolfram Kaiser, Brigitte Leucht and Morten Rasmussen, eds., *The History of the European Union: Origins of a Trans- and Supranational Polity 1950–1972* (New York: Routledge, 2009), 19.

chair' crisis unfolded in 1965,⁶ their optimism was radically challenged, eventually compelling Haas to revise his stance.⁷

In the immediate aftermath of the 'empty chair' crisis, critics directly challenged Haas's and Lipgens's 'neo-functional' perspective. Hoffmann declared that 'the nation-state is still here',⁸ asserting that integration had stalled due to divergent national interests preventing supranational consensus.⁹ Hoffmann's account was focused primarily on differing European geopolitical positions relative to the United States, but Alan S. Milward adopted a similarly intergovernmental approach to argue that integration had, in fact, *strengthened* the nation-state. Portraying integration as a means for post-war governments to consolidate domestic economic recovery and the social-political compromises that accompanied it,¹⁰ he rejected Lipgens's emphasis on federalist resistance groups, asserting instead the pursuit of 'national strategies' as a means of using integration to restore the legitimacy of weakened nation-states.¹¹

This intergovernmental perspective was extended by Andrew Moravcsik, Hoffmann's student, who explained European integration through 'state preferences, interstate bargaining and institutional choice'. Highlighting 'commercial advantage, relative bargaining power, and the credibility of commitments',¹² Moravcsik placed powerful economic producers' interests at the centre, with broader welfare concerns as secondary. Like Milward, he rejected neo-functionalism's portrayal of integration as a technocratic, path-dependent process led by supranational experts,¹³ depicting international cooperation as a process shaped by national self-interest and strategic negotiation. Crucially, Hoffmann, Milward and Moravcsik excluded supranational epistemic communities and cross-border advocacy networks from the integration narrative, emphasising instead national differences and intergovernmental compromises in the strategic pursuit of national interests within a changing global context.

Since the 2000s, scholars have challenged these 'realist' accounts by refocusing on transnational epistemic communities and advocacy coalitions, this time supported by more robust empirical sources.¹⁴ Utilising multidisciplinary tools and extensive archives, these scholars emphasised transnational networks, cross-border elite socialisation, informal political coalitions and the interplay of ideational and material factors as co-determinants of the European project. Moving beyond neo-functionalists' focus on resistance movements and political parties, this body of literature gave weight

⁶In late 1964 to early 1965, the European Commission tried to take advantage of an upcoming proposal related to the Common Agricultural Policy (CAP) by linking its vote to further institutional developments – such as giving more power to the European Parliament and the Commission by legislating an independent source of income and increasing the possibility of majority (in contrast to unanimous) decision-making at the European Council. De Gaulle rejected this attempt and withdrew the French permanent representative from Brussels, leaving the chair 'empty' for six months. See Katja Seidel, 'From the Early Common Market to the Crises of the 1960s, 1958–1968', in *Reinventing Europe: The History of the European Union, 1945 to the Present*, ed. Brigitte Leucht, Katja Seidel and Laurent Warlouzet (London: Bloomsbury Academic, 2023), 41–2.

⁷Ernst B. Haas, *The Obsolescence of Regional Integration* (Berkeley: University of California Press, 1976).

⁸Stanley Hoffmann, 'Obstinate or Obsolete? The Fate of the Nation-State and the Case of Western Europe', *Daedalus* 95, no. 3 (1966): 863.

⁹Hoffmann, 'Obstinate', 867.

¹⁰Alan S. Milward, *The European Rescue of the Nation-State* (London: Routledge, 1992).

¹¹Alan S. Milward, *The Rise and the Fall of a National Strategy 1945–1963 (The United Kingdom and the European Community, Vol. 1)* (London: Frank Cass, 2002), 6. Milward, *European Rescue*, 4–5.

¹²Andrew Moravcsik, *The Choice for Europe: Social Purpose & State Power from Messina to Maastricht* (Ithaca, NY: Cornell University Press, 1998), 2–3.

¹³Moravcsik, *Choice*, 4–5.

¹⁴Wolfram Kaiser, *Christian Democracy and the Origins of European Union* (Cambridge: Cambridge University Press, 2007); Kaiser et al., *History of the European Union*; Katja Seidel, 'DG IV and the Origins of a Supranational Competition Policy: Establishing an Economic Constitution in Europe', in *History of the European Union: Origins of a Trans- and Supranational Polity 1950–1972*, ed. Wolfram Kaiser, Brigitte Leucht and Morten Rasmussen (New York: Routledge, 2009), 129–47; Brigitte Leucht, 'Transatlantic Policy Networks in the Creation of the First European Anti-Trust Law: Mediating between American Anti-Trust and German Ordo-Liberalism', in *History of the European Union: Origins of a Trans- and Supranational Polity 1950–1972*, ed. Wolfram Kaiser, Brigitte Leucht and Morten Rasmussen (New York: Routledge, 2009), 56–73.

to the transnational links between Christian Democrats and societal actors like agricultural interest groups, law associations, policy networks and business groups.¹⁵

A driving force of this critical approach related to the realists' portrayal of nation-states as homogenous entities with fixed political economy models primarily expressed through their foreign ministries. Following Haas's point that 'there is no fixed and knowable national interest',¹⁶ Kaiser would quip that in realist accounts 'actors like "France" sometimes appear capable of "thinking" and "feeling"'.¹⁷ A consequence of such an approach is still visible in the contemporary tendency to portray nation-states as distinct macroeconomic paradigms – such as 'French *dirigisme*' and 'German ordoliberalism'.¹⁸ Quite paradoxically, while the realist approach was meant to place national strategies and domestic considerations at the forefront, it ended up obscuring the complexity and conflictual structure of the national/domestic terrain by homogenising nation-states. In the process, the way in which European integration was strategically utilised to *overcome* social and political gridlocks of the national terrain via supranational channels got lost.¹⁹

If realist perspectives promoted a vision of integration structured around intergovernmental compromise between distinct national economies, research on epistemic communities and advocacy coalitions has nonetheless tended to overlook the transnationally *shared economic liberalism* that invigorated the process of integration. Building and expanding on the latter's useful methodological perspective and critique of realist accounts, this paper aims at highlighting this shared *liberalism* (or, more precisely, the shared *neoliberal* framework) of the architects of European integration. In doing so, the paper not only contributes to the epistemic communities' and advocacy coalitions' literature by offering an analysis of shared ideational motivations between transnational actors but also corrects previous attempts to establish a link between ordoliberalism and European integration that, by reducing ordoliberalism to a specifically German tradition, have inevitably identified ordoliberal influence in the European project as an extension of *German* influence – whether in the specific policy area of competition²⁰ or as an explanatory tool for Eurozone crisis management.²¹

¹⁵Kaiser, *Christian Democracy*; Wolfram Kaiser and J-K. Meyer, *Societal Actors in European Integration: Policy-Building and Policymaking 1958–1992* (London: Palgrave Macmillan, 2013); Catrine Germond, 'Preventing Reform: Farm Interest Groups and the Common Agricultural Policy', in *Societal Actors in European Integration: Policy-Building and Policymaking 1958–1992*, ed. Wolfram Kaiser and J-K. Meyer (London: Palgrave Macmillan, 2013), 106–28; Morten Rasmussen, 'Establishing a Constitutional Practice: The Role of the European Law Associations', in *Societal Actors in European Integration: Policy-Building and Policymaking 1958–1992*, ed. Wolfram Kaiser and J-K. Meyer (London: Palgrave Macmillan, 2013), 173–98; Sigfrido M. Ramírez Perez, 'Transnational Business Networks Propagating EC Industrial Policy: The Role of the Committee of Common Market Automobile Constructors', in *History of the European Union: Origins of a Trans- and Supranational Polity 1950–1972*, ed. Wolfram Kaiser, Brigitte Leucht and Morten Rasmussen (New York: Routledge, 2009), 74–92.

¹⁶Haas, *Uniting*, xiv.

¹⁷Kaiser, *Christian Democracy*, 8.

¹⁸Laurent Warloutet, 'The EEC/EU as an Evolving Compromise between French *Dirigisme* and German Ordoliberalism 1957–1995', *Journal of Common Market Studies* 57, no. 1 (2019): 77–93.

¹⁹For example, as Denord notes, 'one of the principal consequences of France's integration into the common market was to have triggered the decline of planning and public management [. . .] Competition policy fettered state intervention, as much in terms of giving assistance to companies as in making industrial choices'. Francois Denord, 'The Long Road of French Neoliberalism', in *Postwar Conservatism, A Transnational Investigation*, ed. Clarisse Berthezène and Jean-Christian Vinel (Palgrave Macmillan, London, 2017), 91. For a contemporaneous account of the effects of integration on French planning, see Bela Balassa, 'Whither French Planning?', *The Quarterly Journal of Economics* 79, no. 4 (Nov. 1965): 537–554.

²⁰John Gillingham, *European Integration 1950–2003: Superstate or New Market Economy* (Cambridge: Cambridge University Press, 2003); Hannah Buxbaum, 'German Legal Culture and the Globalization of Competition Law: A Historical Perspective on the Expansion of Private Antitrust Enforcement', *Berkeley Journal of International Law* 474, no. 23 (2005): 474–495; Nicola Giocoli, 'Competition vs. Property Rights: American Antitrust Law, the Freiburg School and the Early Years of European Competition Policy', *Journal of Competition Law and Economics* 5, no. 4 (2009): 747–786; Conor Talbot, 'Ordoliberalism and Balancing Competition Goals in the Development of the European Union', *The Antitrust Bulletin* 61, no. 2 (2016): 264–289.

²¹Sebastian Dullien and Ulrike Guérot, 'The Long Shadow of Ordoliberalism: Germany's Approach to the Euro Crisis', European Council on Foreign Relations, Policy Brief (2012); Mark Blyth, *Austerity: History of a Dangerous Idea* (Oxford:

While *German* neoliberals played a significant role in the process of integration, this paper argues that it was their failure to fully advance their framework *within* West Germany that prompted them to seek transnational allies to institutionalise their framework at the supranational level. Yet, if this attempt had any success, it was not due to German hegemony but because the neoliberal framework *already* animated the views and beliefs of key integration architects across countries.

To structure this argument, this paper begins by tracing the historical development of neoliberalism from its inter-war origins with an emphasis on its transnational character. The misleading ‘Germanisation’ of neoliberalism as ‘ordoliberalism’ is shown to be the consequence of contingent post-war circumstances that do not justify its reduction to a German tradition. From this perspective, European integration is seen as having played a key role in reviving neoliberalism’s transnational character by bringing together cross-border proponents of specific views on markets, the state, the law and economic orders, allowing them to operationalise their perspectives with more success than at the national level. Underlying the argument of this paper is the conviction that while the post-war liberal embedded order could accommodate planning, fiscal-monetary coordination, industrial strategies, welfare expansion or demand-led expansionary policies at a *national* level, such features were either absent or very weak at the *supranational* level. Already in the period of early integration (from the ECSC to the EEC) and in contrast to what was taking place at the national terrain, the European project was structured around market-oriented framework-building and path dependency perspectives, not planning visions or direct interventions in the economy. There never was a European-wide planning agency, nor supranational welfare provisions. It is the aim of this paper to show that this was not merely because it was ‘easier to empower EEC institutions with a regulatory role, rather than with a redistributive one’ or because ‘creating a European-wide planning agency or an EEC industrial policy would create massive distributive problems’, as Warlouzet has argued,²² but because the shared *neoliberal* perspective of integrations’ key architects was antithetical to such macroeconomic outlooks.

This is not to imply that the neoliberal framework was the sole driving force of integration or that it was fully successful. As we shall see, its operationalisation also encountered obstacles even at a supranational level – some of them driven by national actors who occasionally constructed their own transnational coalitions to obstruct specific neoliberal perspectives (as in the case of large steel industries that fought against the implementation of the ECSC’s anti-cartel provisions). For this reason, and despite the visions and efforts of various transnational networks, ‘understanding the domestic socio-economic and political dynamics that shape national European policies remains essential.’²³ This paper aims, however, at highlighting and contextualising the widely accepted (yet under-explored) market-liberal orientation of early European integration by analysing the *type* of liberal framework it embodied. Drawing from primary sources, archival evidence and secondary literature, the intention is to show that key elements of early integration – such as the unique institutional embedding of economic liberalism, the attempts to construct a legal/regulatory order that insulates policy from private economic power and democratic interference and the centrality of competition policy – are remarkably concomitant with the neoliberal framework as it was developed since the 1930s.

The structure of the paper is as follows: first, a reconceptualisation of ordoliberalism will challenge its widespread portrayal as a purely German tradition and situate it as embedded within the transnationally developed framework known as *neoliberalism*. Second, the analysis will connect the foundational visions of European integration with the neoliberal framework, an affinity further underlined through the examples of European competition policy and a contextualisation of debates around planning. The conclusion will reflect on the implications of this argument and outline avenues for future research.

Oxford University Press, 2013); Peter Nedergaard and Holly Snaith, “As I Drifted on a River I Could Not Control”: The Unintended Ordoliberal Consequences of the Eurozone Crisis’, *Journal of Common Market Studies* 53, no. 5 (2015): 1094–1109.

²² Warlouzet, *Evolving Compromise*, 90.

²³ Kaiser et al., *History of the European Union*, 5.

Part One: Reconceptualising Ordoliberalism

What has become known as the ‘ordoliberal framework’ emerged as a liberal tendency developed by a *transnational* group of thinkers during the inter-war period in response to the liberal order’s international disintegration. Until at least the late 1950s, those who had developed and shared this perspective would self-describe as *neoliberals*. The term denoted their departure from what they pejoratively labelled ‘paleo-liberalism’ – identified as a call to return to pre-1914 *laissez-faire* liberalism²⁴ – and was adopted as a self-description by most participants of the 1938 Walter Lippmann Colloquium in Paris, where Lippmann’s recently translated *The Good Society* was praised. As organiser Louis Rougier noted, Lippmann’s book was pivotal in establishing that ‘the market economy was not, as certain classical economists believed, the spontaneous result of a natural order, but the result of a legal order in which the intervention of the state was a precondition.’²⁵

Neoliberals believed that a call to return to the pre-1914 predicament was misplaced. The ‘golden years’ of the previous order had not only been irreversibly torn apart by historical developments but some of its elements were also seen as partly responsible for the eventual disintegration.²⁶ The Great Depression had shattered the belief in capitalism’s natural equilibrium,²⁷ prompting the need for (limited) state intervention – acting not against, but rather ‘in the direction of the laws of the market.’²⁸ As Lippmann had argued, it was legal and institutional structures – not *nature* – that created markets and competition.²⁹

The proliferation of monopolies and cartels had also challenged the concept of perfect competition, revealing inherent tendencies towards market distortions.³⁰ Consequently, targeted state regulation of competition policy was required – not as a means of directly managing the economy, but in order to construct a legal framework that protects markets from their own destructive tendencies.³¹ These distortions were reflected in the excessive concentration of *private economic power*, a neoliberal concept that referred to both monopolies and organised labour.³² In contrast to ‘paleo-liberals’ like von Mises, who saw cartelisation as the consequence of an interventionist state,³³ neoliberals viewed them as intrinsic to markets, yet incompatible with the liberal competitive order.

²⁴Alexander Rüstow, ‘Wirtschaft als Dienerin der Menschlichkeit’, in *Was wichtiger ist als Wirtschaft*, Vorträge auf der fünfzehnten Tagung der Aktionsgemeinschaft Soziale Marktwirtschaft am 29. Juni 1960 in Bad Godesberg, ASM Protokoll No. 15; Josef Hien and Christian Joerges, eds., *Ordoliberalism, Law and the Rule of Economics* (Oxford: Hart Publishing, 2017), 5; William Callison, ‘Ordoliberalism’s Trans-Atlantic (Un)Intelligibility: From Friedman and Eucken to Geithner and Schäuble’, in *Ordoliberalism, Law and the Rule of Economics*, ed. Josef Hien and Christian Joerges (Oxford: Hart Publishing, 2017), 55.

²⁵Louis Rougier, ‘Le libéralisme économique et politique. Les essais 1–2’, Special issue on *Tendances modernes du libéralisme économique* 24, no. 48 (1961): 37–75, cited in Jurgen Reinhoudt and Serge Audier, eds., *The Walter Lippmann Colloquium: The Birth of Neoliberalism* (London: Palgrave Macmillan, 2018), 7.

²⁶Wilhelm Röpke, *Against the Tide* (Chicago: Henry Regnery, [1933] 1969).

²⁷Wilhelm Röpke, *Crises and Cycles* (London: William Hodge & Company, 1932), 195; Alexander Rüstow, ‘Freie Wirtschaft – Starker Staat. Die staatspolitischen Voraussetzungen des wirtschaftspolitischen Liberalismus’ [1932], in *Rede und Antwort*, by Alexander Rüstow (Ludwigsburg: Martin Hoch 1963), 64.

²⁸Rüstow, ‘Freie Wirtschaft’.

²⁹Denord, ‘The Long Road’, 83.

³⁰Luigi Einaudi, ‘Lezioni sul mercato’ (‘Lessons on the Market’) [first published as ‘Che cos’è un mercato’, Locarno: Tip. Flli Molè, 1944], in Luca Einaudi, Riccardo Faucci and Roberto Marchionatti, eds., *Luigi Einaudi: Selected Economic Essays* (London: Palgrave Macmillan, 2006), 53ff.

³¹Rüstow, ‘Freie Wirtschaft’; Luigi Einaudi, ‘Dei diversi significati del concetto di liberismo economico e dei suoi rapporti con quello di liberalismo’, in *Liberismo e liberalismo*, ed. B. Croce and L. Einaudi (Milan: Ricciardi editore, 1957), 124–5.

³²Walter Eucken, ‘Staatliche Strukturwandlungen und die Krisis des Kapitalismus’, *Weltwirtschaftliches Archiv* 36 (1932): 297–321; Rüstow, ‘Freie Wirtschaft’; Wilhelm Röpke, *Civitas Humana [A Humane Order of Society]* (London: Cyril Spencer Fox, William Hodge and Co., 1948), 93.

³³Ludwig Von Mises, ‘Is the Decline of Liberalism Due to Endogenous Causes? Morning Session of Saturday, August 27th 1938’, in *The Walter Lippmann Colloquium: The Birth of Neoliberalism*, ed. Jurgen Reinhoudt and Serge Audier (London: Palgrave Macmillan, 2018), 119.

Neoliberals strongly distinguished their approach from central planning.³⁴ As Röpke would explain in 1942, '[we] refuse to be presented with the choice between *laissez-faire* and planned economy as the only alternatives. There are not two, but three possibilities, namely: *laissez-faire*, compatible state intervention and incompatible state intervention (planned economy).'³⁵ Against the pre-1914 'minimal state,' neoliberals advocated a *strong state* as 'the political form of the free economy.'³⁶ In tandem with Carl Schmitt's rejection of the 'total state,' which tries to appease all and gets torn apart, the neoliberal state has the strength to resist the *particularism of private economic power*, inherent market-distorting forces and the influence of mass democracy and class struggle.³⁷

For neoliberals, pluralist parliamentary democracy was symptomatic of a destructive mass society.³⁸ It brought 'the peoples and their passions, the interest groups and [the] chaotic forces of the masses'³⁹ into governance and threatened market stability, public finance and the sanctity of the value of money by subjecting the rule of law to mass democratic demands.⁴⁰ A strong state, on the other hand, can create a new economic order by allowing 'depoliticised' economic and legal experts to construct an 'economic constitution'⁴¹ – the 'comprehensive decision about the order of the economic life of a community'⁴² – that can safeguard the capitalist order from both *private economic power* and the 'excesses' of the democratic process.

The 'Germanisation' of the Ordoliberal Framework

The term 'ordoliberalism' was coined in 1950 by Hero Moeller, a colleague of Walter Eucken.⁴³ Though later adopted by Lutz, Böhm and Meyer in the editorial of *Ordo's* twelfth issue (1962), it was not intended to mark a distinctly *German* variant of neoliberalism.⁴⁴ Instead, it distinguished their framework from what they saw as a hijacking of the concept of neoliberalism by 'paleo-liberals',⁴⁵ a conflict

³⁴ As Rueff would write in 1964, planning '[. . .] aimed, through rationing, to match supply to demand in each market; it wanted to maximise production volume and utility through the organisation of production; finally, it endeavoured, through extremely strict sanctions, to enforce the laws and regulations it had enacted. And yet the price mechanism achieved in a matter of hours what planning – even with unprecedented means of execution – had failed to achieve in several years'. Jacques Rueff, *L'Âge de l'Inflation* (Paris: Payot, 1964). See also Christopher S. Chivvis, *The Monetary Conservative: Jacques Rueff and Twentieth-Century Free Market Thought* (DeKalb, Illinois: Northern Illinois University Press, 2010), 88.

³⁵ Wilhelm Röpke, *International Economic Disintegration* (Philadelphia: Porcupine Press [1942] 1978), 163.

³⁶ Werner Bonefeld, 'Adam Smith and Ordoliberalism: On the Political Form of Market Liberty', *Review of International Studies* 39, no. 2 (2013): 779.

³⁷ Rüstow, 'Freie Wirtschaft'; Eucken, 'Staatliche', 318; Franz Böhm, *Wettbewerb und Monopolkampf* (Baden-Baden: Nomos [1933] 2010), xii.

³⁸ Ralf Ptak, *Vom Ordoliberalismus zur Sozialen Marktwirtschaft* (Wiesbaden: VS Verlag für Sozialwissenschaften, 2004), 25 f.

³⁹ Eucken, 'Staatliche', 311–12.

⁴⁰ Werner Bonefeld, 'Authoritarian Liberalism: From Schmitt via Ordoliberalism to the Euro', *Critical Sociology* 43, no. 4–5 (2016): 9.

⁴¹ Franz Böhm, Walter Eucken and Hans Großmann-Doerth, 'Unsere Aufgabe' [Our Task / The Ordo Manifesto of 1936], in *Germany's Social Market Economy: Origins and Evolution*, ed. Alan Peacock and Hans Willgerodt (London: Palgrave Macmillan, 1989): 15–26.

⁴² Walter Eucken, *Grundsätze der Wirtschaftspolitik* (Tübingen: Mohr Siebeck, 1950), 52.

⁴³ Hero Moeller, 'Liberalismus', *Jahrbücher für Nationalökonomie und Statistik/Journal of Economics and Statistics* 162, no. 1 (1950): 214–240.

⁴⁴ Arne I.A. Käthner, *German Neoliberalism from 1924 to 1963: The Semantic Counter-Revolution of Transnational Elite Networks* (London: Palgrave Macmillan, 2024), 11.

⁴⁵ Alexander Rüstow, for example, would claim in 1960 that 'contemporary representatives of paleoliberalism call themselves neoliberal, although *our neoliberalism* arose precisely in contrast to . . . paleoliberalism'. Rüstow, 'Wirtschaft als Dienerin', 7–8 (my emphasis). A year before, at a conference of the *Aktionsgemeinschaft Sozialmarktwirtschaft*, he also complained that the 'self-identification of 'intransigent old-liberals' as neoliberals [. . .] would cause great confusion'. Käthner, *German Neoliberalism*, 334. Another early account of German neoliberal positions explained that many of the figures included in its study 'have objected to the term "neoliberal", believing that it does not sufficiently distinguish them from advocates of *laissez-faire*'. Henry M. Oliver, 'German Neoliberalism', *Quarterly Journal of Economics* 74, no. 1 (Feb. 1960), 117 f. Thinkers

that signified a conceptual (rather than a national) divide. *Ordoliberalism* (i.e., *neoliberalism*) continued to be characterised by the promotion of an expert-led ‘economic order’ structured around a legal/regulatory strong state and institutionally insulated from majoritarian processes and private economic power.

Linguistic transformations aside, the rebranding of the transnationally developed framework of neoliberalism as a distinctly German ordoliberalism emerged as a consequence of historically contingent circumstances. In contrast to other European countries where neoliberals had either tarnished their reputations by collaborating with authoritarian/fascist regimes⁴⁶ or were restrained by post-war left/right coalitions, West Germany was the only country where a large number of neoliberals found themselves in positions of power and direct influence in the immediate aftermath of the Second World War.⁴⁷

West Germany was at the time under the direct occupation of the Office of the Military Government of the United States (OMGUS), which, under the control of the State Department, remained a bastion of economic orthodoxy.⁴⁸ Overseeing post-war economic reconstruction after the abandonment of the Morgenthau Plan to transform West Germany into a ‘pastoral land’, OMGUS chief Lucius Clay and his personal appointee Joseph Dodge promoted a market-oriented reconstruction project against central planning.⁴⁹ Due to the influence of the United States’ long history of anti-cartel/anti-monopoly legislation⁵⁰ and the identification of industrial concentration as one of

of a ‘paleo-liberal’ orientation in the United States had somewhat similar objections prompted by the conflation of the term ‘liberal’ with left/progressive perspectives, urging them to adopt the term ‘libertarian’. Denord, ‘The Long Road’, 88.

⁴⁶Louis Rougier proudly collaborated with the Vichy regime, praised Marshal Petain and associated himself with far-right circles. Kenneth Dyson, *Conservative Liberalism, Ordoliberalism and the State* (Oxford: Oxford University Press, 2021), xxxii; 32; 41. François Denord, ‘French Neoliberalism and Its Divisions: From the Colloque Walter Lippmann to the Fifth Republic’, in *The Road from Mont Pèlerin: The Making of the Neoliberal Thought Collective*, ed. Philip Mirowski and Plehwe Dieter (Cambridge: Harvard University Press, 2009), 53, 56. Despite his later portrayal as Italy’s most authentic ambassador of liberalism, Einaudi had fully supported Mussolini’s fascist authoritarianism, praising its ‘rigorous discipline of military nature, the suppression of strikes and workers upheavals’. Clara E. Mattei, *The Capital Order: How Economists Invented Austerity and Paved the Way for Fascism* (Chicago: University of Chicago Press, 2022), 210–36; Luigi Einaudi, ‘La condotta economica e gli effetti sociali della guerra italiana’, in *Opera Omnia di Luigi Einaudi*, ed. Bari Laterza (New Haven, CT: Yale University Press, [1933] 2018), 105. Reinhardt Kamitz, an Austrian economist who shared neoliberal perspectives on cartels, trade unions, inflation, planning and protectionism, had associated himself with the Nazi party after the 1938 annexation. Dyson, *Conservative Liberalism*, 40.

⁴⁷As the paper argues, elements of neoliberal thinking were also present in other European countries at the time, as for example argued by Evrard Zoé in ‘Redeploying Planning in Support of a New Neoliberal Consensus: On the Mediating Role of Economic Expertise in the Belgian Negotiated Neoliberalization Process’ (PhD diss., Institut d’études politiques de Paris, Ecole Doctorale de Sciences Po, 2025). The key difference was that it was only in West Germany, where central figures of the neoliberal framework as developed in international networks and collaborations (such as the Walter Lippmann Colloquium or the Mont Pèlerin Society) held important positions of power (as, for example, Erhard in various governmental and ministerial posts), policy-making (as the example of Franz Böhm and his drafting of the West German Anti-Cartel Law), European integration (as in the case of Alfred Müller-Armack) and other key advisory structures and committees (as in the cases of Eucken, Leonhard Miksch and Otto Veit) related to the currency reform, the inauguration of the *Bank deutsche Länder* and the subsequent creation of the Bundesbank.

⁴⁸Christopher S. Allen, ‘The Under-Development of Keynesianism in the Federal Republic of Germany’, in *The Political Power of Economic Ideas: Keynesianism Across Countries*, ed. Peter Hall (Princeton, NJ: Princeton University Press, 1989); Uwe Fuhrmann, *Die Entstehung der ‘Sozialen Marktwirtschaft’ 1948/1949* (Konstanz: UVK Verlagsgesellschaft, 2017); Pavlos Roufos, *Ordoliberalism and the Making of the Economic Constitution: State, Law, and Money in the Market Economy* (PhD diss., Kassel Universität, 2022).

⁴⁹According to Mehrling, ‘by October 1945 Clay had managed to outmanoeuvre Bernstein and his men [known as ‘Morgenthau boys’], and to install his friend Joseph Dodge as his chief financial advisor’. Perry Mehrling, *Money and Empire: Charles P. Kindleberger and the Dollar System* (Cambridge: Cambridge University Press, 2022), 85. Dodge was a fiscal conservative banker and a fierce supporter of free markets and balanced budgets. See also James D. Savage, ‘The Origins of Budgetary Preferences: The Dodge Line and the Balanced Budget Norm in Japan’, *Administration & Society* 34, no. 3 (July 2002): 261–284.

⁵⁰Michelle Cini and Lee McGowan, *Competition Policy in the European Union* (New York: St. Martin’s Press, 1998), 6–7; Angela Wigger, *Competition for Competitiveness: The Politics of the Transformation of the EU Competition Regime* (PhD diss., Vrije Universiteit Amsterdam, Rozenberg Publishers, 2008), 74–101.

the causes of Nazism, de-cartelisation was added as one of OMGUS's expressed aims. Finding natural allies for such a project in the German neoliberals, the latter occupied key positions as economic advisers and, eventually, within the first West German government itself.

This influence manifested itself in key policies like the 1948 currency reform and price liberalisations that entrenched a clear market orientation⁵¹ and were celebrated at the time by their neoliberal colleagues across Europe.⁵² The immediate necessity of a monetary reform ('[as] there can be no division of labour without a functioning currency system')⁵³ and of price liberalisation had been discussed at the inaugurating meeting of the Mont Pèlerin Society (MPS) in 1947, demonstrating, as Dyson notes, that the neoliberal framework always had a 'wider European and international resonance'.⁵⁴ There was, in other words, nothing specifically *German* about this perspective, apart from the contingent ability of German neoliberals to attempt its operationalisation in real conditions. The views of Eucken and Röpke or the policy-making attempts of Böhm and other German neoliberals in the direction of the competitive order were not tailored to fit the needs of *particular* German economic interests.

It is even less credible to conceptualise this framework as representative of a *German* political economy consensus. Despite their better positioning in key posts and their extensive public relations campaigns,⁵⁵ German neoliberals' policy suggestions were met with significant resistance *within* West Germany – from the SPD and its social-democratic promotion of central planning and economic democracy;⁵⁶ from social Catholic elements in the CDU;⁵⁷ from strong economic interest groups, as in the case of the conflict with the Federation of German Industries (BDI) during the drafting of the Anti-Cartel Law;⁵⁸ from trade unions, as was the case with the Co-Determination Law of 1951 and the Pension Reform Act of 1957.⁵⁹ The subsequent compromises that resulted from such conflicts would become anathema to German neoliberals, reinforcing their convictions about the destructive

⁵¹Henry C. Wallich, *Mainsprings of the German Revival* (New Haven, CT: Yale University Press, 1955); Röpke, *A Humane Economy*; Anthony James Nicholls, *Freedom with Responsibility: The Social Market Economy in Germany 1918–1963* (Oxford: Clarendon Press, 1994); Roufos, *Ordoliberalism and the Making of the Economic Constitution*, 98–199.

⁵²As Jacques Rueff would write in 1949, 'People and things have not changed after the currency reform. What has changed and brought about success was the turning away from interventionism and controls towards the rules of the market and the operation of the price mechanism.' Cited in Konrad Zweig, *The Origins of the German Social Market Economy: The Leading Ideas and Their Intellectual Roots* (London: Adam Smith Institute, 1980), 17. Röpke would return the favour and describe the Rueff Plan of 1958 as identical to Erhard's 1948 reforms. Wilhelm Röpke, 'European Prosperity and Its Lessons', *The South African Journal of Economics* 32, no. 3 (1964): 194–5.

⁵³Walter Eucken, 'The Future of Germany', in *Mont Pèlerin 1947: Transcripts of the Founding Meeting of the Mont Pèlerin Society*, ed. Bruce Caldwell (Stanford, CA: Hoover Institution Press, 2022), 115.

⁵⁴Dyson, *Conservative Liberalism*, 30.

⁵⁵Mark E. Spicka, *Selling the Economic Miracle: Economic Reconstruction and Politics in West Germany, 1949–1957* (New York: Berghahn Books, 2007); Max Bank, 'Stunde der Neoliberalen? Politikberatung und Wirtschaftspolitik in der Ära Adenauer' (Inauguraldissertation zur Erlangung des Doktorgrades der Wirtschafts- und Sozialwissenschaften Fakultät der Universität zu Köln, Köln, 2013); Käthner, *German Neoliberalism*.

⁵⁶Nicholls, *Freedom*, 248–69.

⁵⁷Goetz Briefs, 'Catholic Social Doctrine, *Laissez-Faire* Liberalism, and Social Market Economy', *Review of Social Economy* 41, no. 3 (1983): 246–258; William L. Patch, *Christian Democratic Workers and the Forging of German Democracy 1920–1980* (London: Cambridge University Press, 2018); Josef Hien, 'European Integration and the Reconstitution of Socio-Economic Ideologies: Protestant Ordoliberalism vs Social Catholicism', in *Ideologies and the European Union*, ed. Carlo Invernizzi-Accetti and Jonathan White, Journal of European Public Policy Series (London: Routledge, 2021).

⁵⁸James C. Van Hook, *Rebuilding Germany: The Creation of the Social Market Economy 1945–1957* (Cambridge: Cambridge University Press, 2004); Anselm Küsters, 'The Making and Unmaking of Ordoliberal Language: A Digital Conceptual History of European Competition Law' (Inaugural-Dissertation for the degree of Doctor of Philosophy, Department of Philosophy and History of the Johann Wolfgang Goethe University, Frankfurt am Main, 2022).

⁵⁹Patch, *Christian Democratic Workers*, 110–41; 153–97; Dyson, *Conservative Liberalism*, 218; 360; 369.

influence of particular interest groups and democratic processes,⁶⁰ prompting them to seek ways to escape the constraints of domestic politics.⁶¹

Part Two: Early European Integration as Institutionalised Competition

European integration was initiated in the 1950s, and it reflected an attempt to operationalise the vision of promoting trade through the creation of a common market, structured around a rules-based vision (visible in the centrality of competition policy) and a concomitant legal/regulatory mechanism to oversee the enforcement of these rules (visible in institutional forms meant to be strong enough to insulate themselves from private economic power, organised labour and national parliaments). From the draft programmes that led to the inauguration of the European Coal and Steel Community (ECSC) in 1952 up until the creation of the European Economic Community (EEC) after the signing of the Rome Treaty in 1957, European integration was explicitly framed as a liberal market order – in contrast to competing contemporary visions that included, inter alia, social-democracy, ‘Keynesian’ demand-led economic management, central planning and industrial policy. While such policy outlooks remained pivotal within national contexts, their absence from the European, supranational level has not been properly contextualised.

The ECSC was inaugurated by the Paris Treaty of 1951, widely regarded as the first practical move towards the formation of a supranational European entity,⁶² through the creation of the institutions of the High Authority (HA), the Council of Ministers, the European Court of Justice and the Common Assembly and introducing ‘some of the basic features that have marked European integration ever since.’⁶³ The Paris Treaty was the result of deliberations around the Schuman Declaration, an initiative by French Foreign Minister Robert Schuman, with an official aim to pacify relations between France and Germany. But while integration was ‘sold as a way of allowing France and the rest of the Western Continent to use German resources without becoming dependent or dominated by her,’⁶⁴ the framework within which such an aim would be contextualised indicated that wider considerations were at play.

While Milward has argued that the Schuman Declaration was ‘invented to safeguard’ Monnet’s plan for the post-war reconstruction and modernisation of the French economy,⁶⁵ others have pointed out that the link between the two was essentially circumstantial and only acted as an ‘additional incentive’⁶⁶ on top of a pre-existing goal of formalising the inter-dependence of the two sectors and eliminating obstacles to free trade.⁶⁷ Even if modernisation remained a goal behind French (especially after the failure of Monnet’s plan to meet its targets in 1949–50) and Belgian officials like Paul-Henri

⁶⁰ As Käthner’s seminal work on the neoliberal *Aktionsgemeinschaft Sozialmarktwirtschaft* shows, ‘the rational conviction that democracy was failing and that authoritarian forms of government were inevitable’ was a perspective that remained influential even a decade after the first parliamentary elections of West Germany. Käthner, *German Neoliberalism*, 41.

⁶¹ Roufos, *Ordoliberalism and the Making of the Economic Constitution*, 222–3.

⁶² Hubert Buch-Hansen and Angela Wigger, *The Politics of European Competition Regulation: A Critical Political Economy Perspective* (London: Routledge, 2011).

⁶³ Emmanuel Mourlon-Druol, ‘Rethinking Franco-German Relations: A Historical Perspective’, *Policy Contribution* no. 29 (Nov. 2017): 5. <https://www.econstor.eu/bitstream/10419/173125/1/PC-29-2017.pdf>.

⁶⁴ Conor Talbot, ‘Ordoliberalism and Balancing Competition Goals in the Development of the European Union’, *The Antitrust Bulletin* 61, no. 2 (2016): 268.

⁶⁵ Alan S. Milward, *The Reconstruction of Western Europe 1945–1951* (London: Routledge, 1984), 395.

⁶⁶ Kaiser, *Christian Democracy*, 224.

⁶⁷ German Chancellor Konrad Adenauer, who had met Schuman in the context of Christian Democratic transnational networks even before the war, had expressed his vision of placing French and German coal and steel industries under international joint control already in 1923 and again in 1945. Kaiser, *Christian Democracy*, 93–4. Monnet claims in his *Memoirs* that he had developed a vision of internationalising resources in the area in 1943 together with Etienne Hirsch and René Mayer. Jean Monnet, *Memoirs* (New York: Third Millennium Publishing, 1978), 232.

Spaak,⁶⁸ other signatories of the Treaty (like Dirk Stikker for the Netherlands or Joseph Bech for Luxembourg) were more concerned with facilitating access to raw materials for their already modernised industries.⁶⁹ What gradually emerges as a more significant *common point* in the discussions leading to the ECSC, however, was a mutually shared perspective that the realisation of such divergent aims could only take place through the creation of supranational institutions, the elimination of trade barriers and – crucially – the creation of a market order that included provisions against cartels and monopolies.

Within this context, the absence of supranational *planning* structures is also notable. Despite the nonchalant mention of the concept of a ‘plan’ in the Schuman Declaration, the reality was that the Treaty left no space for accommodating national planning schemes. Not only did the artificial separation of the crucial coal and steel industries from the rest of the sectors of the economy *de facto* mean that wider national planning and industrial policy were somewhat hindered, but the Treaty also ensured that executive and decision-making powers (at the level of both investment and the regulation of competition) were taken away from the national level and handed over to supranational institutions.⁷⁰ On top of that, the ECSC Treaty included clear provisions that forbid ‘state subsidies or assistance’ (Art. 4, ECSC) and imposed price transparency and the supranational management of investment – linked to the ability of the ECSC to procure loans under its own terms. If there was going to be any ‘planning’, it would be one structured around free markets and led by a supranational authority enforcing a rules-based competition policy.

Notwithstanding this approach, and while the eventual Schuman Plan (hereafter: the Plan) included a clear rejection of cartels and other restrictive practices,⁷¹ it did not spell out detailed competition rules – something that prompted US officials to express fears that ‘the [ECSC] will prove to be a reincarnation of the prewar international steel cartel.’⁷² ‘Without the inclusion of competition rules’, US authorities would note, they could not support ‘in good faith that the general idea is a single market characterized by competition.’⁷³ Monnet was quick to present this as a misunderstanding. As he noted in his *Memoirs*, US officials like Acheson had

failed to realize the significance of the Schuman Plan when it was first described to him through an interpreter. He suspected it of being a sort of huge coal and steel cartel, the nostalgic dream of European industrialists and a capital sin for Americans, who respected the laws of competition and free trade. The lawyer and the politician in Acheson instinctively recoiled, and I had to come and calm his fears.⁷⁴

⁶⁸Henry L. Mason, *The European Coal and Steel Community: Experiment in Supranationalism* (The Hague: Springer Science and Business Media, 1955), 11.

⁶⁹Proponents of the plan in the Netherlands understood the advantages of access to cheap raw materials that would allow an already modernised infrastructure to expand its sales – a welcome development in the face of the loss of Dutch colonies. Luxembourg’s allies of the Schuman Plan favoured the ability to utilise the benefits of a common market to access cheaper coal and iron that their steel industry required, even though exposing their steel exports to open market pressure could result in lowering prices. Mason, *European Coal*, 7–10.

⁷⁰Stuart A. Scheingold, *The Rule of Law in European Integration: The Path of the Schuman Plan* (New Haven, CT: Yale University Press, 1965).

⁷¹‘In contrast to international cartels, which tend to impose restrictive practices on distribution and the exploitation of national markets, and to maintain high profits, the [ECSC] will ensure the fusion of markets and the expansion of production.’ Robert Schuman, ‘Speech in the National Assembly’, July 25, 1950, *Fondation Jean Monnet pour l’Europe*, Lausanne, Fonds AMG., 5/2/9.

⁷²John Foster Dulles, ‘CSC Cartel Problem’, A-4 June 22, 1956, *Historical Archives of the European Union*, JMDS-101.

⁷³T. Witschke, *The First Antitrust Law in Europe – Success or Failure? Origins and Application of the Merger Control Policy of the High Authority of the European Coal and Steel Community 1950–1963*, Working Paper (Florence: European University Institute), cited in Angela Wigger, ‘Competition Laws and Their Enforcement in the Project of European Integration: An Artefact of Ordoliberal Influence?’, in *Oxford Handbook of Ordoliberalism*, ed. Thomas Biebricher, Peter Nedergaard and Werner Bonefeld (Oxford: Oxford University Press, 2022), 410.

⁷⁴Monnet, *Memoirs*, 239.

In fact, archival evidence demonstrates that specific concerns around the equalisation of competitive conditions and the necessary institutional machinery to enforce them were already present during the drafting of the Plan by Monnet, Schuman and Pierre Uri – whose help ‘made the draft more orderly and the institutional system stronger’.⁷⁵ In a confidential note sent to the chief delegates discussing the Plan in October 1950, Monnet noted that ‘it is evidently necessary . . . to exclude all restrictive practices of cartels’,⁷⁶ gladly reporting one month later in a personal memorandum sent to Schuman that ‘the provisions on cartels and industrial concentrations affect the very substance of the Schuman Plan.’⁷⁷ The key question, he added, was whether ‘the planned organization will be the opposite of an international cartel, or whether the High Authority will have authority in name only, with the powers transferred by the governments to the European Coal and Steel Community actually being diverted and handed over to coalitions of *private interests*’.⁷⁸ As Küsters notes, Uri, Monnet and Schuman drafted their proposals with the aim of ‘eliminating inefficient producers’, condemning cartels and promoting ‘genuine competition.’⁷⁹ Embedded in a vision to create a ‘market structure with legal governance’, the *political objective* was, echoing Eucken, the prevention of ‘excessive concentrations of economic power.’⁸⁰ The underlying ‘critique of economic power [and] a commitment to a strong anti-trust law which [. . .] protect markets against self-destruction’⁸¹ was entirely concomitant with the neoliberal framework.

Contrary to a depiction of these early stages of integration as a process of compromise between national interests, the eventual conflicts that emerged around the issue of competition and its regulation did not reflect national divergences. Across Europe, the plan was wholeheartedly promoted by fellow liberal figures in the signatory countries, such as Luigi Einaudi in Italy (governor of the central bank and first post-war President of the Republic), who exalted the prioritisation of the (neoliberal) conviction that state protection and subsidies distorted market coordinates.⁸² In Belgium, support for the plan was most strongly articulated by Henri Spaak,⁸³ who, alongside his overall support for supranational integration and his Atlanticist outlook, focused on the above-mentioned ability of the ECSC to ‘modernise’ the Belgian coal industry by making it more competitive – a euphemism for the closing down of 30 per cent of Belgian mines and a pathway for reducing what were seen as excessively

⁷⁵ *Ibid.*, 234.

⁷⁶ Jean Monnet, ‘Observations sur le Memorandum du 28 Septembre 1950’, *Jean Monnet Duchêne Archives*, ‘Schuman Plan and the Belgian Response’, Historical Archives of the European Union, JMDS-73.

⁷⁷ Jean Monnet, ‘Memorandum to Robert Schuman, Paris, 30 November 1950’, in *Jean Monnet, Robert Schuman, Correspondance 1947–1953* (Lausanne, Fondation Jean Monnet pour l’Europe, Centre de recherches européennes, 1986, Cahiers rouges), 71–3.

⁷⁸ *Ibid.*, 72 (my emphasis).

⁷⁹ Küsters, ‘Making and Unmaking’, 203–5.

⁸⁰ Jean Monnet, ‘Address given by Jean Monnet at the session to initial the ECSC Treaty’, Paris, 19 Mar. 1951, Lausanne, Fondation Jean Monnet pour l’Europe, Lausanne. Fonds AMG. 14/2/2.

⁸¹ Christian Joerges, ‘What Is Left of the European Economic Constitution II? From Pyrrhic Victory to Cannae Defeat’, in *Critical Theories of Crisis in Europe: From Weimar to the Euro*, ed. Poul F. Kjaer and Niklas Olsen (London: Rowman & Littlefield, 2016), 3.

⁸² Mason, *European Coal*, 5.

⁸³ Many accounts tend to describe Spaak as a ‘socialist’ (see, for example, Laurent Warlouzet, *Governing Europe in a Globalizing World: Neoliberalism and Its Alternatives Following the 1973 Oil Crisis* [New York: Routledge, 2017], 27). His biographical details, however, reveal that Spaak had already abandoned socialist politics since the mid-1930s, during his appointment into office by the right-wing liberal Catholic government of Paul Van Zeeland, a position that awoke in him ‘a sense of governmental responsibility’ and a ‘prudent and moderate attitude’. J.H. Huizinga, *Mr. Europe: A Political Biography of Paul Henri Spaak* (London: Weidenfeld & Nicolson, 1961), 66.

In Huizinga’s biography, which Spaak himself authorised, he is described as having developed an inclination for ‘authoritarian democracy’ together with Henri de Man (who would later support fascist politics) already in 1933 (Huizinga, *Mr. Europe*, 69). Crucially, when the Belgian Socialist Party, in which he was still a member, was called to ratify the ECSC Treaty in 1951, it abstained en bloc. Only Spaak and a few other delegates defended it by ‘extolling the necessity of taking a step toward federation, praising the expanded market doctrine, pointing out increased economic stability, while insisting that everything must be done to keep Belgian industry competitive and to modernize the mines immediately’. Haas, *Uniting*, 144.

high salaries of coal workers.⁸⁴ More broadly, the plan had the support of Christian Democrats across Europe,⁸⁵ while opposition was led by Communists, some social democrats, Gaullists in France and neofascists. As both Schuman⁸⁶ and Monnet⁸⁷ would point out, the ECSC's success did not depend on reaching 'compromises' by navigating or even appeasing particular national interests but through constructing 'common interests' *across countries*.

If particular national interests played a role, they consisted of fierce (and eventually most effective) opposition to the regulatory competition policy of the ECSC by 'leading industrial capitalists and related partisan interests in Germany, France, Italy and Belgium.'⁸⁸ As a consequence, the actual implementation of the ECSC's competition policy⁸⁹ would prove difficult. But this was not a reflection of conflict between *member states* but between the supranational authorities and *particular* national interests who saw in the ECSC's market orientation a dangerous exposure of their industries to international markets (as in the case of France and Belgium), an end to state subsidies (as in the case of Italy) or the threat of decartelisation (as in the case of German industries).⁹⁰

This conflict began less than a year after its inauguration, when the HA first attempted to use its powers to monitor, regulate and intervene in competition-related topics (such as price setting and cartels). At the time, not only were prices fixed at a maximum level, but all member states had large cartel organisations in both steel and coal industries.⁹¹ The HA tried to initiate the process of liberalisation and free price formation by debating whether to continue with the fixing of prices, a decision that would render the task of tackling cartels crucial. But a certain lack of cohesion on behalf of the HA, linked with domestic political considerations and/or further integration proposals like the European Defence Community (EDC), cast a shadow over the HA's ability to implement the Treaty's Articles effectively.

In September 1953 Monnet regrettably informed the HA that the aim of free competition had not become a reality.⁹² As a consequence, the first steps to rein in cartels began more forcefully in April 1954 with the German GEORG coal cartel, targeted as the 'most serious threat to the effectiveness of any Community policy.'⁹³ German coal producers responded by sabotaging and stalling all talks with the HA, leading to the fact that 'for the rest of the whole of 1954, all the High Authority achieved was an exchange of views with the Ruhr.'⁹⁴ While the German cartel was protected by both members of the West German Federal Government and trade unions (who feared that increased competition would cause profits to decline and raise unemployment), Monnet sent the HA's vice-president Franz

⁸⁴Mason, *European Coal*, 7.

⁸⁵Kaiser, *Christian Democracy*, 222.

⁸⁶'[If] we do not wish to resign ourselves indefinitely to *compromises*, we must substitute a true community of interests for this division, based on concrete foundations, on which the problems and interests which have become *common* are treated from an over-all point of view, without the preponderance of certain particular or national interests, but for the benefit of all.' Schuman, *Speech in the National Assembly*, 4 (my emphasis).

⁸⁷'For the first time, six countries have come together not to seek a provisional *compromise* among national interests, but to take a concerted view of their *common* interest.' Monnet, *Address*, 1 (my emphasis).

⁸⁸Buch-Hansen and Wigger, *Politics of European Competition*, 42.

⁸⁹Art. 60 and 61 of the ECSC Treaty dealt with pricing and discriminatory practices. Art. 65 and 66, the core competition policy, dealt with cartels and concentrations (mergers and acquisitions), whereas Art. 67 concerned state aid and subsidies.

⁹⁰Mason, *European Coal*, 12–21; Isabel Warner, *Steel and Sovereignty: The Deconcentration of the West German Steel Industry 1949–1954* (Mainz: Verlag Philipp von Zabern, 1996), 31–5; 151.

⁹¹Among the largest ones were the *Comptoir Belge des Charbons* (COBECHAR) in Belgium, the *Association Technique de l'Importation Charbonnières* (ATIC) in France and the *Gemeinschaftsorganisation Ruhrkohle* (GEORG) in Germany.

⁹²'Ways should therefore be considered to introduce genuinely free competition with a view to achieving the free formation of prices as well as curtailing the influence of associations.' High Authority, Record of Proceedings, 17 Sept. 1953, cited in Dirk Spierenburg and Raymond Poidevin, *The History of the High Authority of the European Coal and Steel Community* (London: Weidenfeld and Nicolson, 1994), 105.

⁹³Spierenburg and Poidevin, *History*, 95.

⁹⁴*Ibid.*

Etzel⁹⁵ to lead negotiations in the hope that his close contact with Adenauer and industrial interests in the Ruhr would help. Yet, even though Etzel insisted that the ECSC's competition policy was driven by pro-market considerations, representatives from Ruhr responded by claiming that the restrictions were instead causing market disturbances. As Von der Groeben noted in a report, Etzel's portrayal of the ECSC as not 'dogmatically liberal' (i.e., laissez-faire) was met with indifference. For the Ruhr producers, 'the absence of competition was not a problem.'⁹⁶ In public meetings organised by German steel producers to gather support against the HA, representatives of the French cartel ATIC were also invited,⁹⁷ inaugurating an informal transnational coalition between different cartels that would later also affect attempts by the HA to regulate French cartels.⁹⁸

While a rather weak solution was eventually reached for the GEORG cartel,⁹⁹ similar obstacles and the indecisiveness of the HA to effectively use its executive power meant that the overall account of ECSC's implementation of its competition policy has generally been seen as a failure.¹⁰⁰ In June 1956, the US State Department would make a similar assessment in a confidential letter to the ECSC, noting that 'even though the High Authority has taken some significant actions against cartels (e.g., break up of GEORG), there are major areas about which we continue to be concerned'.¹⁰¹ But it is crucial to keep in mind that the eventual failure of the strict implementation of anti-cartel policy does not contradict its neoliberal outlook – in the same way that the compromises that German neoliberals had to accept within West Germany did not render their suggestions less neoliberal. In their design, and at a framework-building level, the executive branches of the ECSC reflected a vision of a strong state geared towards the prerequisites of the competitive order, while competition policy was shaped into a fixed legal structure rather than a mechanism allowing discretionary decision-making. Faced with domestic political and industrial opposition, officials of the ECSC 'sought to externalize their differences and to de-politicize their working relationships as much as possible',¹⁰² but this did not guarantee their predominance. While 'competing normative principles for ordering economic, political, military and social relations were approximately identical',¹⁰³ the continued existence of powerful *particular* interests, the fluctuations caused by domestic political considerations and the under-developed supranational structures all collided to weaken practical implementation. Overcoming this gridlock became the task of further integration.

In any case, the artificial separation of the coal and steel industries from the rest of the economic sectors of ECSC members already hinted towards a wider wish to expand the common market into all areas. Moreover, the particular difficulties of implementing the anti-cartel provisions of the Treaty

⁹⁵Etzel was a CDU member who had acted as Chairman of the Bundestag's Economic Policy Committee. He was close to Franz Böhm and Paul Josten, who had attempted to legislate a strict neoliberal anti-cartel policy in West Germany. Küsters, 'Making and Unmaking', 80. Etzel's outlook, after the *Josten Draft* was rejected by industrial interests as 'too interventionist', appears to have made him sensitive to the political resistance by cartels. *Ibid.*, 264.

⁹⁶Hans Von der Groeben, 'Report by Von der Groeben (Head of Section IIID of the Ministry of Economic Affairs) on relations between the Federal Republic and the ECSC', 28 Oct. 1954 (Bundesarchiv Koblenz), cited in Spierenburg and Poidevin, *History*, 97.

⁹⁷Spierenburg and Poidevin, *History*, 98.

⁹⁸Spierenburg and Poidevin, *History*, 96.

⁹⁹{[The] HA's solution was to break up GEORG and replace it with three independent sales agencies, connected by common organs which were to perform solely technical and financial functions. Only in the case of very large consumers were orders to be channelled through the Joint Office, one of the common organs. The three agencies were allowed to work out their own rules of operation, subject to HA approval.' Scheingold, *The Rule of Law*, 232.

¹⁰⁰T. Witschke, *Gefahr für den Wettbewerb? Die Fusionkontrolle der europäischen Gemeinschaft für Kohle und Stahl und die „Rekonzentration“ der Ruhrstahlindustrie, 1950–1963* (Berlin: Akademie Verlag, 2009); Laurent Warlouzet, 'The Centralization of EU Competition Policy: Historical Institutional Dynamics from Cartel Monitoring to Merger Control (1956–1991)', *Journal of Common Market Studies* 54, no. 3 (2016): 725–41.

¹⁰¹Dulles, *CSC Cartel Problem*, JMDS-101.

¹⁰²Wolfram Kaiser and Johan Schot, *Writing the Rules for Europe: Experts, Cartels, and International Organizations* (New York: Palgrave Macmillan, 2014), 256.

¹⁰³F.S.C. Northrop, *European Union and United States Foreign Policy: A Study in Sociological Jurisprudence* (New York: Macmillan, 1954), 116.

further reinforced the common goal of strengthening the institutional regulation of the behaviour of economic actors. Instead of enlarging the competences of the High Authority, however, the authors of the drafts that would lead to the Rome Treaty sought to increase supranational regulation by strengthening the *legal* structures of integration. While the HA was replaced by the European Commission, whose powers of enforcement now included the ability to impose fines on anti-cartel violations and to block anti-competitive mergers, competition policy after the Rome Treaty was also assigned judicial oversight by the European Court of Justice.

The broad outlines of the Rome Treaty had been discussed at the Messina Conference of June 1955. There, Dutch official Beyen¹⁰⁴ had made a series of proposals structured around the so-called Benelux line, an initiative by Beyen, Spaak and Joseph Bech (from Luxembourg).¹⁰⁵ This envisaged further integration via a ‘narrower bond than that of so-called intergovernmental cooperation [for] a community of states to promote interests recognised as common through a common policy’.¹⁰⁶ Such a vision was supported by the Italian delegate, Gaetano Martino, who would explain that ‘the Common Market will be neither *dirigiste* nor *laissez-faire*’.¹⁰⁷ Rather, Martino would continue, it would be a market structured around ‘common rules on competition’ that could prevent ‘Member States or individual operators [. . .] from resorting to practices that might prevent their competitors from freely pursuing their economic activities: In other words, the problem of monopolies, cartels and state aid’.¹⁰⁸ The German delegation, headed by future Commissioner Walter Hallstein (‘an avowed ordoliberal’),¹⁰⁹ the architect of the social market economy Alfred Müller-Armack and a large group of advisors,¹¹⁰ ‘handed over a memorandum envisioning a “free common market” and the establishment of rules to “ensure that competition within the Community is not distorted”’.¹¹¹ The delegates of the conference broadly supported this, a consequence of the fact that early negotiations (such as the Beyen Plan of 1953) had included ‘free competition’ as a necessary precondition for the common market through the adoption of a proper regulatory framework. Sorting out the final details was assigned to a committee led by Spaak.

At his request, the Spaak Report would be drafted in April–May 1956 by Hans Von der Groeben (who was called the ‘Jean Monnet of Germany’) and Pierre Uri.¹¹² The report had a clear neoliberal orientation: French Minister of Economy Ramadier would condemn its framework as one that

¹⁰⁴Johan Willem Beyen had acted as head of the Bank of International Settlements (1935–50) and Executive Director of the International Monetary Fund (1946–52). In 1953, in response to the failure of the EDC due to the French National Assembly’s rejection, he drafted the Beyen Plan, a political attempt to rescue integration.

¹⁰⁵According to Trausch, Joseph Bech had already embraced a ‘social market economy model inspired by “ordoliberalism tinged with liberal corporatism”’. Gérard Trausch, *Histoire économique du Luxembourg: 1815–2015* (Luxembourg: STATEC, 2017), 340.

¹⁰⁶Johan Willem Beyen, ‘Messina’, *Nieuw Europa*, Monthly magazine of the European Movement in the Netherlands, no. 5 (May 1965), 97.

¹⁰⁷Gaetano Martino, ‘Address to the Members of the Italian Chamber of Deputies, January 18th, 1957’, *Ministerio degli affari esteri (sous la dir.)*, *Gaetano Martino e l’Europa*, Dalla Conferenza di Messina al Parlamento europeo. Roma: Istituto poligrafico e zecca dello stato (1995), 2, accessed 8 Sept. 2025, https://www.cvce.eu/obj/address_given_by_gaetano_martino_rome_18_january_1957%20-en-d8e698be-73ee-4beb-8c53-de3f604e0076.html.

¹⁰⁸Martino, ‘Address’, 3.

¹⁰⁹Joerges, ‘What Is Left’, 147.

¹¹⁰Among them Walter Bauer (Mont Pèlerin Society member and co-author of the anti-cartel *Josten Draft*) and Heinrich Kronstein, a US-based neoliberal who lectured at the Frankfurt University at the invitation of Böhm. Küsters, ‘Making and Unmaking’, 208.

¹¹¹Küsters, ‘Making and Unmaking’, 222.

¹¹²Wigger, *Competition for Competitiveness*, 142–3. Recounting the events, von der Groeben would explain that in drafting the Spaak Report together with Uri, ‘we did not ask anyone [. . .] not even the industry. I based this above all on the Scientific Advisory Board of the Federal Ministry of Economics reports’. Interview with Hans von der Groeben by F. Duchêne, Recorded in 27 Apr. 1987, Rheinbach, *Jean Monnet, Statesman of Interdependence*, Historical Archives of the European Union, INT501. In a lecture delivered at the German neoliberal *Aktionsgemeinschaft Soziale Marktwirtschaft* think tank, von der Groeben had already described the EEC as an ‘achievement of an order based on law’. Hans Von der Groeben, ‘Competition Policy in the Common Market and in the Atlantic Partnership’, *Antitrust Bulletin* 10, no. 1–2 (1965): 152.

undermined ‘in the strongest possible terms the protectionist practices that have made the industrial reconstitution of France possible’,¹¹³ while von der Groeben would later recall that he was positively surprised by the fact that Pierre Uri was in ‘complete agreement’ with the ‘free market conception’ of the proposed competition rules.¹¹⁴

The eventual Rome Treaty, Ernst-Joachim Mestmäcker¹¹⁵ would later remark, ‘embodies an economic constitution. Its substantive foundation is constituted by the freedoms of traffic in goods and services and of personal movement, the prohibition of national discriminations and the system of undistorted competition.’¹¹⁶ While other German neoliberals would praise the Treaty for establishing a ‘stability community’ (*Stabilitätsgemeinschaft*) founded ‘on law over and above its constitutive political entities’,¹¹⁷ non-German officials would equally celebrate a similar perspective, seeing their task as one of convincing other delegates and their national governments to ratify the Treaty. In this context, French delegate Marjolin ‘worked hard to influence the French negotiation positions in the summer of 1956, rendering them more compromising and thus acceptable to France’s negotiation partners’,¹¹⁸ going as far as suggesting further integration through a ‘fully-fledged economic union where Member States would relinquish key prerogatives, such as decisions on budgetary spending, budget deficits and surpluses, credit policy, public investment, and exchange rates.’¹¹⁹ In an earlier note on the need to proceed with the EEC, Uri had already pointed out that ‘the experience of the European Coal and Steel Community illustrates the effectiveness and stability of functional integration linked to institutional integration.’¹²⁰ This transfer of power to supranational institutions, he would add, was ‘the only way to overcome national particularisms.’¹²¹

Other neoliberals outside the negotiations would display similar enthusiasm. In a pamphlet published in support of European integration, Lippmann would praise Spaak as an equal to Hallstein and Erhard,¹²² while Jacques Rueff, who would be appointed as one of the first judges of the European Court of Justice, would highlight the mutually shared perspective of the delegates by arguing that any ‘divergence between differing perspectives was taking place within the same structure: The one that established the institutional market.’¹²³ In his view, the Rome Treaty represented the ‘realization and crowning achievement of the effort to renovate liberal thought.’¹²⁴

In the same way as in the ECSC, the Rome Treaty’s competition policy would be a key policy field of supranational integration and ‘one of the central means to promote European integration.’¹²⁵ Fully embedded as an indispensable *barrier* to central planning, EEC competition policy specified that

¹¹³Ramadier, *Note sur le Marché Commun* (24.05.1956), Archives Départementales d’Aveyron, Fonds Ramadier, 52, 114, cited in Küsters, ‘Making and Unmaking’, 223.

¹¹⁴Interview with Von der Groeben, HAEU, INT501.

¹¹⁵Mestmäcker was a student of Franz Böhm, a law professor at the University of Saarbrücken and an editor of the *Ordo* journal. Von der Groeben would initially recruit him as his informal advisor, later making him a formal special advisor for the Directorate-General for Competition (DG IV) of the European Commission in 1962. Seidel, ‘DG IV’, 136.

¹¹⁶Ernst-Joachim Mestmäcker, ‘Power, Law and Economic Constitution’, *The German Economic Review* 11, no. 3 (1973): 190.

¹¹⁷Alfred Müller-Armack, *Auf dem Weg nach Europa. Erinnerungen und Ausblicke* (Tübingen: Rainer Wunderlich, 1971), 162.

¹¹⁸Katja Seidel, ‘Robert Marjolin: Securing the Common Market Through Economic and Monetary Union’ in *Architects of the Euro: Intellectuals in the Making of the European Monetary Union*, ed. Kenneth Dyson and Ivo Maes (Oxford: Oxford University Press, 2016), 55.

¹¹⁹*Ibid.*, 58.

¹²⁰Pierre Uri, ‘Note by Pierre Uri on forms of European integration, April 5th 1955’, Conference de Messine et travaux du Comité Intergouvernemental, Historical Archives of the European Union, PU53, 2.

¹²¹*Ibid.*, 3.

¹²²Walter Lippmann, *Western Unity and the Common Market* (London: Hamish Hamilton, 1962), 41.

¹²³Jacques Rueff, ‘Le marché institutionnel des Communautés européennes’, *Le Monde économique et financier* (9–10 Feb. 1958), 9.

¹²⁴Jacques Rueff, ‘Introduction. Le marché commun et ses problèmes’, *Revue d’économie politique* 68, no. 1 (1958): 1–10.

¹²⁵Seidel, ‘DG IV’, 130.

'rules were necessary to prevent competition in the future common market from being distorted'.¹²⁶ As Slobodian notes, for figures like Mestmäcker, competition law brought 'the economic constitution of the EEC Treaty to life'.¹²⁷ Despite these proclamations, research has shown that the implementation of the EEC's competition policy continued to encounter obstacles and problems. While the rationale was to create a legal order with strengthened institutional backing, the process of transposing the ECSC's competition articles into the new Treaty 'left many questions largely unanswered', as

article 85 EEC (article 101 TFEU) contained the prohibition principle in the first paragraph, but also the exceptions in the third paragraph. Cartels could be banned according to article 85-1, but also authorized if they fulfilled the criteria of article 85-3 (contribution to technical progress, etc.). This association of a prohibition provision with an important exception looked like the French abuse law. Article 86 EEC (article 102 TFEU) on dominant position was vague and article 87 EEC left the implementation of the first two articles to a further regulation.¹²⁸

Nonetheless, as already mentioned, the difficulties of *fully implementing* the neoliberal framework should not distract from the fact that it remained the predominant *shared* goal of the key architects of integration. A final examination of the absence of alternatives strengthens this perspective.

Part Three: European Integration as a *Planning vs Competition* Compromise: Conclusions and Further Research Areas

Prominent accounts of European integration describe it as a conflict between French *dirigisme* and German ordoliberalism¹²⁹ or 'competition vs planning'.¹³⁰ In this paper, the predominance of the neoliberal framework and the absence of *dirigiste* or planning structures at the supranational level has been argued. At the level of the ECSC, no specific evidence has been found to suggest that planning ideas had any supranational backing. Pointing at ECSC officials' background in planning committees (such as Monnet or his associates) or claiming that draft plans for the ECSC 'were ambitious with regard to planning' indicates tendencies but does not suffice. Instead, as noted, the specific structure of the ECSC and its regulations functioned as obstacles against macroeconomic planning by artificially separating key industrial sectors from the rest of the economy and forbidding state aid and subsidies. A similar case can be made for the EEC. Its overall outlook, animated by the mutually shared beliefs of its key architects, was one of market-oriented neoliberalism, which left no space, or supranational design, for planning or other competing macroeconomic alternatives. That this did not directly *affect* national planning, as Warlouzet rightly notes, does not mean that the EU's supranational architecture reflected a compromise.

As this paper has noted, early European integration took place in a period of history when planning committees, fiscal/monetary coordination and credit allocation in the service of industrial policies were crucial elements of *national* economies. It remains, however, inaccurate to interpret the existence of such macroeconomic structures at a national level (while noting their absence at the supranational level) as an indication of *compromise*.

This paper has suggested that such debates can be clarified by a more nuanced and analytical exploration of the concepts used. Beginning with a reconceptualisation of the ordoliberal framework in the direction of highlighting its transnational character as *neoliberalism* (as opposed to its depiction

¹²⁶Ibid., 130.

¹²⁷Quinn Slobodian, *Globalists: The End of Empire and the Birth of Neoliberalism* (Cambridge, MA: Harvard University Press, 2018), 205.

¹²⁸Warlouzet, 'Centralization', 4–5.

¹²⁹Warlouzet, 'The EEC/EU as an Evolving Compromise'.

¹³⁰Laurent Warlouzet, 'Competition versus Planning: A Battle that Shaped European Integration 1945–2022', in *The Cambridge History of the European Union, Volume 2*, ed. Mathieu Segers and Steven Van Hecke (Cambridge: Cambridge University Press, 2023).

as a German tradition), this paper has shown that ‘ordoliberalism’ refers to a neoliberal framework developed across borders, placing the necessity of a legal/regulatory mechanism at the epicentre of a market economy. Understanding markets as riddled with inherent contradictions when left on their own, while also calling attention to the distorting effects of mass democratic processes, the neoliberal framework sought to promote an economic constitution, a competitive order capable of tackling both *particular* interests and market distortions. Contrary to common depictions, the neoliberal framework does not reject state intervention – so long as it remain market-conforming; nor is it not by definition hostile to welfare provisions – as long as they were, as Böhm would argue, ‘restricted by this constitutional framework’¹³¹ or framed within a project that ensured the continuation of the market economy.

In a similar way, it is also pertinent to offer an equally nuanced definition of ‘planning’ and its relation to the neoliberal framework outlined above. To start with, Denord has shown that French neoliberal tendencies were concomitant with *elements* of planning. Conceptualised as seeking to ‘reorient public intervention by putting the state at the service of the market and of competition’,¹³² neoliberal visions are detectable in French politicians like Antoine Pinay¹³³ who sought to recreate the conditions for competition through the state.¹³⁴ Even more prominent in such attempts was someone like Maurice Allais, who came up with the concept of ‘competitive planning’ as a ‘third way’ against both collectivism and laissez-faire.¹³⁵

In the same way that Rougier had pointed out that neoliberalism is about imposing rules ‘fully recognising that “that they might not necessarily be the same in the age of high-speed transportation as in the days of the stagecoach”’,¹³⁶ one can argue that French neoliberals held different views about how one arrives at a competitive market order – not about whether one is desirable. At times, it even appears that the debate merely reflects linguistic differences: while French participants at the Mont Pèlerin Society’s first meetings would continue to explore the meaning of ‘liberal interventionism’ through concepts like ‘*dirigisme libéral*’,¹³⁷ Rueff would dismiss the *économie dirigée* as a dictatorial system but fully support the concept of ‘institutional markets’.¹³⁸

As Amable has suggested, French notions of planning often emerged from officials directly involved in policy-making rather than intellectuals supporting a specific theoretical framework. Yet, in conceptualising planning as ‘indicative’ rather than ‘prescriptive’, ‘the price mechanism and competition became the dominant regulating mechanisms in order to achieve economic efficiency, and the efforts of planners became directed towards improving, rather than replacing, the price mechanism.’¹³⁹ Rather than a synonym of *dirigisme*, Lovering has also noted that indicative planning

¹³¹Joshua Charles Rahtz, ‘The Politics of Order: Ordo-Liberalism from the Inter-War Period through the Long 1970s’ (PhD diss., University of California, 2017), 127.

¹³²Denord, ‘The Long Road’, 80.

¹³³Pinay would lead the French delegation at the Messina Conference of 1955, which ratified the Spaak Report and led to the signing of the Treaty of Rome. In 1958, together with Jacques Rueff, he would co-design the Pinay–Rueff Plan, an austerity policy with ‘cuts in public spending, tax increases, currency devaluations and an opening up to international economic competition’. Denord, ‘The Long Road’, 89.

¹³⁴Denord, ‘The Long Road’.

¹³⁵Denord, ‘The Long Road’, 88; Bruno Amable, ‘*Dirigisme* and Modernism vs Ordoliberalism’, in *Ordoliberalism, Law and the Rule of Economics*, ed. Josef Hien and Christian Joerges (Oxford: Hart Publishing, 2017), 19. Allais was an economist and engineer who had participated in the Walter Lippman Colloquium, later becoming a member of the MPS. As Dyson notes, Allais maintained an intense correspondence with Louis Rougier in post-war years. Dyson, *Conservative Liberalism*, xvii.

¹³⁶Rougier, cited in Denord, ‘The Long Road’, 84.

¹³⁷Amable, ‘*Dirigisme*’, 18. Rougier would often call neoliberalism ‘*libéralisme constructif*’ – that is, constructive liberalism – as a way of indicating that the state had to play a key role in the construction of a legal/regulatory framework for the market order. Hagen Schulz-Forberg, ‘Crisis and Continuity: Robert Marjolin, Transnational Policy-Making and Neoliberalism, 1930s–70s’, *European Review of History* 26, no. 4 (2019): 683.

¹³⁸Denord, ‘The Long Road’, 90.

¹³⁹Amable, ‘*Dirigisme*’, 19.

has always been understood as governing *with* markets, rather than against them as the notion of *dirigisme* implies.¹⁴⁰

With ‘modernisation’ as the *leitmotif* of economic policy (in contrast to ‘stability’, as in the case of Germany), notions of planning in France and Belgium also reflected attempts to re-conceptualise the appropriate role of the state and the scope of its activity *within* a market economy; in other words, a perspective triggered by a similar consideration as the one that had led German neoliberals to formulate their ‘third way’ between *laissez-faire* and central planning or collectivism.

In this context, even the planning credentials of someone like Robert Marjolin, an associate of Monnet at the *Commissariat Général au Plan*, who is often described as a Keynesian (or even a socialist), have been challenged. As Schulz-Forberg has noted about Marjolin, his vision of the plan ‘described a state acting on the level of general economic rules and modifying the market without direct intervention in the economic life of businesses [. . .] This setting of the market frame [. . .] is simply an instrument of state power that the governments of all “great modern countries employed”, and he argued that the plan was in tune with recent developments in economic liberalism.’¹⁴¹ Despite the pejorative depiction of planning as inherently oppositional to the market competitive order by some German neoliberals, it is crucial to maintain a nuanced distance from such ideological positioning. As Lovering points out, ‘economic planning was never a singular phenomenon and was always contested’. In fact,

battles played out over the modalities of intervention and over who should lead them. The rhetoric of the market played an important role within these battles. But it was never a straightforward fight of markets versus planning. Instead, the market was mobilized to make claims both for and against planning, reflecting its malleability in liberal capitalist orders.¹⁴²

Similar perspectives emerge from recent research on the concept of planning in Belgium. While post-war Belgian economic policy is often described as structured around planning, Mommen has argued that it actually reflected a vision of ‘reconstruction on a pre-war basis’.¹⁴³ This reflected, as Evrard writes, ‘a commitment to fiscal conservatism, price stability and the mixed economy, rather than the interventionist planning strategies experimented in neighbouring countries’.¹⁴⁴ This could also explain why in the early 1950s, Walter Lippmann Colloquium participant and MPS member Louis Baudin described Belgium as a ‘neoliberal model’.¹⁴⁵

If one defines planning as part of a neo-mercantilist project with industrial and social policy at its epicentre; the coordination of economic actors by state authorities and the centralisation of information as its operational structure; and, finally, with credit policy, state aid and tax breaks as its key policy fields, as Warlouzet does,¹⁴⁶ it is hard to see any traces of these elements in either the ECSC or the EEC. This does not, however, mean that the neoliberal framework that represents, according to this paper, the mutually shared vision behind early integration was fully operationalised. As shown,

¹⁴⁰ Alexander Ian Lovering, ‘Indicative Planning and France’s Backstage Contribution to Eurozone Governance’, *Journal of Common Market Studies* 62, no. 1 (2024): 92. In the context of early European integration, even the concept of *dirigisme* can prove ambiguous. As Monnet writes in his *Memoirs*, ‘if Hallstein sometimes warned us against *dirigisme*, this was mainly to appease Ludwig Erhard, the German Minister of Economic Affairs, a dogmatic “liberal” economist, who kept a close watch on our work. Hallstein had understood, as had several others, that we were not planning to substitute the High Authority for private enterprise, but seeking to make possible real competition throughout a vast market, from which producers, workers, and consumers would all gain.’ Monnet, *Memoirs*, 261. In similar fashion, Evrard describes how Marjolin’s ‘indicative planning’ was, after German and Dutch opposition to the term, *rebranded* as the European Medium-Term Programs (EMTP) without any significant changes in its content. Evrard (2025, 78).

¹⁴¹ Schulz-Forberg, ‘Crisis and Continuity’, 687.

¹⁴² Lovering, ‘Indicative Planning’, 95.

¹⁴³ André Mommen, *The Belgian Economy in the Twentieth Century* (London: Routledge, 1994), 75.

¹⁴⁴ Evrard, ‘Redeploying Planning’, 132.

¹⁴⁵ Louis Baudin, ‘Le Néo-Libéralisme’, *Revue Des Deux Mondes* (1957), 51, cited in Evrard, ‘Redeploying Planning’, 132.

¹⁴⁶ Warlouzet, ‘Competition versus Planning’.

it was obstructed by the lack of clarity that characterises all theoretical formulations that confront the real world, by oppositional national and particular economic interests, by demands and pressure for democratic transparency. It was, in other words, challenged by the very same forces that neoliberals have identified as obstacles to the market order since the inter-war period. But efforts to materialise this vision did not stop. The project of European integration continued and has, to this day, conquered many of its goals – most significantly, in the realisation of monetary unification under the control of non-majoritarian independent institutions with price stability as its sole purpose. Such a construct is firmly embedded in the neoliberal framework as it has been reconceptualised in this paper, a contribution that will hopefully open up new research opportunities and topics for evaluating how this framework continued to influence European integration after the inauguration of the EEC.