POWER MAXIMIZATION, ECONOMIC THEORY AND ITS RELEVANCE FOR POSSIBLE CONSEQUENCES ON EU ENLARGEMENT

Maximizarea puterii, teoria economică și relevanța sa pentru posibilele consecințe asupra lărgirii UE

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Utility functions, which include relative wealth as arguments, have the property that utility increases as relative wealth increases, i.e. even if simultaneously absolute wealth decreases. Changing absolute wealth to absolute positions in whatever respect and relative wealth to relative positions in whatever respect brings about the conclusion that the proper maximand is general power and not wealth. Consequently a community of power maximizing individuals reaches a state of wealth maximization just by accident, i.e. as an unintended result of power equality situation. This explain the paradox that while it is well understood that the long lasting economic growth had appeared and exists on the basis of power equality there is a chronic inability of many societies to adopt power equality or democratic political institutions. Some European communist countries seem more inclined to generate power inequality and consequently the preferences of their citizens had been shaped more toward relative positions. Equal treatment of these countries at least in the very beginning of EU enlargement might push the EU institutions to take a more power inequality stance and toward worse economic performances as otherwise.

The Model. Fundamental Assumption and Terms

The analytical model I employ in this study, that basically should explain how different communities *come to choose to have* different performances in terms of absolute wealth, is based on a fundamental assumption, different from the orthodox assumption that individuals are maximising absolute wealth or utility generated by its consumption:

Fundamental assumption: individuals are maximising general or universal power or general power generated utility.

I employ the term general power in this study as a general ability to make things or take actions, that is the primary definition presented by Hobbes[1] (1668) to power. Note that power defined in this way it is by no means only power over other people, but a general ability that concerns both the relationships between, on the one hand, the individual and the other individuals, and one the other hand, between individual and nature. The idea according to which irrespective of individual's specific goals he needs power in order to perform them, power that will be employed or consumed during the process, was underlined by some social scholars as, for instance, Th. Hobbes (1668) and F. Knight (1947). The perspective of this study goes beyond this: individual is conceived primarily as deriving satisfaction from power maximisation and not from processes or goods that consume or destroy power. The increase in the volume of the goals that can be achieved generates satisfaction, if one looks from an utility perspective and not primarily the achievement oh these goals *per se*. From this perspective the consumption of the power itself is constraint to power growth or its conservation, that is the proper description of maximising activity is max Power=f(C), where C is individual's consumption level of whatever goods and services and P his general power level.

Potential general or universal power (P^p) consists in physical and spiritual abilities individual is endowed with and can employ for achieving his goals. *Effective general or universal power*(P^e) consists in the volume of things and actions individual is able to perform versus nature or other individuals. It is dependent on P^p and the easiness the two media can be transformed:

$$P^e = f(P^p, p_a, p_r),$$

where p_a and p_r are the prices in terms of P^p for taken one unit action over nature and, respectively, other individuals.

As it will be helpful to keep separately individual's effective general power in relation to nature and in relation to other individuals I define the following terms as well. *Absolute power(a)* is an individual effective general power in relation to nature and it is measured by the volume of his absolute wealth, that is $a=w=P^e/p_a$. *Relative power* (r) is one individual effective general power to control other individuals' behaviour, that is individual's effective general power in relation to other individuals. This kind of control it is not instrumental to anything else, but an end in itself.

Assuming further that initially utility function for power generated utility is $U=f(a,r)$ with

$$\frac{\partial U}{\partial a} > 0,\ \frac{\partial U}{\partial r} > 0,\ \frac{\partial^2 U}{\partial u^2} < 0 \text{ and } \frac{\partial^2 U}{\partial r_2} < 0.$$

Then what I got here is an individual maximising power generated utility by consuming two rather peculiar goods, absolute power and relative power: *max U(a,r), where* $p_a a + p_r r = P^e$. If each individual is assumed as having a given preference for the two peculiar goods, a given potential general power and that he confronts some other individual and some specific natural environment defined by prices p_a and p_r, then each individual will maximise for a given bundle of the two goods as in figure 1.

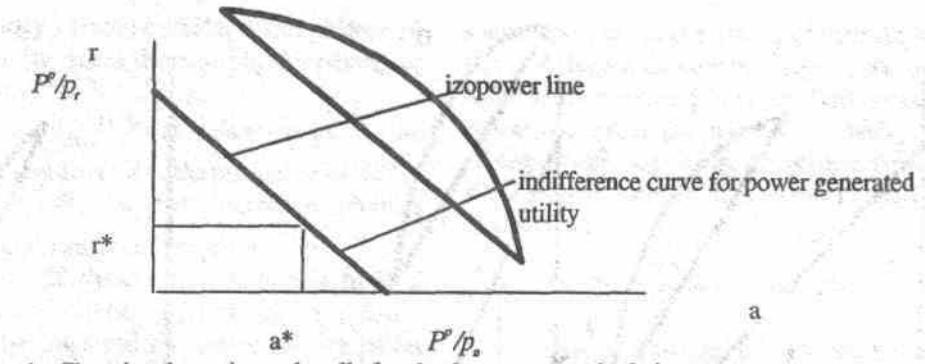

Figure 1 - Choosing the optimum bundle for absolute power and relative power

Now let us go back to potential general power. At a very initial stage it can be modelled as an amount of physical and spiritual abilities individual is endowed with and which can be shaped purposely. Assume in the frame of this study that these general natural abilities materialise into quantities of non-military goods($a^a=w^a$) and military goods ($a^m=w^m$). Non-military goods are instrumental in getting absolute power, but military goods are instrumental to this purpose as well as long as slavery proves to be an efficient institution. Military goods are instrumental in getting relative power, but non-military goods are instrumental to this purpose as well because "riches joined with liberality is power because it procureth friends and servants"(Hobbes, 50).

Two Additional Alternative Assumptions

II a. Alternative Smithsonian assumption: ***There is no ex ante specialisation comparative advantage in producing military and non-military goods.***

Under this assumption engaging into military activities to get absolute power is ruled out.

Imagine now some very primitive social stage when there are no communities and no institutional setting. Even more, imagine only two individuals A and B endowed with some general abilities making up their potential general power: P^p_A and P^p_B. These two individuals find out that they have to start together a living on the same island. Both are power maximising or power generated utility maximisers. Each one has to start immediately maximising his general power over the natural environment of the island and over the other one. Let me take individual's A case when $P^p_A > P^p_B$. The maximum amounts of the two goods he will have to choose between are

$P^p_A/p_a=a_A$ and $P^p_A/p_r=r_A$. Now because relative power of A in relation to b is in fact A's ability to control B and any effective control requires that $a^m_A>a^m_B$, I will write relative power as an index for A's degree of control he is having over B, that is $r_A=\frac{a^m_A}{a^m_B}-1$. Then in a situation of perfect power equality $r_A=0$. Additionally under the Smithsonian assumption of no ex ante specialisation comparative advantage

$$r_A=\frac{a^m_A}{a^m_B}-1=\frac{a^n_A}{a^n_B}-1.$$

Now let us make individual A choose bundles of the goods *a* and *r* while his preference is constant but the relative power is different. As in figure 2, let us take three cases, where A is having less and less ability to control B up to no control:

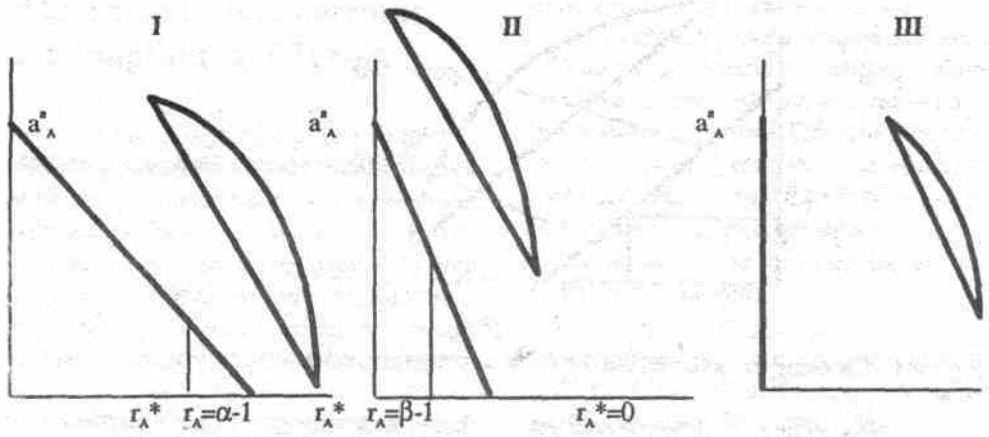

Figure 2 - Choosing bundles of absolute and relative power in situation of different power inequalities

$$\text{I } a^m_A=\alpha a^m_B \text{ so } r_A=\frac{a^m_A}{a^m_B}-1=\alpha-1$$

$$\text{II. } a^m_A=\beta a^m_B \text{ so}$$

$$r_A=\frac{a^m_A}{a^m_B}-1=\beta-1 \cdot \infty\beta$$

$$\text{III } a^m_A=a^m_B \text{ so } r_A=\frac{a^m_A}{a^m_B}-1=0$$

The conclusion drawn on the basis of the figure 2 is straightforward: with less and less power superiority the power maximising individual is choosing bundles consisted of less and less relative effective power or more and more absolute wealth. Put it differently the individual tends less and less to spend potential general power on controlling behaviour of the other individual or he is choosing to spend more and more potential general power on getting absolute wealth. As control over the other individual is an end in itself less of A's spending on controlling B means simultaneously more of B's potential general power being available for producing absolute wealth. Over all the community made up of the two individuals A and B will produce more and more absolute wealth as their relative power is getting closer to zero.

As long as $a^s_A=a^m_A$ and $a^s_B=a^m_B$ individual A in any of the previous examples has no reason to choose to produce military wealth over non-military wealth. There might be a case for converting general potential power into military wealth when, not given a sufficient degree of liberality, the individual A is not able to buy the optimum amount of control over B.

II b. Alternative bees' assumption: There is an ex ante specialisation comparative advantage in converting potential general power into military and non-military goods.

Suppose individual A from the previous example has an ex ante specialisation comparative advantage in converting potential general power into effective relative power. Then there are two direct consequences of this alternative assumption. First in getting relative power, individual will choose military goods. The intercept of the izopower line with the abscissa will be comparatively further from origin. Second, it is not for sure that the same will happen as regards the intercept with ordinate, because individual A will choose to get absolute wealth by producing military goods (and consequently enslaving B) on condition that $max\ w_B\text{-}max\ w_B'(I_B)\,dI_B > W_A + I_B^{max\ w_B}$, where:

$max\ w_B$ is the maximum absolute wealth B can produce,

$max\ w_B'(I_B)\,dI_B$ is the decrease in the

maximum absolute wealth B can produce after his income is decreased by A's plundering activity,

$I_B^{\max w_B}$ is the minimum B's income consistent with the production of w_B^{max}

W_A is the maximum absolute wealth A can directly produce

If the above condition is fulfilled there will be duress all over; if it is not, duress will be employed for getting relative power only.

While in this case with the same potential general powers for the two individuals will be chosen different optimum bundles of the two goods (different from the cases represented in the figure 2) the general rule is still valid: individuals are choosing more absolute power the more they are moving to relative power equality. Characteristic to this case is that for zero relative power there is no need that potential general power to be equal.

Preferences, Coalitions and Communities Preferences in Terms of Absolute Wealth

With given preferences, zero relative power had previously assured that a corner solution (a bundle consisted of absolute power or wealth only) would be chosen. My interest is directed now to how preferences shaped within some specific interaction are going to influence the choice between absolute power and relative power when individual is confronted with shaping coalitions in the process of community size growth.

When small communities merge and form larger communities the shaping of the new communities can target at enhancing absolute power or relative power of their members. A bigger community might increase individual's absolute power by further specialisation, but might increase as well his relative power. Individual A's relative power within a community with n members can be measured as:

$$r_A = \frac{1}{h_i}\sum_{i=1}^{n-1} dc_i - 1, \text{ where:}$$

dc_i is individual A's degree of control over individual i of the group, $dc_i = \frac{a^m{}_{Ai}}{a^m{}_i}$ and $a^m{}_{Ai}$ is individual A's absolute military power employed in controlling individual i;

h_i is a homogenisation coefficient in case the other $(n-1)$ members of a community command different amounts of military wealth.

Then under these circumstances in getting a smaller or bigger absolute power individual's preferences are crucial, because except some special cases, members of the community can shape coalitions for whatever relative power among them they wish. In shaping any larger coalition individuals are coming with previously shaped preferences within the smaller coalitions. At one extreme any individual starts to shape his preferences toward absolute and relative power within an interaction with some other individual. Assume now that a change in relative prices has some consequences on the change of preferences(North, 1990). At the two extremes as no individual can get to prefer a good its consumption he never experienced, the indifference curves for individual A in a setting of perfect power equality (zero relative power) and infinite power superiority (infinite relative power) would be shaped as straight lines like in figures 3 and 4.

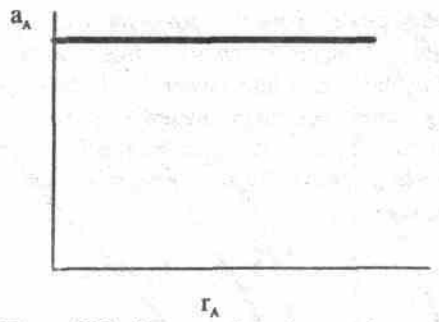

Figure 3 Preferences shaped power by equality

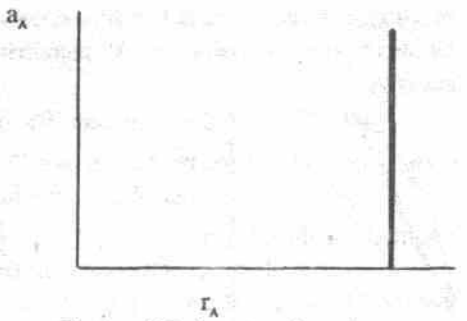

Figure 4 Preferences shaped by complete power superiority

Consistent with the two extremes would be to have steeper indifference curves, as relative price for relative power in terms of absolute power is lower. In other words a good tends to be more and more preferred as it is cheaper and cheaper. Consequently, if individual A starts a coalition with another individual after he has had an experienced similar with that of figure 3, a corner solution with a bundle consisted of absolute power only is granted. If the shaping of a coalition is proceeded by an experience consisted with that of figure 4, on the contrary, a corner solution with only relative power is granted.

In other words, figure 5 represents a situation where the institutional setting assures perfect power equality or zero relative power for each individual, while figure 6 represents a choice where the institutional setting assures a perfect power superiority or virtually infinite relative power for individual making the choice.

Complications to the Analytical Model

There are four complications of my analytical model that I will briefly tackle here.

The first one: if the power equality at the level of relevant institutions is a result of the equality of individuals' power how can one explain the existence of institutional structure characterized by power equality within communities populated with individuals which represents units with rather unequal general power? How can one explain the sinuous or contradictory evolutions of the political organization

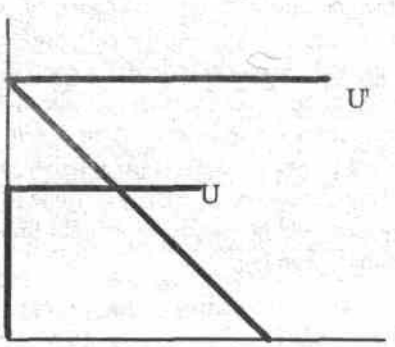

Figure 5 - Corner solutions entailed by perfect power equality

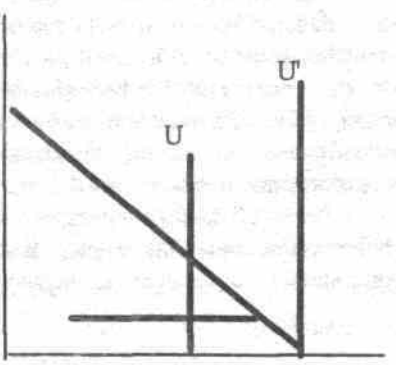

Figure 6 - Corner solutions entailed by perfect power superiority

from different communities?

My answer which accepts as normal these situations has two components.

The first component: When on the basis of the power equality the wealth is determined as the central objective of one community's members and from this point of view they achieve remarkable results (as in England, for instance), it is brought about a change of the relative power of the competing communities (for instance England's power versus France's power). Very likely, the objective of relative power (the case of France) should impose the objective of the wealth production and implicitly of the adopting of the institutional structures (by France) that is consistent with wealth production, that is the institutions of power equality.

The second component: the same reality of power equality that makes possible an outstanding production of wealth changes the individual preferences towards institutions of power equality. The community which on the basis of the rapid growth of its wealth gets a higher relative power, will be tempted to push beyond its borders the values of its own, the tastes and the preferences moulded under the impact of power equality[1]. The promotion of these preferences can by itself to determine the expansion of power equality institutions to communities where these could not otherwise appear. The inconsistency between the preferences moulded by the local realities characterized by power inequality and the preferences or the values brought about by domestic realities characterized by power equality might explain the chronically unsatisfactory performances of many countries in this field and their image as tired and satellite countries.

The second complication: If wealth is the derived result of power equality and the preferences must be shaped in a certain degree by this reality, there must exist a certain parallelism or correlation between the values which guides social interaction in different communities, a correlation which must obey the following stereotypy: in the wealthy countries with a strong power equality based on equality of individuals' power should exist values of mutual respect, of abstention from imposing costs or negative externalities on the others and , on the contrary, in the poor countries with a prevalent power inequality should prevail the disrespect for lower social categories, a tendency to discriminatory treatment based on the position in the power hierarchy. Could one recognize such an implication in the real life?

I remember an international conference and two fundamentally divergent positions that in fact generate also the major theoretical confrontation from this study. In his conference an American social scholar had tried to identify the major circumstances of the power fragmentation that have generated the liberal institutions in Europe and the exceptional benefits determined by these institutions as regards the economic growth. As well as in another studies presenting a similar position this study lacked the effort to find the basis or the major cause for power fragmentation in Europe. This major cause might be further a very important barrier in adopting easily the democratic institutions which would bring about economic growth of different countries. The studies I was referring to ignores exactly what is the central idea of my own study: the power equality of the institutions of some European societies at different levels of organization had not appeared casually but is based on the substantial power equality at the level of the individuals composing those societies.

The easiest way to find the substantiality of the power equality at the individuals' level is to identify the preferences that guide the interaction between the individuals of those communities, pref-

erences that, as we have accepted before together with some famous economists, have to be consistent with the prevalent power ratios. And at the same conference, in a short comment on the above mentioned study I had witnessed a real characterization of the representative personality of the individuals populating the very country in which were born the liberal institutions - England[2]. Through his comment, Professor Kenneth Minogue from London School of Economics & Political Science wished to rectify just what he has considered the weak side of Hayek's work who "taught us to fear bureaucracy and how to achieve prosperity", that is "the identity problem" (Minogue, 1994) or how I would put it myself the personality type that made possible the birth and the implementation of the classical liberalism into the real social organization. This type of personality is "embarrassed under many circumstances by inequality" (Minogue, 1994). It is not a coincidence that two famous social scholars - A. Smith (1776) and Th. Hobbes (1668) - who represented the same culture made very clear their belief that individuals are basically equals. It is not the same case with Aristotle whose social experience shaped within a population which gave birth to a Balkan state.

And where can we find the most serious violations of the "human rights" (that I perceive as being caused either by the considerable power inequalities or by the preferences modeled by these inequalities) if not in the countries that are considered as underdeveloped?

The third complication brought about by the assumption of power maximization would be the way in which one can explain, after adopting this position, the utility derived by individual from the kind of consumption which is not motivated by the growth of power but is what the classics called an *unproductive consumption*? That is, how can one explain that the individual derive satisfaction or utility from power destroying processes as well as from power growing processes? As Mill accepted the wealth is in a smaller degree a source for "mere enjoyment". I am not addressing this rather unimportant exception from the logic of wealth objective, but I will try to explain this phenomenon in a context where its magnitude is much greater and becomes a real paradox both for my approach and the orthodox economic theory approach.

The paradox I am referring to is defined by Schumacher who suggests as to be called "the first law of economics" as follows: "The amount of real leisure a society enjoys tends to be in inverse proportion to the amount of labour-saving machinery it employs (Schumacher, 1974:138). Then why we find a greater effort (or a smaller leisure) in countries such as Germany or United States than in countries such as Burma which is at the bottom of industrial progress?

From the perspective taken in this study the explanation to such a paradox is as follows: the power maximization, which when it is not pursued under the constraint of power equality is reduced to relative power maximization, imposes the destroying of the produced absolute wealth or prevent of its production just in order to maintain or to not disturb the existing power ratio (relative power) if this last one is at its necessary equilibrium point. As well these societies characterized by power inequality can develop preferences or values consistent with production destroying or prevention of its production. What could be the reason of the lethargy in which are kept the creative forces of many peoples by their `elites that dictate the social organization and the pulse of the economic life? For instance, one of the description I consider proper for the social forces interplay of Romania's long communist dictatorship is that of two soccer teams engaged in a match wherein the team which succeeded in getting a score advantage feels enough

well-off as to practice a "waste of time" strategy with disastrous effects on the sport performance? And the other team unable to turn up the course of the match accepts by resignation the situation.

From the perspective of power maximization peoples that maximize utility by destroying wealth do this because the equilibrium of the relative powers dictate this; for the same reason peoples that maximize wealth do this because of the relative powers which are in a state of approximate equality which have happened to be in this way for reasons beyond mankind possibilities.

The fourth complication to the analytical model aims at the apparent difficulty to explain how is then possible to find no real differences between economic performances of democracies and authoritarian regimes (Weede, 1996). From the perspective of this study the difficulty seem to stem more from the wrong question.

As noted by Fukuyama (1993:79) those states which achieved "most impressive economic growth records in the last 150 years", are authoritarian states with "more or less capitalistic systems",that is, countries with free markets or fostering free competition. Then the proper question would be if free competition is or is not a power equality institution. Indeed the concept of free competition which from an economist's perspective was commended by efficiency was for the political philosopher a model which represented the solution to the problem of power (Galbraith, 1993 (1952)). An authoritarian state might tolerate and feel better-off with free competition as long as political elite's privileged power is not endangered. Then we get authoritarian state with and without free competition but it is much less likely to have democracies with command economies. This might explain the discovery that variation in economic growth performance is much larger among authoritarian states then among democracies (Weede, 1996).

Some Meaningful Facts

Western Europe versus Asia

The basic idea of this study is that individual power equality induces sensible increase in absolute wealth and in the long run gives birth to an institutional framework conducive to economic growth as we know in modern societies. A power equality institutional framework had emerged for the first time in Europe, but not in Asia and had taken the shape of constitutional rights and democratic institutions. Was this process caused by relative power equality and stifled in Asia by a state of prevalent power inequality? What do we learn from history in this regard?

Let us start half a millenium ago when there was no apparent reason to expect that Europe would perform much better in economic terms than Islamic civilizations, India and China, so much the more this empires had a substantial technical advance. The remarkable comparative feature of Asia civilizations is its often unification under " effective imperial rule" (Weede, 1990). Under these despotic institutions there were lack of incentives of those in power to innovate anything productive and very risky for those without power to set productive plants (Jones, 1987). All their social politics was limited to palace revolutions ended up with one elite replacing another.. Characteristic to these societies is then their inability to build up encompassing organizations of citizens which rule out domination of one individual or one group over others, that is they rule out replacing one dictator with another one (Olson, 1982).

It was a quite different situation in Europe. Once deadlier bronze weapons invented decisive victories became viable and temptations to subjugate neighboring communities (Mackaay, 1997) became high enough states grew continuously in

size by concentration. While an Asian concentration ended up with huge continental empires with no real local rivals this was not the case of Europe. None of the rulers in Western Europe succeeded in attaining hegemony. Despite its cultural unity Europe remained politically disunited. The fragmentation of power in Europe "contributed to the limitation of government power over subjects and to decent government" (Weede, 1994). There had been also important consequences consistent with those outlined by my previous theoretical model. Military and economic competition stimulated local innovations and adoptions of other innovations discovered elsewhere which prepared the economic take-off.

But European rulers' power was limited not only by their own rivalry. In feudal Europe there was some reciprocity between vassals and lord. There were also other units ready to turn against local rulers if they felt mistreated: self-equipped warriors and independent trading cities. In such a climate " the idea could arise and spread that not only kings and their officials, but also the lower aristocracy, merchants, artisans and even peasants should enjoy some rights which ought to be respected" (Weede, 1990).

The idea that all individuals should enjoy rights or independence was indeed fundamental for Europe's political and economic further development. For what in Europe kept power away from a malefic Asian power concentration level was an exceptional pattern of European rulers' behavior: "The rulers in Western Europe were looking constantly and opportunistically for alliances against whoever threatened to become a dominant power" (Mackaay, 1997). Indeed, individuals power equality is useless if alliances have other prevalent target than preserving power equality and independence. The logical conclusion would be that the former mentioned extraordinary pattern of behavior was a general pattern and not just something pertaining to rulers. Western European societies seem to have had as an unique feature a prevalent relative power equality among different social actors.

Romania versus Central Europe

The emergence of relative power equality situations among different social actors within Eastern European witnessed a different time pattern and diversity of degree. For instance, at the time in England special privileges granted to producers and merchants by king were hardly enforceable because common law courts might disagree, in absolutist France these privileges were enforceable and consequently the rent-seeking activities relatively more extensive (Weede, 1990). At the same time, in England emergence of a first formal proclamation of constitutional rights in the Magna Carta of 1215 was an absolute premiere, while in France, the much later "Declaration des droits de l'homme et du citoyen " had been influenced by at least the earlier American declarations (Lacone, 1991). And also the emergence of constitutional rights came later in US than in England "it goes beyond the mere adoption of what the English had discovered"(Mackaay, 1997: 26). If there are differences of depth and time pattern even among Western countries, what are the differences between, on one side, Romania, and, on the other side, Central European countries as regards their ability to build and preserve by their own power equality institutions ? Is correct the recent EU decision to approach differently the new entrants? A brief answer is sketched in what follows.

Romanians are of Latin origin, but their peculiar history might have shaped some peculiar features. Most of their his-

tory Romanians lived in different small states and under different foreign dominions. The longest was the Austrian-Hungarian one and the worst the Turkish one (Ratiu, 1990). The degree of economic and political independence Romanian were used to is easy to imagine. At the beginning of the twentieth century one Romanian social scholars (Gherea, 1910) described Romania peasants (representing most of the Romanian population as being in a state of new serfdom. Although his marxist affiliation might spread some doubt on his ideas, reality might not have been much different as after the World War I almost half of Romania's arable land had been appropriated to 1, 036 million peasants with no land property till then.

How different Romanians are from Central European countries' population might be judged by their comparable ability to oppose communist dictatorship. Unlike Hungary (1956), Czechoslovakia (1968), Poland (in 1956, 1968, 1970 and during Solidarnosti period), in which cases revolts were supported by almost entire population and communist governments could not stay in power By their own (without Russian army) more than a few hours(Kundera, 1983), Romanians had never had a comparable "encompassing organization" opposed to communist oppression. Romania's communism had never overcome the Stalinist dictatorship type (dictatorship of one individual), a much worse type than a communist Politburo (the dictatorship of a group) and nowhere except North Korea had ever a communist leader went so far with placing his relatives into very important state and political positions (Tismaneanu, 1995). And this relative inability to oppose a dictatorial power has been present even after 1989. Romania's spontaneous anti-communist revolution was very fast seized by a group of communist reformers (Tismaneanu, 1995) which remained in power till November 1996.

If there is a cultural difference between Romania and Central European countries and how big is this can be judged by how serious they find the threat posed by a foreign dominion of rather different cultural nature(Kundera, 1983). Then how Central European countries and Romania related to the dominion by Russian communist dictatorship? While in Central European countries, in the period after 1945, movies, novels, plays and philosophical works reached quite often the climax of Western culture, it was a different case in Romania, where there was not a serious intellectual disident movement and political opposition had taken more the shape of "individual moral indignation"(Tismaneanu, 1995).

Conclusions

The relevant orthodox economic theory is taking as maximand what I call in this study absolute wealth. Even the more recent economic theory of positional goods does not change the maximand but takes the objective of relative position as a relevant constraint to wealth maximization. As in Hobbes' Leviathan the present study changes the maximand to general power or general power generated utility. The direct conclusion for rational individual behavior is that he is choosing the more absolute wealth the more power equilibrium is getting closer to equality.

Assuming the shaping of preferences as consistent to actual relative prices, over all, relative prices and preferences lead to the same consequence: rational individual will "spend" more general power on absolute wealth in an environment characterized by power equality and less in an environment characterized by less power quality.

Shaping the preferences in a way consistent to relative prices of absolute wealth and relative power, power aggrega-

tion at different organizational units tends to reproduce the prevalent power equilibrium at individual's level. Theoretically institutional frame of different countries varies on a continuum between consent and duress, freedom and slavery, making the general social environment more or less conducive to absolute wealth production (external influence being absent). One country's performance in terms of wealth is, at least on the short run, primarily determined by homogeousness of its population in terms of power and correspondingly how its preferences relates to absolute wealth and relative power.

The model's implications seem to fit very well reality. Western Europe economic take-off and long run economic growth were paralleled by a remarkable ability to bring about and preserve a relative power equality at different levels of its organization. Central Europe countries and especially Eastern European countries, by their history seem to perform less well in terms of power equality and consequently their populations might have preferences shaped relatively more to relative positions and less to absolute wealth. Given equal weights in shaping decisions within the larger UE, there might be a shift of general institutional framework to more power inequality and to less absolute wealth.

Endnotes

1. The three waves of democratization identified by S.P. Hungtington (1991) seem to fit this explanation. "The first wave had its roots in the American and French revolutions" (Hungtington, 1991:16) and the second one, shortly after the alliance of democratic countries won the World War II.

2. " I happen to be an Anglo-Saxon exceptionalist. I do not mean by this that we are superior. We are, I think, clumsy, not very artistic, our manners are about on the level of our public buildings. But one thing we have is a history of freedom, which is a history of looking at what happens in terms (amongst other things) of its impact on our constitution. There are many ways in which this might be recognized - above all in our manners. Civilizations no less grand than ours have been built upon social mores in which it is always clear who is superior in rank to whom. No one or any social gathering is in any doubt about this. It is even embodied in linguistic usage. We on the other hand are embarrassed under many circumstances by inequality. We don't like people who try to please us excessively. Again, language is a clue. How does one translate 'creep' or 'toady' into other , especially non- European languages? We have a taste for dealing with people at a distance, as independent. (This is not, of course, universal: merely the prevalent custom)... The sort of people that we learn from history that we are are a people little inclined to collective projects., and greatly concerned to respect in others the privacy and independence we demand for ourselves". (Minogue, 1994)

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