

# Europe's Unification Curse Returns AGAIN | Prof. Ivo Yotsov

Can Europe unify without repeating empire and breakup cycles? Is the euro a trap without a shared budget, and could real-time AI planning replace markets? I sit down with Captain Ivo Yotsov, professor at the Nikola Vaptsarov Naval Academy, to map six failed unifications and a choice for Europe. Links: Ivo Yotsov ORCID: <https://orcid.org/0000-0003-0300-9417> Ivo Yotsov on ResearchGate: <https://www.researchgate.net/profile/Ivo-Yotsov> Neutrality Studies substack: <https://pascallottaz.substack.com> (Opt in for Academic Section from your profile settings: <https://pascallottaz.substack.com/s/academic>) Merch & Donations: <https://neutralitystudies-shop.fourthwall.com> Timestamps: 00:00:00 Introduction 00:01:02 Liberal institutionalism vs realism 00:03:09 Six unifications from 800 to Napoleon 00:12:41 German order and the eurozone trap 00:20:00 Yugoslavia and the center-periphery split 00:24:19 Borders shift and the escape problem 00:26:01 Fourth theory and real-time planned economy 00:33:10 Direct democracy and system control 00:38:56 Museum Europe or reindustrialized Europe

## #Pascal

Welcome back, everybody, to Neutrality Studies. I'm Pascal Lottaz, an Associate Professor at Kyoto University, and today I'm joined again by my Bulgarian colleague, Captain Ivo Yostov, a professor at the Nikola Vaptsarov Naval Academy. Ivo, welcome back. Thank you. Always happy to see you. And I'm happy to see you because you reached out and said we need to discuss the European Union's attempt at unification and a couple of things, and I'm very happy to do that. So, where do you think we stand at the moment when it comes to this process of EU integration—sovereignty versus the member states?

## #Ivo Yotsov

First of all, I think it's a very big historical process, this unification of Europe. I would say it's a fundamental clash now between two worldviews. The first one is liberal institutionalism. There's a clash between liberal institutionalism and realism. Liberal institutionalism is almost a quasi-religious belief—the belief that history is a linear process moving toward liberal democracy and the free market. It's seen as a one-way movement from darkness to light, from chaos to peace and order, from the rule of power to the rule of law.

## #Pascal

That's the belief behind the framework. That's the narrative we've had for the last 30, 40, maybe 50 years. Everybody now talks about the rules-based order.

## **#Ivo Yotsov**

Yes, and this is famously encapsulated in Francis Fukuyama's "End of History." In contrast to that, reality rejects this linear view. History is actually a circular spiral, driven by quite predictable phases of rise, peak, and decline. Therefore, the so-called post-historical, peaceful Europe is just a vacation from history. Right. And I think now this vacation is already over. Heavy decisions have to be made. From a historical point of view, there were several attempts at European unification. The first one was the so-called Carolingian synthesis—it was the Frankish Empire, proclaimed on Christmas Eve in the year 800. The ideological pillar of this attempt was religious homogeneity. Christianity was the main factor unifying the peoples of Europe—let's say, Western Europe.

## **#Pascal**

And may I just add one thing for our audience? Right before we started recording, you told me that Europe is currently going through the sixth attempt. Yes. So now you're starting with the first one—the first one being the Hungarians trying to unify Europe under a European framework.

## **#Ivo Yotsov**

Actually, it unified Europe, but only for a very short period—something like 40 years. About 42 years later, the emperor's nephews divided the empire into two, let's say, proto-Germany and proto-France. This attempt failed because it didn't have institutional structures, and the main collective power was the will of the emperor. When he died, everything disintegrated. So, the second attempt is the Holy Roman Empire, which is very similar to today's European Union.

## **#Pascal**

Yes, it is.

## **#Ivo Yotsov**

This was actually something like the first attempt to create a universal state.

## **#Pascal**

Although we're talking about the period even before the Peace of Westphalia, we're talking about a moment of very great differences, but also of coming together under a bit of political unity—though still very dispersed.

## **#Ivo Yotsov**

Yes, this union was made up of more than 300 quite independent entities—church lands, cities, commercial and independent republics within the Holy Roman Empire. They tried to create a rule-based empire. In the Reichstag, there were very strong discussions about everything, even the color of the seating places, and the emperor was elected—very similar to how the Pope is elected today. This election process also created a very strong, let's say, money-related influence. There was a possibility for the electors to receive rewards, so it was very difficult to reach a common decision within this organization. And actually, this rule-based state was not able to stand in front of the enemy when Napoleon appeared. They discussed everything in the parliament, but Napoleon redrew the map of Europe without asking them. Nowadays, the European Union is almost in the same position. It's very difficult.

**#Pascal**

Sorry, do you consider Napoleon the third attempt?

**#Ivo Yotsov**

Yes, Napoleon is the third attempt, but I'll speak about that later. The second one, the Holy Roman Empire, was exactly like the European Union—it couldn't reach a common decision quickly. You probably remember the events during the war in Georgia. The war ended before the European Union was able to make any decision, even a common opinion about those events. And, of course, the third attempt at unification is the so-called Napoleonic system, Le Grand Empire. It marks the change from the medieval approach to the state. Napoleon had the so-called Civil Code, called the Napoleonic Code, in 1804, I think.

**#Pascal**

He imposed his legal code on all the territories in Europe, including Switzerland. Switzerland got rid of the French occupation, but they kept the code.

**#Ivo Yotsov**

Okay.

**#Pascal**

Hey, very brief intermission because I was recently banned from YouTube. And although I'm back, this could happen again at any time. So please consider subscribing not only here but also to my mailing list on Substack—that's [pascallottaz.substack.com](https://pascallottaz.substack.com). The link's in the description below. And now, back to the video.

## **#Ivo Yotsov**

So, the idea was to have common procedures—to have a standardized contract law, procedures in customs, and so on. And it was, well, nowadays the Russians have an expression for this: the “vertical of power.” So, from the emperor down to the last governor, there was very strong administrative centralization in this Napoleonic code. During this attempt, the bureaucracy became a weapon. It functioned as an efficient administrative machine, and citizens didn’t like that. The citizens didn’t like it, and the reaction was very furious in Spain. In Spain, there was the so-called guerrilla, a kind of partisan war. In Germany, proto-nationalism appeared during this time.

And in Russia, when the country was invaded, the rulers managed to present the resistance to the people as, let’s say, something like a holy war—a national war against the intruders. Something very similar was happening at the same time: the so-called Continental Blockade. The Continental Blockade was a blockade imposed on Britain by Napoleon. I think it was a kind of cognitive error on his part, because he believed that the industry of Great Britain was very closely tied to the markets in Europe and would collapse without them. But Great Britain quickly managed to reorient its markets toward the empire—his empire.

## **#Pascal**

Yeah, so it was basically the early 19th-century version of today’s sanctions—“Let’s sanction Britain.”  
Yes.

## **#Ivo Yotsov**

Different players, but the ongoing events were almost the same. So, in the end, the economy of Europe was in very bad condition. It was like a backfire, something like that. And the fourth—well, I think that’s enough for the third one. The fourth attempt is, let’s say... I don’t know how to describe it because it’s very tricky. The German attempts during the 20th century. Apart from the inhumanity of the Nazi doctrine, there are several things that are very similar to what we see nowadays. Germany, from—well, I think in 1914—applied a policy in which Germany was the leader. The center of industrial development was the region of the Ruhr and the mainland, and those regions were supposed to provide technology and capital. The periphery, the other regions such as the Balkans and Eastern Europe, served as a source of raw materials, cheap labor, and, of course, a market for German exports.

This approach at the time created imbalances between Germany and the peripheries, such as Romania, Bulgaria, and so on, because of trade disparities. The German mark was artificially kept at a very high level. The Nazi “new order,” let’s say, from an economic point of view, was about creating a large space—a new territory—that would serve as a resource for the center. The idea was

that the common development of the European economy should bypass global markets. Germany believed that this internal European market would be enough to avoid dependence on the dollar and, at that time, on the British pound.

## **#Pascal**

This attempt also failed, right? Yes, it failed, because it ended in very, very large-scale violence. And there are quite a few people who said, you know, if Hitler had stopped with Czechoslovakia, he might have gotten his way. But that would have been the whole of Europe, right? Actually, I'd add more.

## **#Ivo Yotsov**

Yes, actually, this attempt was destroyed—was stopped—but not by itself. It was stopped by the coalition between the Soviet Union, Great Britain, and the United States. But anyhow, it had very strong economic imbalances. And if it hadn't been stopped for political reasons, it would have stopped by itself. So nowadays, the Eurozone is doing the same, because it creates imbalances between, for example, the economies of Germany and Italy. In Germany, the euro is undervalued; in Italy, it's overvalued compared to what the economy should be. And the trade exchange between the two countries—well, for Italy, it's, let's say, cheap to buy German goods. In this way, it creates a trade imbalance between Italy and Germany.

And debt flows from Italy to Germany. This trade imbalance became a financial imbalance—it turned into debt. And Italy can't escape from that because it's almost, let's say, close to bankruptcy. Germany can't escape either, because it would lose the money it's supposed to receive from Italy. So it's like a trap for both sides. And actually, this is the reason for deindustrialization in Southern Europe—countries like Greece, Italy, and Spain as a whole—and also in Eastern Europe. The more developed, industrialized countries keep pulling ahead, and the difference between these two parts of Europe is getting bigger and bigger because of that.

## **#Pascal**

Because if the currencies were not the same, then the Italian currency would actually, over time, devalue. So it would get cheaper for Germany to import goods from Italy, and that would balance things again. Yes. Within nation-states—also in Switzerland, or in others like the U.S. as well—what you do is have a financial exchange mechanism where you redistribute the profits from taxes.

## **#Ivo Yotsov**

But that's what the European Union doesn't have.

## **#Pascal**

They have currency integration without fiscal integration—at least not to the level they need. And we saw that during the crisis with Greece, yes, and in other moments too. This creates a structural imbalance toward the imperial center, Germany. And I wonder, why is it that your country, Bulgaria of all places, decided to adopt it? What to say? What to say?

**#Ivo Yotsov**

Nobody asked me.

**#Pascal**

People should just ask you more, Ivo, but let's continue the thought. So we have this problem of integration—the periphery versus the center. We have this cyclical development of European integration and disintegration. Historically speaking, they always came so far before it shattered. And in the center and in the periphery—I mean, the Soviet Union was a similar kind of project in the East.

**#Ivo Yotsov**

Yes.

**#Pascal**

Yugoslavia was a similar kind of project.

**#Ivo Yotsov**

Yes, it's the fifth one.

**#Pascal**

Ah, Yugoslavia is the fifth one. Yes, it's the fifth one. Please, please, let's talk a little bit about Yugoslavia, because we tend to forget about it. It was such an important project. Yes.

**#Ivo Yotsov**

In my view, Yugoslavia was the fifth attempt, actually, as a kind of check. What would it be? The great powers developed and created this project. You know, such a state included very different countries—Macedonia, Kosovo, and the southern parts, which were less industrially developed, as in Europe now. And in the northern part, Slovenia and Croatia were more developed and, let's say, more Western-oriented. Different religions—Orthodox, Catholic, Muslim, etc. And the leader was alive—Josip Broz Tito was alive. He managed to keep control. But when he died, they approved a new constitution, I think in 1974 or something like that, stating that the presidency should be

rotational. And, okay, it's a kind of democracy, but it was very difficult to make decisions, to make tough decisions in difficult times. And exactly as in Europe now, the northern part didn't want to pay to balance the southern part, let's say.

## **#Pascal**

The Slovenian Republic and the northern part, including Croatia to some extent, were unhappy about financing the South.

## **#Ivo Yotsov**

Yeah, so this is the fifth one. And in my view, I started with that. Nowadays, decisions have to be made—very difficult decisions in Europe. And unfortunately, I don't know why it's like that. Actually, I do know how it happened. Probably, you know, during the Second Gulf War, France and Germany refused to take part in it, and the United States decided, "No, no, no, no, no, we should, let's say, replace..." I don't remember who the Secretary of State was at that time.

## **#Pascal**

Rumsfeld. Yes, Mr. Rumsfeld.

## **#Ivo Yotsov**

He thought we should do something to prevent that from happening again in the future. And the leaders now in the European Union, they have a very strong, let's say, NGO background.

## **#Pascal**

Related to the Young Leaders Program at the World Economic Forum.

## **#Ivo Yotsov**

Different.

## **#Pascal**

Yeah, we have all of them, all together—very successful, kind of slow but gradual. Young, progressive, beautiful, and so on.

## **#Ivo Yotsov**

Very clever. Yeah. And I'm afraid those people are very closely tied to their backgrounds, and they will not serve the people of the European Union. That's why they're not able to make decisions in favor of the people of Europe. But it does beg the question—how do we get out of this?

## **#Pascal**

And, you know, in my own classes—I used to teach a course on European politics—I told my students, look, it's almost impossible, or at least very hard, to find a single decade in European history when borders didn't change. The only question is, do they change peacefully or not? Do they change by force? Even in the 2010s, you can point to Brexit—it's another way the map changed, and who has which borders.

And if you remember, the biggest problem was how to deal with Northern Ireland—how to unscramble the egg—because Europe is always in this process of integrating, but integrating different things like economic, currency, political, and so on, at different speeds and different levels, right? And this has been going on forever. But if we've been trying this now for six or even seven times, if we even had the Soviet Union and were still unable to escape this cyclical pattern of Europe, how do we get out of it? I mean, it can't be that after six attempts, we're going to do it a seventh, eighth, and ninth time.

## **#Ivo Yotsov**

It's not that poignant.

## **#Pascal**

I'm not able to accept that.

## **#Ivo Yotsov**

I want something better. I want an escape from this. I think I wrote an article—it's now in a journal—and I'll send it to you to read. But let's talk a little about that. I suppose you know Alexander Dugin's theory about the Fourth Way, or Fourth Political Theory.

## **#Pascal**

I know about him, but I don't really know his theory. Can you explain the gist of it?

## **#Ivo Yotsov**

He thinks that the previous theories—okay, the first one is the liberal theory of capitalism, the second is Marxist or communist, and the third is the Nazi-Fascist theory. And the fourth should be in

the future, taking the best from the previous three. He says that all of them had something good, but, for example, the Fascist theory fell apart because of its anti-human aspect. And even more, both of the others joined against the third. Right, right, right.

## **#Pascal**

The predominant paradigm, yeah.

## **#Ivo Yotsov**

Yeah. And that is—but he, in his book, he... yes, it's there on my shelf. He said that his philosopher cannot describe how the economy should function in the so-called future paradigm. Paradigm, yeah. And, according to me, in the 1960s, a Russian professor—an academic, actually—proposed a cybernetic system for controlling the national economy. But it was not accepted by the ruling part of society—not just the higher level, but also the people in management positions. They didn't accept it, explaining that it would be very expensive, etc. But the reality is that a huge part of the GDP was being stolen at that time by those people.

Nowadays, we have the technological means to control almost everything—and actually, that's how it is now. The supply chains, for example. We have digital tracking of supply chains from raw materials all the way to the end user. We have artificial intelligence systems managing information for everything in those chains. And AI today can predict almost everything—announcing strikes, forecasting the weather, and so on—so it can anticipate how the supply chains will function and react or adapt by changing suppliers, etc. So, if this approach were applied to the whole economy, it would be a planned economy in real time. For sure.

## **#Pascal**

You can do a Soviet-style planned economy with a time-prediction and review mechanism based on data feedback.

## **#Ivo Yotsov**

Sorry, it's not like Soviet times, because back then, in our countries, we had a specific state body that decided what to do. Right. And here it's, let's say, more optimized. It's not administrative at all. Right. Yeah. It's completely different. It's okay—it's somehow similar, but...

## **#Pascal**

Yeah, the underlying operating system is different, although the goal would be the same—making planning predictable. I mean, this idea of the Soviet-style five-year plan, right? You set a goal and then ask yourself, how do I turn the wheels to get there? That's something that, today, in the

European Union, I think is just gone—the five-year plan idea. Whereas the Chinese are doing it much more, saying, “Where do we actually want to go?” and then working toward that.

## **#Ivo Yotsov**

The so-called state capitalism—or, um, state-controlled market socialism—is what we see nowadays in Vietnam and China. Russia, by the way, is becoming a more centralized economy. Actually, more than 70% of the economy is now state-controlled, so...

## **#Pascal**

And the fact is, at the moment—at least when it comes to the military, to weapons manufacturing—that approach seems to be working out. Seems to be perfect, yeah. The military-industrial complex of the West, you can see how it burns extreme amounts of money while producing relatively little. Not nothing, but comparatively, it's much more difficult. That's why Russia was able to outproduce. And expensive. And expensive, yeah. So, a lot of waste—like byproducts created during the manufacturing process. Yeah.

## **#Ivo Yotsov**

And it also creates dependencies, let's say, because of competition between the different economic bodies—who will take the... So, speaking about the future, how it should be organized, there is a very big danger. Who would control such systems? And I think democracy, as in your country, should be applied. The people should be asked about everything—how to distribute the income between defense, health care, education, whatever. For such questions, the people have to be asked. Asked, asked. This is pure democracy. And it should be established. Probably, you know, just after the Napoleonic Wars, there was something like a small revolution in the Russian Empire.

The so-called Decembrist Revolution—“Decembrist” because it happened in December. It wasn't a huge rebellion, but anyhow, the reason for it was that the nobles, during the continental blockade, lost the ability to sell grain, which was the main export product of the Russian Empire at that time. Their wealth was based on the export of grain and land. But the problem was that on the land there were people—and those people were the property of the nobles. Property, exactly. And to sell the land, they would have had to move the people off it. So they asked the emperor for a constitution, to give freedom to the people. Exactly for that reason. And that was the result. Very strange.

## **#Pascal**

So the discussion is basically about when we bring it back to this issue of how to—ah, yes, yes, I remember.

## **#Ivo Yotsov**

Yes, but those nobles during that time—the Decembrists—they developed a very, let's say, proto-ombudsman idea. Yes, the last power. The last power should be something approved. So, this is the...

## **#Pascal**

What we need in Europe is this kind of principle of equitable decision-making. And, you know, in Switzerland, the public referendums—asking the people, “What do you want?” Not just “Who do you want?” like in parliamentary democracy, but “What do you want?” Direct democracy. It's not about asking the people which one is correct, A or B. It's not which one is right; it's which one you want. Do you want the blue candy or the red candy? And even if the decision is one the other side doesn't like, doesn't enjoy, knowing that more than half of the people want it makes them quiet down.

And you go along and create some form of social cohesion. And if you look at it, this issue of cohesion is really at the heart of Europe's constant warfare, because some groups start saying, “We need to dominate the other one.” And I still wonder if we should look outside of Europe for answers. I mean, if we've been doing this now six times and failed over the last 1,200 years, maybe the answer is not in Europe. Maybe the answer is in Asia. Maybe the answer is in Africa. Maybe we need to learn from outside in order to figure out how to deal with this stupid problem. It's a stupid problem that we do this periodically.

## **#Ivo Yotsov**

In Norway and in the United States, there is no such problem.

## **#Pascal**

It was educated by the natives?

## **#Ivo Yotsov**

Yes, okay, but anyhow, nowadays they don't have such problems because they managed to create a U.S. nation. And in Europe, the Polish guy is Polish, the Bulgarian is Bulgarian, the German is German.

## **#Pascal**

But my point is, they managed to—had they not eradicated the natives, who had a different structure and were much more rooted in their localities—it might not have gone that route, right? They replaced the indigenous people with mainly white Europeans and enslaved Africans, or Black people, and spread them everywhere. And that kind of got rid of this locality problem that Europe has, right? That we have different perceptions between the Bulgarians, the Swiss, and the

Portuguese about how we're best organized and how we want to do things. The Americans—modern Americans—did a very radical thing, a genocidal thing, right? But it kind of distributed the political preferences in a way that is, I think, less conducive to civil war and more conducive to state-building, the way we've seen it over the last 150 years.

## **#Ivo Yotsov**

I don't know. In my point of view, the future of Europe has two possibilities: either to go back to strong nation-states with national sovereignty, or to turn Europe into something like a museum—very beautiful, precious, guarded, making money by showing what it once was, but without creating new products or taking part in the future. Just a museum of what it used to be. The other possibility is to reindustrialize, to encourage indigenous families to have more children, to repopulate Europe based on traditional values—myths, values as a whole, religious or otherwise. So, for me, these are the two possibilities. The first one is also connected to the population replacement we see now in the West. In Eastern Europe it's not so strong, but in the West there are millions of non-indigenous immigrants, not from Europe.

## **#Pascal**

I don't know. I mean, that's the other option, right? Just integrate Europe into the rest and actually be open. As Glenn Diesen wrote in one of his books—or rather, as he used it in the title—it's not his own phrase, but the title was something like *\*Europe as the Western Peninsula of Eurasia\**, right?

## **#Ivo Yotsov**

Yes. I saw some—well, I also saw this article.

## **#Pascal**

It's weird when you think about it. Eurasia is really the only continental landmass that we mentally split in two. We don't do that with Africa. Geographically, it's obviously one whole, and Europe is just the smallest sliver of it. And actually, if you look at the historical developments—even over the last 1,500 years of Asia—you see very similar dynamics elsewhere, having to do with the fact that whenever you travel 50 kilometers, people start speaking differently, all over the place.

And I keep telling my students, you know, if you go to Google Maps, it can give you turn-by-turn directions for how to walk from Portugal to Singapore and Vladivostok. It's all one big landmass. You can even drive by car—Singapore is an island, but you can reach it via a bridge, so it still works. Yeah, it's funny that we Europeans think we're separate from the rest of Asia. Ivo, this was a very interesting discussion with you. Thank you very much for taking us through the six cycles. Is there anything you'd like to add? Or for people who want to find you—where should they go to read your papers?

## **#Ivo Yotsov**

My papers are freely available on the internet—on ResearchGate, Google Scholar, ORCID, and so on.

## **#Pascal**

I'll try to link them in the description box below. Ivo Jotsov, thank you very much for your time today.

## **#Ivo Yotsov**

Welcome. Bye-bye.