

A practical and political deal for advancing Europe

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Let us face head-on this incredible fact: Europe is today hit hard by paralysis and is menaced by disintegration at the exact moment when unity is most needed to confront the chaos of the world. Things in Europe today look like the reverse of Holderlin's famous saying : 'where the danger grows, grows also that which saves'. We are indeed opting for unity stagnation, which for all practical purposes amounts to raise the risk of additional secessions after Brexit.

Never has mankind enjoyed such a level of material wealth, nor reached such a pace of technological advancement. And yet anxiety prevails. Not existential angst coming from modernity itself, but real causes for concern, upcoming threats that could destroy human civilization as it reaches its apex.

Three upcoming threats

There is first the climate change that is putting at risk life on the planet itself. There is then the prospect of the Thucydides trap, the re-bipolarisation of the world throwing the USA, the declining hegemon against China its ascending rival , and leading to a war of the West against the rest in which a disunited Europe would be sucked in willingly, unwillingly .There is eventually the democracy crisis that is surreptitiously setting in in the very heart of our advanced societies as epitomized by the Brexit, the Trump election, and the rise of populism, first as a form of political frustration in

front of migratory pressures and of fear of declining social status among the middle class, and then as a sort of political nihilism.

Emergency is required to cope with this dangerous predicament, but there are no quick fixes, because we are not ready to contemplate and accept the degree of social change that is needed to meet these three challenges. In particular we are not ready to depart from the culture of contentment among the elites which cuts them from the majority of their contemporaries.

Two contradictory forces

We are intellectually ill-prepared in Europe for advancing unity further because we have so far relied above all on two contradictory forces in order to achieve the unification of the continent in the new context of globalization: on the one hand neoliberalism, a dogmatic form of economic liberalism, aiming helplessly at trickle down growth, which eventually undermines political liberalism and paves the way for illiberalism, and on the other hand inter-governmentalism which substitutes diplomatic compromises for citizens' adherence. Both create a gulf of mistrust between the so-called elites and the people: decisions are not understood and hence are deemed to benefit the ruling class, which is testified by the growing share of profit in the value added distribution, the commission fees of financiers, the extravagant pay of the executives, tax evasion and widespread corruption. The incompleteness of the single market in key strategic industries, the absence of a European public power in charge of an EU-wide industrial strategy and the skewed governance of a Eurozone with a federal monetary policy but without fiscal solidarity making the macroeconomic policy mix unavailable, take a toll on EU growth performance whilst aggravating industrial polarisation and economic divergence among countries. Tax competition and social dumping fuel growing inequalities among and within Member-States.

Germany 's inertia

We are all responsible, governments and political parties, for this lamentable state of play. But the main cause for the current unsatisfactory institutional setting lies today with Germany. Because of its unique status as main creditor within the Eurozone earned through mercantilist trade surpluses, Germany holds the key to several policies: plurennial budget , industrial norms, climate objectives, trade liberalization and last but not least foreign and defence policy. Germany's sheer preference for status quo and unique propensity for inertia within the EU, are blocking the unity process. Germany first –not Germany alone-, is not an exclusive national character since all governments put their domestic concerns ahead, but Germany has the capacity to resist any serious attempt to overcome to-day challenges through EU. Germany, I am afraid, has not recovered yet from the interwar trauma. Its single purpose is prosperity for Germans, and no role in military affairs anymore. Germany's moral void leaves an empty political hole in the heart of Europe. We come only to realize it now as the balance of power is tilting between Paris and Berlin. This forces us to think of Europe in new terms, relying more on transnational citizens forces – still to be born- than on national capitals.

The combination of intergovernmentalism and neoliberalism is indeed nurturing a culture of rivalry and competition when solidarity is most needed. From centripetal in the glorious thirties, the market has turned centrifugal since the Thatcher-Reagan years.

Political fragmentation

Today the post –Brexit EU is witnessing political fragmentation at two levels.

On the one hand the European Council has turned into an archipelago of regional coalitions with the reluctant Visegrad group coupled with schizophrenic Italy, the enigmatic Hanseatic League

led by Netherlands, and last but not least the fragile and to some extent fictitious French-German duo dominated by Berlin, the reluctant hegemon, more and more unsure of itself and yet more of Europe.

On the other hand the reign of the EPP and Social-democrat coalition in Strasbourg is over because of the expected further division of political forces generated by the upcoming election whilst the impulse coming from Berlin Gross coalition is becoming fainter due to its lack of inner cohesion.

We are entering a stage of political reorganisation at EU level but nobody can anticipate what it will look like. And meanwhile the European construction is at risk. What can be done to cross this dangerous narrow pass?

A new narrative

Europeans need definitely a new narrative for rekindling the dynamics of integration and above all for giving the EU an orientation consistent with the considerable challenges of the day and with the new expectations from the majority with regard to environment and social justice. Moreover the issue of peace is not anymore an intra-EU concern, it' is about the contribution Europe can make to the peace of the world. A recent Millennials poll suggests that a majority of the youth backs up not only a higher priority for environment which would not come as a surprise, but the project of a common defence.

Commonality of destiny through defence and currency

I'll sum up the way out in three words : commonality of destiny. We have to transcend rivalries between countries and Individualism among the population, by creating among citizens the conscience of a shared destiny based on two realities which should be made one: on the one hand the brilliant and contrasted civilizational heritage of Europe which combines diversity and unity ; on the other the need

for EU strategic autonomy within NATO at the service of a singular sustainable development model focused on ecological transition, on bringing about convergence among countries and fighting social inequalities within countries.

The practical deal that would unblock the EU inertia would be to come forward with a synergy between money, defence and corporate taxation of multinationals, three critical public goods accessible only through economies of continental scale. Such trade-off between strategic security and financial solidarity, paid for by multinationals who today escape taxation, would moreover provide an embryonic form of transfer union for the Eurozone and secure the democratic legitimacy of the EP through the 'power of the purse'. Such array of intertwined public goods offers the platform of European regal sovereignty and a sense of belonging for the European citizen. Sovereignty is indeed a powerful lever for awakening affiliation among citizens and in that respect Europe has more to provide than Member-states.

Europe's grand design

But Europe's grand design is much broader and deeper. For it provides the relevant dimension for re-regulating capitalism and technology, the twin shaping forces of our economies which also form the impassable horizon of our societies. EU's ultimate purpose must be indeed to subordinate those forces to the European humanism inherited from Christianity and from the Enlightenment and confronted today with the ideals of justice and liberty, of sustainability and of spiritual progress for the world at large.

Can the collective will of citizens across borders counterbalance the default of action from the centre ? Can bottom-up activism trigger off top-down response ? It would be insane to go on keeping the citizen as an object of politics in European matters whilst precisely Europe returns to him the possibility of becoming again the subject

of History as did the French Revolution two centuries ago for sowing the seeds of democracy. Europe is the key to democracy and multilateralism in the world. Therefore it must be built up by and with the citizens across the continent we share with Russia and China, a formidable task ahead which calls for the mobilization of Europe's immense moral and spiritual resources. Our ambition should be to achieve the cultural unity of the whole continent, to make Europe the political actor of its future.