

The European Project in Crisis: Myths and Realities

Pierre Vimont

Senior Fellow

Carnegie Endowment for International Peace - Europe, Brussels

The crisis of the European project is not a new phenomenon. Throughout its existence, the European Union has gone from crisis to crisis. They have even served as a driving force for its progression, each crises providing the opportunity to bounce back once a solution had been found: the “empty chair” decision made by France’s General de Gaulle in 1965 paved the way for the definitive adoption of the Common Agricultural Policy regulations; meeting Margaret Thatcher’s budgetary demands in 1984 allowed European integration to be relaunched through the Single European Act; and the deep divisions between Europeans emerging at the time of the western Balkans conflicts in the 1990s or regarding the 2003 American military intervention in Iraq, once settled, gave way to the Lisbon Treaty (2007).

A Crisis of a Different Nature?

Nonetheless, this time, the crisis seems more serious, some even believe definitive. The sentiment is spreading that the difficulties Europeans have been encountering over the past decade are of a different nature and that they undermine the project at its very core. As proof, one can cite citizens’ disaffection with regard to European integration, deeper divisions between Member States, and solidarity being questioned, as witnessed insofar as the reception of refugees from the Middle East. The culmination of these worrying developments: the British vote on 23 June 2016 to exit the European Union

appeared to sound the death knell for a project that may have reached its limits.

However, caution should be exercised in making such a diagnosis and the phenomenon unfolding before our eyes should be gauged more precisely. Two fundamentally different analyses are possible, offering necessarily divergent perspectives.

Two Contrasting Readings

For some, the current crisis represents an irrevocable rejection of the European project, which has failed and should be condemned. Governments have gone astray, embarking on an adventure that ignored the peoples’ sensibilities, produced an economic and monetary policy requiring increasingly intolerable sacrifices and progressively led Europe to a loss of influence in the world. The EU must either be disbanded or its founding principles profoundly modified, eliminating all aspects leading to greater integration and replacing it with a Europe based on nations. This is the position of those advocating a return to more traditional and direct cooperation among nation states, whose most radical form is endorsed by populist movements in France, Italy and the Netherlands.

For others, current difficulties are not due to an error in conception but to faulty construction. The current obstructions have various causes that can, moreover, be cumulative: uncertain choices in the objectives assigned the Union, difficulties associated with the project’s very success, namely, in the wake of the enlargement to 28 Member States, or shortcomings registered over the course of the years in the functioning of the European institutions. Such dysfunctions, according to the proponents of this thesis, do not justify giving up on the project.

On the contrary, they call for a jump start and a profound renewal of methods and objectives. This is the position held by the Brussels institutions and the great majority of governments in the Union. It is likewise in this context that the European Commission, in January 2017, put forth a White Paper containing ideas and reflections for relaunching the European project while retaining the general framework established in the Treaties.¹

Growing Criticism Reinforced by Crises

Which of these two diagnoses is right? The matter is far from being theoretical; indeed, the line of action to adopt to get Europe out of the rut into which it has progressively fallen largely depends on the reply. In this regard, one can attempt to better comprehend the current phenomenon by considering the following factors:

- Disaffection with the European Union is not recent. It appeared already, albeit diffusely, during the Maastricht Treaty referendums in 1992. The rejection at that time came from Denmark, but Great Britain had already acted preventively by refusing to follow its partners on the path of monetary union and demanding significant exemptions, whereas France narrowly escaped a negative vote. The warning was clear but it was not truly grasped by European leaders, who would pursue their course without truly determining the extent of this still-nascent anger.
- Disenchantment has grown since then. It corresponds to a rising sense that European leaders are no longer listening to the people and that European integration continues to advance without heeding criticism nor making a minimal effort at self-examination. The reproach is certainly exaggerated, for efforts have been made to reduce the sphere of EU interventions and improve the functioning of the European administration. But the popular judgement remains, that of a process that refuses to question itself, and it is fuelled by numerous examples: the proposed Constitutional Treaty rejected in 2005 by Dutch and French

voters, whose stipulations were nearly identically repeated in the Treaty of Lisbon; enlargement negotiations with Turkey, which continue to be pursued to date although European public opinion shows clear reservations; the ceaseless appeals for greater dialogue between the Brussels institutions and the professional sphere or civil society in Member States, appeals which too often seem to fall on deaf ears.

- The estrangement of European peoples vis-à-vis the EU project has naturally been accentuated by the recent multiplication of crises: financial crisis and debt as of 2008, directly affecting middle class purchasing power, the refugee and migrant influx crisis, engendering great social instability and making certain European citizens fear for the national identity of their countries, the crisis relating to rising terrorism, threatening the security of all, etc.

In the face of all these challenges, the European Union seems helpless. It no longer protects, seeming to offer free rein to the in-depth evolution of the globalized world, whose consequences, particularly on the social level, are causing growing political instability. For the people of Europe, the prevailing impression is becoming ever clearer: it is one of transfers of sovereignty to Brussels, at first accepted as an efficient means of safeguarding the European way of life, but that have definitely not borne fruit and today leave citizens helpless, if not angry.

A Europe that No Longer Protects

Although it reflects a profound sentiment felt throughout the EU, this image is misleading. Despite sharp criticism, the majority of European citizens are not calling for an end to the current organization. They do want the system in place to function better and carry out the task of protection expected of it. They are aware of the benefits European cooperation can provide the countries on the continent when they show themselves to the world united. They nevertheless expect this paradigm to translate in fact into concrete consequences, which does not

¹ EUROPEAN COMMISSION. *White Paper on the Future of Europe: Reflections and Scenarios for the EU27 by 2025*. European Commission COM (2017)2025 of 1 March 2017. http://ec.europa.eu/commission/sites/beta-political/files/white_paper_on_the_future_of_europe_en.pdf

seem to be the case at present. The fall in purchasing power over the past few years, the weakness of European growth, the collapse of external EU border control and the multiplication of terrorist attacks create the impression of ineffectiveness, progressively discrediting the ensemble of the EU project.

For the people of Europe, the prevailing impression is becoming ever clearer: it is one of transfers of sovereignty to Brussels, at first accepted as an efficient means of safeguarding the European way of life, but that have definitely not borne fruit and today leave citizens helpless

The latest opinion polls regularly confirm this state of mind.² European integration is not condemned in principle but denounced for its lack of results. This trend has become relatively consolidated after the British decision to exit, which has had a foiling effect. From this perspective, European citizens seem to take the side of those who advocate in-depth reform of EU operation over purely and simply giving up on the project. On the other hand, they do not seem willing to resume moving towards greater integration in the immediate future. A Europe with reasonable ambitions, anxious to listen more to its population and understand its needs, capable of both protecting European interests and defending them on the world stage, this is the project that seems to be favoured by public opinion, according to the polls. Does this diagnosis suffice to conclude that the European project will rapidly recover if EU leaders are willing to pay a bit more attention to the concerns of their populations? Anyone can see that criticism should delve deeper and that, for the current EU integration crisis to end, the EU must manage to better ascertain the causes of the weaknesses that have led to popular disenchantment. From this perspective, three essential issues merit particular attention: that of democracy, that is, the ca-

capacity to re-establish a link between the centres of power and the people; that of efficiency, that is, implementing work methods rendering EU action more fluid and effective; and that of the project's ambition itself.

A Hesitant Democracy...

The democratic deficit remains one of the recurring themes of the indictment of the EU. The facts are known. In the sixty years of their existence, the Brussels institutions have not managed to create an authentically democratic space specific to Europe. Despite its repeated and worthy efforts, the European Parliament has not truly managed to occupy this terrain, as illustrated by the weak participation every five years in EU elections. It is ultimately in the States themselves that debates find democratic legitimacy, even if their imperfect nature because they are incomplete is immediately obvious. Exchanges about the EU during the last French presidential campaign were highly revealing in this regard, showing the limited nature of proposals that are necessarily unrealistic for not having been perfected through open debate with the rest of the Europeans. The fact remains that the absence of channels between EU institutions and European citizens, capable of contributing ideas and objections characteristic of any democratic exchange, leads to weak political authority. This original flaw affects all decisions made nearly on a daily basis in Brussels. The new factor introduced by the current European crisis tends to indicate that this weakness, long attributed exclusively to Europe, now extends to the more general crisis of our Western democratic systems. Frustration with the elite coming from a growing part of the electorate both in European countries and the United States and linked to a sense of inability to understand one another and to share the same experiences, today nurtures a gnawing rancour against democratic regimes. This can be seen in a variety of behaviours – abstention, voting for extreme parties... – now openly expressing a rejection of past practices. In this context, though European democracy should receive its fair share of criticism, it is no longer the

² *Mécontents, les Européens ne veulent pourtant pas quitter l'UE*, www.lemonde.fr/europe/article/2016/12/29/mecontents-les-europeens-ne-veulent-pourtant-pas-quitter-l-union-europeenne_5055116_3214.html#s51gCWwFS7bAYGIG.99

only one to blame. This new situation effectively modifies the debate underway on the European edifice. The latter can no longer focus exclusively on the democratic deficit registered on a European level. It should join in a more general reflection with the European nations on how to renew their democratic systems, shaken by the disaffection of part of their electorate and the rise of populist trends. Not all European countries are affected to the same extent, but the phenomenon is sufficiently widespread to call for serious reflection. For the Europeans, the interest could reside in the lessons learned from the debates underway in Member States and the use to which they could be put on the level of the common institutions.

Efficiency Sought...

In criticism of the European Union, reproach of the institutions' operational methods constitutes another of the themes in the debate underway. It makes use of the usual accusations made against bureaucracies as cut off from reality and far too self-centred. Here also, to better comprehend the nature of the European Union crisis, we must attempt to go beyond this level of analysis to ascertain where the flaw lies within the system.

Many observers argue that there is no executive power in the EU institutions, and with reason.³ If Europe aspires, in particular in foreign policy, to become an "agile power" capable of handling international crises in real time, it must equip itself with the means to do so. The task is immense. In the EU's external action component, for instance, it would entail a mobile diplomatic network capable of reacting rapidly; means of defence beyond the resources currently available to the EU; and above all, a different approach to crises as well as the will to get involved with full knowledge of the facts.

Today, what best approaches the notion of an executive power on the European level is essentially the European Council, as we have seen over the course of the 2015 refugee crisis or in the case of the conflict in Ukraine. But this organism, consisting of the

Heads of State and Government of EU Member States, cannot simply turn into a crisis unit at each international rise in tension. New forms of action must be invented to complement the responsibility of European leaders. As in the case of democratic deficit, it is in this precise, targeted area that debate should be launched to clear up current misgivings. Insofar as integration methods, Europe has actually reached a crossroads. The political leaders of Europe have never fully settled matters between those who have advocated from the start exclusive recourse to cooperation among States and those who are willing to entrust EU affairs to federal-type institutions. They have preferred to opt for a mixed system balancing the two variants of power, and over the course of the years, have developed a pragmatic European method capable of employing the best of both approaches.

Has the time come to make a choice? This is far from clear: Member States are profoundly divided on the subject; and citizens do not seem prepared to back new institutional ambitions that are hardly a sign of the times. A better response in this sphere would be an effort to rationalize the empirical method developed and implemented over the years and lend it a more solid foundation. This could also be a useful contribution to come out on top of the current crisis.

An Ambition to Be Defined...

One of the most delicate aspects of the crisis in the European Union is the difficulty of EU countries in defining what they plan on doing together in the future beyond the remit already acquired on the European level. This uncertainty is true of both internal and foreign affairs, though admittedly this distinction is increasingly losing its pertinence today.⁴ Indeed, an agreement on the new ambitions of the European project seems particularly difficult to reach today. Doubts regarding the added value the EU could contribute in new spheres of action it could be entrusted, the criticism mentioned above on the dysfunctionality of the EU administration, the widespread feeling that

³ VAN MIDDELAAR L.J. "Taking decisions or setting norms? EU Presidencies between executive and legislative power in a crisis-driven Union," in: STEUNENBERG B., VOERMANS W., Van den BOGAERT S. (eds.) *Fit for the Future. Reflections from Leiden on the Functioning of the EU*. The Hague: Eleven International Publishing. 7-22, 2016.

⁴ LEONARD, Mark. "The Era of Mutual Assured Disruption," *Commentary*, European Council on Foreign Relations, February 2017, www.ecfr.eu/article/commentary_the_era_of_mutual_assured_disruption_7236.

European citizens do not want any initiatives in this sphere for the time being, all of the above factors combined would seem to indicate we should maintain the status quo, awaiting better days.

And yet, the world turns, changing at a pace that is always accelerating, in particular with regard to the balance of powers and the new geopolitical relations developing on the international level. The EU crisis also lends the feeling that the Europeans may not rise to the historic occasion and, in the absence of a common will, pass up the chance to influence the new balances being formed. At a time when uncertainties remain on the new US administration's goals and Russia, China and other emerging powers are moving to defend their interests, the European project should be reinvented if the EU does not wish to remain on the sidelines.

One of the most delicate aspects of the crisis in the European Union is the difficulty of EU countries in defining what they plan on doing together in the future beyond the remit already acquired on the European level

The components of this idea are relatively simple. If Europe wishes to exercise influence, it must act, and it must do so in a united manner. It must therefore decide whether it wishes to strengthen its internal economic power by consolidating the Eurozone acquis. By the same token, the EU must consider, with its Member States, whether it intends to be ambitious in other spheres of internal action such as support to public or private investment, research and innovation, and fiscal or social harmonization. Nothing is definitive as yet and everything remains open for debate. In any case, the relaunch of the European project requires debate among EU countries on the ambitions they are willing to share.

The procedure would naturally be the same for international affairs. Are Europeans willing to act autonomously and maintain a line of conduct in keeping with their interests before their international partners? The

answer is not so straightforward: in the immediate future, certain EU countries would prefer to avoid causing the Americans to step back within the North Atlantic Alliance (NATO), or to take an even greater step back. Moreover, any European effort in this area requires decisions that will not be easy to make, i.e. significant financial commitment insofar as security, defending liberal principals in international commerce, principles that are now contested even in EU Member States by their own citizens, a capacity to take on responsibilities in the crises overwhelming a number of EU neighbour countries.

A Role for Europe in the New World Order?

Ultimately, the European Union must ask itself whether it wishes to be ambitious, for both itself and the stability of a new world order that is emerging. In this regard, Europeans have a particular responsibility, that of defending a certain conception of economic liberalism based on compliance with market laws and tempered by efforts in social protection. The same inspiration towards balance informs their vision of international political stability. It remains to be seen whether EU leaders are determined to assume this responsibility, and whether they are capable of agreeing amongst themselves on the principles and actions they will be willing to promote outside their borders.

The crisis of the European project has its logic. To overcome current difficulties, Europeans need to re-discover the deep reasons that were at the root of the European integration process in the first place. This calls for Europe to regain its self-confidence and assume its ambitions. It also requires it to lend itself the means to achieve these ambitions by operating more efficiently. Finally, the relaunching of the EU project should be done with the support of the citizenry, who should be reconciled to the project. Far from being deadly, this crisis may provide an opportunity to bounce back. But this will require the leaders of the EU institutions as well as those of the Member States to look reality in the face and have the skill to use this moment of profound doubt to regain the political will that has too often escaped them of late.