

THE EUROPEAN PATIENT

A

Diagnosis of the EU's Maladies

A working paper by Krisztian Simon for the Green European Foundation
December 2016

THE EUROPEAN PATIENT

A Diagnosis of the EU's Maladies

**A working paper by Krisztian Simon for the Green European Foundation
December 2016**

Green European Foundation asbl

Rue du Fossé 3

1536 Luxembourg, Luxembourg

Brussels office : Rue d'Arlon 15

1050 Brussels, Belgium

With the financial report of the European Parliament to the Green European Foundation.

The European Parliament is not responsible for the content of this publication.

Contents

Foreword	4
Introduction	5
The False Promise of Convergence	7
Second Class Europeans	8
Losers in the West	8
The Inability to Talk	9
Design Failures of the Monetary Union	10
A Neoliberal Project	12
A Crisis of Legitimacy	13
Disruptive Attitudes	14
No Knowledge of Advantages	15
The Perception of the Irreparable Europe	16
The Inability to Act as a Global Actor	17
Concluding Remarks	18



Foreword

This working paper emerges from a discussion that took place within the *Green European Foundation* regarding the “polycrisis” the European Union (EU) is experiencing. This state of affairs has been acknowledged by everyone including the political figures at the helm of Europe’s institutions, and its gravity has been emphasised by many analysts, who have evoked the possibility of an implosion of the monetary union, or even of the EU itself, in the future. But how are we to explain it? At the very least, the result of last June’s referendum in the United Kingdom compels us to recognise that the process of political integration between nation States witnessed in Europe over the last sixty years is by no means irreversible. Yet this is not just a “British exception”. According to a recent Eurobarometer poll (November 2016), only a third of Europeans hold a “positive image” of the EU and half of the respondents described themselves as “optimistic” regarding the future of the EU. Thus, the crisis of legitimacy affecting Europe’s political action (“Brussels”) is plain to see and has permeated almost every one of the 28 Member States. If we wish to respond and to maintain the objective of political integration between States in Europe, it is necessary to first draw a clear and consensual diagnosis of the reasoning behind this generalised public mistrust which could find stark expression through the upcoming national elections.

A reading of Krisztian Simon’s paper, which draws from over 100 freely chosen publications, lends some insight into the difficulty of carrying out a comprehensive diagnosis given the array of causes put forward. This working paper is therefore one in the strict sense of the term: it is invitation to each reader to reflect further whilst providing them with a series of references which will certainly continue to be expanded. In doing so, it remains firmly in the realm of the “rational”, of (academic) reasoned debate. Political communication bears also, or perhaps especially, on emotions, the shaping of citizens’ perceptions, and its tone is sometimes far removed from the truth of the matter. This crucial dimension, whose power was once again demonstrated by the “Brexit” campaign, is not tackled per se by this document and could become the object of further research.

There is one aspect in the paper meriting particular emphasis: while the question of growing inequalities in societies and the absence of sufficient solidarity and cooperation between States is central to many analyses, a new cultural and political cleavage is becoming dominant in Europe. Not for the first time, the political framework around the question of inequalities is being redefined; “the divide is between liberals and internationalists against conservatives and nationalists” (see the findings of a recent [Wikistrat study](#)).

The deep legitimacy crisis experienced by the EU comes from what these “liberal and internationalist” actors have not been able – or not been willing – to do: shaping globalisation to reduce inequalities. As a result, they have cleared the path for a retreat into the familiar certainties of nationalism.

It is therefore our duty today, as pro-European but critical actors, not to shy away from these difficult debates but to face them with a renewed yet humble determination to develop an inspiring political project for all.

Pierre Jonckheer,
GEF Honorary President



Introduction

Today, Europe is in the midst of a number of overlapping crises: among others, economic, social, political, and environmental. For years it has been obvious that the European project cannot go on in the way it exists today, but the warnings were not taken seriously by the governments and major political forces in Europe. A “Grexit” or “Grexident” was barely averted in 2015, and 2016 saw a majority of voters in the United Kingdom opting to leave the European Union. In the meantime, opinion polls have shown that large parts of the population in other member countries, France and Denmark amongst others, would not mind following the British example of continuing their lives outside the European Union.

For the pro-European forces it is more than obvious that something needs to be done, as soon as possible, in order to save the European project, and today’s faltering EU of 28 (maybe soon only 27) self-interested Member States needs to be transformed into an EU of solidarity and cooperation.

To help foster this process, the Green European Foundation (GEF) has compiled a set of independent, Green, Left-wing, and progressive sources (but sometimes also Conservative and Liberal diagnoses), analytical articles, research papers, opinion pieces, interviews, and policy papers which look at the reasons for the current crises of the EU, the stagnation or regression of the European project, and the growing disillusionment of Europe’s citizens.¹ While putting together this document it was particularly important for us to make sure that the majority of the articles we include should be available on the internet, so that our readers can read the original sources, if they wish; however in some cases we had to rely on articles or books that were behind a paywall, or only available in print.

¹ We did not, however, include sources that aim to find the solution to Europe’s crises outside of a capitalistic model, as their diagnosis doesn’t focus on Europe, but on the current economic system as a whole, and would therefore not allow us to make EU-specific observations or recommendations.

The compilation is subjective, and is based on the readings of the author and the GEF team, as well as a survey of the correspondents of the Green European Journal. To enrich the publication, we are happy to look at any article our readers would find interesting and worth considering, so that we can include them in a new, extended version later this year. The selected articles do not represent the views of the whole of the Green movement; rather their goal is to provide food for thought and to provide a selection of interesting readings.

On the following pages, we will go over a number of possible reasons that have led, according to analysts, politicians, journalists, and activists, to the current problems of the EU, so that we can identify the most important issues of concern, and – as a next step of our project – provide solutions to the shortcomings of the European Union.

This is not to say that there haven’t been important achievements and success stories in the 60 years of European integration (if that were the case no one in their right mind would want to defend the EU), and even the last few crisis-stricken years have led to some positive developments (such as the creation of a banking union); yet the aim of this paper is not to congratulate Europe’s leaders, but to provide a basis for our following publications that gather propositions, suggestions, and recommendations to help overcome the current challenges, and return Europe to its integratory path. In order to have a comprehensive overview of the problems Europe is facing, we have grouped the different findings under four different



headings that look at the various problems activists, politicians, experts, scholars, policymakers, and journalists have identified in the design and vision of a unified Europe, the functioning of its institutions, as well as the acts and attitudes of its people, and its leaders, both on the national and European levels. Needless to say, these problems exist side by side, and many of them are interconnected, thereby intensifying the crises of the EU.



The False Promise of Convergence

EU enlargement came with the promise of driving convergence among Europe's Member States, thereby bringing them closer to each other in terms of values and prosperity. The last few years, however, have brought about increased disintegration, in large part because the leaders of Europe failed to act upon their promises, while pretending that EU membership would automatically lead to convergence.

After World War II, the European Community was born out of the idea of overcoming nationalism and the chauvinistic confrontations of the previous centuries by creating a commonwealth of European nations. The founders of the united Europe knew that in order to achieve this goal they needed to create solidarity through a system of interdependencies between the societies of Europe, which soon led to the creation of the so called “social market economy” (see [the foreword](#) to the 2015 print issue of the Green European Journal), a system that brought prosperity and “economic miracles” to Western Europe². A success story, many would say. Accordingly, German Foreign Minister [Frank-Walter Steinmeier](#) argues in his book “Europe is the solution” that it was exactly this success and appeal of the European project that attracted so many new countries to the club. But by the time the number of EU members reached 25 in 2004, Steinmeier claims, the magnitude of Member States became ungovernable with the methods the EU had become accustomed to with 6 or 12 members. Not to mention, he adds, that many of the new members had different understandings of Europe and different historical experiences.

In the mainstream narratives about the EU, solidarity has played a major role all along: “We (...) believe in solidarity between richer and poorer countries and regions inside the EU, hence the EU funds from which countries like Ireland and Portugal have benefited so visibly over the last two decades. And we believe in solidarity between the world's rich north and its poor south — hence our generous national and EU aid budgets and our commitment to slow down global warming, which will disproportionately hurt some of the world's poorest,” pointed out British historian [Timothy Garton Ash](#) in 2007. But this solidarity has turned out to be little more than lip-service: as [Benoît Lechat](#), the late editor-in-chief of the Green European Journal, wrote, the idea of a peaceful, democratic, and prosperous Europe was used to hide the neoliberal nature of many of its policies; the “promise of a social Europe that was to take over the role of the national welfare state has not been kept,” and thus the appeal of Europe started to lose its lustre in the eyes of the younger generations. Former Belgian finance minister [Philippe Maystadt](#) goes even further, stating in an interview that there has never even been an intention to create a social Europe; not even the socialist governments have ever seriously considered such an option, as they were afraid of what a harmonisation of social policies would bring.

While the founding Member States believed that European integration, and the enlargement of the EU, would lead to convergence in the region, today we see less trust between Member States and an unwillingness to help out other Member States in need. Brexit was triggered to a large extent by voters unwilling to share their welfare with workers from other Member States, and Greece was almost forced out of the Eurozone because the richer countries were unwilling to help the Greeks in a way that

² The European project of peace, prosperity, and solidarity, and its initial achievements, were so impactful that the Greens, cautious in the 70s and 80s, decided to transform themselves from an EU-critical party (in at least some Member States they didn't trust the European project, which they saw as an elite project not paying enough attention to the needs of the ordinary people) to a proponent of EU integration (while continuing to fight against projects that they see as harmful for the European people, such as TTIP – the Transatlantic Trade and Investment Partnership). The Greens have thus played an important role in making Europe what it is today: they have successfully managed to put the environment and the rights of sexual minorities on the political agenda, and their system of gender-balanced co-presidents has made some other parties think about introducing a similar model (on this, see the book “Green Parties, Green Future” by [Per Gahrton](#), former MP and MEP of the Swedish Greens).



would benefit not only the (mainly foreign-owned) financial institutions of the country but also Greece's impoverished population.

Second Class Europeans

Moreover, for many of those Member States that joined in and after 2004, EU accession came at a time when they were still in the process of transitioning to a market economy, and were thus trying to mediate the accompanying high unemployment (which had been almost non-existent in times of communism), deindustrialisation, and increased competition. For them, the EU came with the promise of bringing them closer to a European standard of living, but soon brought up feelings of being “second class” Europeans. According to [Michael Rustin](#), Professor of the University of East London the EU enlargement process was neoliberal in its nature, and therefore the EU population grew hand in hand with the widening disparity wages and living standards within it; or as [Marta Tycner](#), historian and member of the Polish Razem party, has phrased it: “In order to stay competitive, the post-communist countries [who joined the EU after 2004] have to keep their wages low. And their governments are eager to push them down.”

There is even an opinion according to which this idea was unfeasible to begin with: the Hungarian sociologist [Márk Áron Éber](#) writes that the countries of East and Central Europe have become competitors in the process of post-1989 development, thus mutually hampering each other's efforts.

Polish sociologist [Izabella Bukraba-Rylska](#) highlights examples of misguided policies at the EU level, such as too many manufacturers being eliminated from the Polish market, just because the Ministry of Agriculture applied the guidelines of the EU without taking their immediate consequences into consideration.

This wasn't always so obvious; Central Europe was for many years seen as a success story. [Fareed Zakaria](#) [paywall], the author, of the influential article “The Rise of Illiberal Democracy”, in the late 90s named Poland, Hungary, and the Czech Republic as examples of countries that had successfully moved from communism to liberal democracy, and had created a state that protects individual rights and creates a framework of law and administration. But the differences inside the EU have been too big to bridge. “In 2004, when Poland joined the EU, its GDP per capita stood at around \$6,600; in the United Kingdom, the figure was \$38,300. These vast differences in income levels encouraged millions of eastern Europeans to head westward,” writes [Matthias Matthijs](#), Assistant Professor of International Political Economy at Johns Hopkins University's School of Advanced International Studies. Now Hungary is experimenting with “illiberal democracy”, while Poland follows suit, and even the Czech and Slovak leaders are embracing anti-European rhetoric.

Losers in the West

But the problem by no means affects only East and Central Europe. Greek Greens [Zoe Vrontisi and Yannis Paraskevopoulos](#) write that the EU's obsession with competitiveness leads to short-sighted policies that squeeze labour costs, especially in the southern Member States. Economist [John Weeks](#) emphasises that the current construction of the EU market strengthens the inequalities between Member States, one example being that the absence of direct and overt subsidies (prohibited in the EU) has led to



wage repression as the only basis of export surpluses (which would help decrease external imbalances) for the countries in the South.

Economist [Avinash Persaud](#) goes as far as to call the behaviour of the Brexit Leave-voters “highly rational”, as the adjustment costs from trade liberalisation were borne predominantly by the those who voted to leave the EU: less-skilled and older workers (The [Bertelsmann Foundation](#)’s study also shows that the lower-skilled and those with an intermediate education run the highest risk of falling into long-term unemployment in the EU, while the study of the [Friedrich Ebert Foundation](#) suggests that there has been no progress on social cohesion in Europe).

[Kevin O’Rourke](#), Economics Professor at Oxford University, argues that these problems should have been obvious for quite some time: in 2005, a French referendum rejected the so-called ‘Constitutional Treaty’ by a convincing margin and the campaign surrounding this referendum ended up becoming a debate about globalisation. “Opponents of the treaty pointed to the outsourcing of jobs to cheap labour competitors in Eastern Europe, and to the famous Polish plumber. Predictably enough, professionals voted overwhelmingly in favour of the treaty, while blue-collar workers, clerical workers, and farmers rejected it. The net result was a clear rejection of the treaty”, he writes. At that time, no one took this problem seriously, instead the European elites decided to “repackage the treaty, give it a new name, and push it through regardless”; now it is called the Lisbon Treaty.

And this is how we have arrived at where Europe finds itself right now: “a revolt of the insecure against post-national elites, a rebellion of the provincial against the metropolitan, a conflict between the winners and losers of globalisation,” – as [Ralf Fücks](#), President of the Heinrich Böll Foundation has written.

The Inability to Talk

For the past decades, there has been a Europe-wide reluctance to cooperate: instead of the Finns teaching all of Europe about education; the French about health care; the Germans about flexible employment; and the Swedes about gender equality, European politics “has become too much about how each nation would like the world to be, and too little about what produces tangible results,” write former Green Member of the European Parliament (MEP) [Daniel Cohn-Bendit and Felix Marquardt](#), co-founder of the Al-Kawakibi Foundation.

There is no public space where European ideas could be discussed and where people could exchange their ideas, visions as well as frustrations about Europe, or as [Benoît Lechat](#) put it, there are no “transnational spaces in which alternative viewpoints are forced to engage in open-ended dialogue.” Instead we see a multitude of different national interests and opinions, none of them willing to compromise. (For the application of the Habermasian idea to the EU level, see [Eurosphere’s](#) working paper on the topic.)

In the last few years, this inability to talk has become even more marked. “The Eurozone crisis has uncovered an enormous rift between Member States,” writes [Catherine De Vries](#), Professor of European Politics at the University of Oxford. According to her, Europe’s citizens have fundamentally different policy preferences. Her [research](#) suggests that Eurosceptics in the Northern Member States are primarily worried about intra-EU migration, while in the crisis-stricken countries of the South it is fiscal aus-



terity and widespread unemployment that has turned people against the EU. [Nicolai von Ondarza](#), researcher at the German think tank SWP has a similar opinion, arguing that the many different opinions and (perceived) national/group-interests are not currently compatible with what has to be done in order to stabilise the EU³.

This also applies to the hegemonic discourse of the Western EU members. Dutch sociologist [Willem Schinkel](#) calls the dominant attitude of Europe's nations "euro-narcissism", arguing that many countries believe that their values are superior and that is the reason why tourists, migrants, refugees, and terrorists come to their territory. They therefore also never consider adapting, changing, and understanding what influences they have and had on other countries, for example on the formerly colonised nations whose inhabitants are now knocking on Europe's doors.

[Péter Ungár](#), a member of the Hungarian Green party LMP, extends this attitude to the relationship between the core EU members and the periphery. He writes about the "last acceptable form of racism among the liberal-Left: the denigration of Eastern Europeans." According to him, the success of Eurosceptic politicians, such as Hungarian Prime Minister Viktor Orbán is due to the European liberal and Left-wing elites' lack of compassion and unwillingness to accept that "the crisis of the EU, its inability to handle the migrant crisis, has prompted many citizens to place their trust in the nation state."

Fortunately, however, the most recent developments seem to suggest a parallel trend: former Portuguese MEP [Rui Tavares](#) points out that the electoral victory of the Green party's candidate, Alexander van der Bellen, in the Austrian presidential elections has shown that there are still people who see that real "patriots" are cosmopolitans rather than nationalists, as they understand that today's challenges cannot be tackled only on the level of the nation state.

3 A Wikistrat study on the breakup of the EU argues that besides the continent-wide economic stagnation that left Europe's people without incentives to support EU integration, there is also a trend of "increasing localism" that favours a decentralised approach over multinational solutions, and is exemplified by the high levels of support for independence in the Spanish region of Catalonia ([Nicola McEwen](#), Professor of Territorial Politics at the University of Edinburgh, and [Roccu Garoby](#), policy advisor for the Greens/EFA have a different interpretation of the issue, they see regionalism as a possible driver of European integration). The Czech political analysts [Jiri Pehe](#) and [Jan Štern](#) write that politics in Europe has remained increasingly local in the years following the collapse of the Soviet Union, and especially small and medium sized countries, such as the Czech Republic, were therefore unable to keep pace politically with the developments of globalisation.

Design Failures of the Monetary Union

"The euro came to stand on uneven legs. Little wonder then that it would limp along." This critique comes from Jacques Delors, one of the architects of the common currency, but his is far from the only critical voice regarding Europe's common currency. Its design flaws are manifold, and if they are left unaddressed new crises will follow. And these crises will have enormous effects on our social wellbeing.

To summarise the background of today's economic malaise: the design of the Euro has not allowed Eurozone member countries to depreciate their currencies against those of their trading partners, therefore German productivity has increased, while for the countries of the southern peripheries this same lack of depreciation meant the kind of stable purchasing power and easy credit that allowed them to pretend that their economy was healthy (regardless of the unbalanced flows of goods, and the accumulation of debt). This risky strategy backfired once the global financial crisis hit Europe, as European banks in the pre-crisis years had purchased



a massive number of US mortgage-backed securities, and there has been a wave of deregulation across Europe. University of Texas Austin Economics Professor [James K. Galbraith](#) has described in his recent book how Greece fell prey to these processes: once European banks started dumping their toxic debt and asking their governments to put together rescue plans, a country with 3 percent of the EU's population, and 2 percent of its GDP, was not important enough for decision-makers to be saved.

The Nobel-laureate [Paul Krugman](#) sees the economic problems of Europe, like most Anglo-Saxon economists, “through the lens of optimum currency area theory”, meaning that a common currency cannot work without a common government, because without that Member States do not the fiscal or monetary tools to respond adequately to external shocks⁴.

⁴ A longer analysis by Krugman³⁴ on the theory of the optimum currency area theory, and how the materialisation of the monetary union differs from theory can be [found here](#))

The economic analysts [Richard Baldwin and Daniel Gros](#) argue that in 2007 the “Eurozone was a crisis waiting to happen”, in part because its massive imbalances either went unnoticed, or were in some cases perceived as a positive feature of the European Monetary Union (EMU): the big capital flows from core nations to the periphery were treated as evidence that the euro was fostering real convergence.

[Enrico Spolaore](#) of Tufts University argues that the main problem was the belief that the incomplete and partial integration of the Eurozone could always be overcome with further integration, in a “chain-reaction” towards an “ever-closer union.” However, Jean Monnet’s famous sentence “Europe will be forged in crises, and will be the sum of the solutions adopted for those crises” did not hold when it came to a global financial crisis, and a great recession. Although many of the problems now seem obvious, even the IMF did not recognise them, as the Fund has looked at the Eurozone crisis with a “Europe is different” mindset, according to the analysis of the [Independent Evaluation Office](#) of the International Monetary Fund.³⁷ A few renowned European [economists](#) write in a joint article about the lack of a shared vision on the standards of political and institutional cohesion that would be required to make the European Monetary Union viable.

[Charles Wyplosz](#), Economics Professor of the Graduate Institute in Geneva has identified six major problems with the monetary union: due to flaws in the treaties, fiscal discipline didn’t work; the Banking Union is still incomplete; the European Central Bank is not a complete central bank and faces an array of national constituencies that have different interests and a different understanding of what central banking means; the Eurozone architecture did not anticipate that Member States might need sovereign debt relief; too many solutions are based on intrusiveness; and the eurozone has no provisions for crisis management.

Former president of the European Commission Jacques Delors agrees that there were serious flaws in the Monetary Union as “those [features of the EMU] aiming for greater cooperation and economic coordination between Member States seemed too difficult to implement and were discarded. The euro came to stand on uneven legs. Little wonder then that it would limp along,” he writes in the foreword to a study by the Delors Institute. [The study](#), authored among others by Henrik Enderlein, Director of the Delors Institute, and Enrico Letta, former Italian Prime Minister, argues that today’s vulnerable euro and the uncertainties surrounding the EMU are among the root causes of some of Europe’s main economic and social weaknesses. They add that Europe will be hit by a new economic crisis, and that if the structural weaknesses of the EMU are not addressed, we might even see more severe crises than the ones following 2008.



In an interview-based book with Wolfgang Schäuble and Michel Sapin⁵, the German and the French finance ministers have argued that the eurozone countries were much better off during the crisis with the Euro as their currency than they would have been without it. However, Finnish Green Party Leader [Osmo Soininvaara](#) points out that in Finland many Greens are sceptical of this argument, as its neighbour Sweden, a country that is outside the Eurozone, has been doing much better than Finland in the last few years. Soininvaara argues that without coordination of economic policies the common currency brings more harm than good.

⁵ The book has been published in German as “[Anders gemeinsam](#)” (Hoffmann und Campe, 2016) and in French as “[Jamais sans l’Europe](#)” (Debats Public, 2016).

A Neoliberal Project

“The status quo will kill the Euro” writes Belgian Green MEP [Philippe Lamberts](#), according to whom the Eurozone’s main problem is the great influence of the financial sector on the monetary union. [Wolfgang Streeck](#), Emeritus Director of the Max Planck Institute in Cologne said in an interview last year that Europe’s Economic and Monetary Union (EMU) was born as a neoliberal project, and might have a number of serious flaws that we can no longer fix.

Nobel-laureate [Joseph Stiglitz](#) sees the situation in a similar way: since the countries of the EU wouldn’t be willing to agree to “more Europe”, a Europe with a European Central Bank that cares about employment, and with stabilisers⁶ such as a common deposit insurance, Eurobonds, common welfare programmes, and the “kinds of policies that would really lead to convergence of the countries”, it would be better to contemplate leaving the euro behind. For him, the main problem is that the euro “was motivated by politics. There was no economic imperative to create the euro”, [Stiglitz](#)⁷ says.

⁶ According to Paul De Grauwe of the London School of Economics, the lack of stabilisers was so acute that even those that used to exist at the national level were abolished without having a replacement at the Eurozone level.

⁷ An extract of Stiglitz’s book can be found [here](#), and an additional interview can be found [here](#).

Besides his critique of the euro, [Stiglitz](#) also adds that there is a “strong austerity ideology” in Europe, in particular in Germany, which goes against the broad consensus of non-European countries, according to which governments need to stimulate the economy in order to end an economic downturn⁸.

⁸ In his critique of Stiglitz Guillaume Duval, editor-in-chief of *Alternatives Economiques*, writes that there are indeed serious problems in the Eurozone that have contributed to today’s problems, but many of them have already been addressed (even if they are still far from perfect): in 2014 a Banking Union was put in place to break the vicious circle between states and banks – although they still lack a common deposit insurance. Besides that, there is also need to limit trade surpluses inside the Eurozone, but those rules have been introduced as part of the Six Pack of 2011, and what is actually missing is courage from the part of the European Commission to publicly denounce German trade surpluses. According to Duval, even “a monetary policy that focuses more on employment, growth, and financial stability, and not just inflation” is not absent from the Eurozone.

Furthermore, it is not just the monetary union that needs adjustments. In order to be resilient economically there is also a need to address the lack of a fiscal union, which could help address the kinds of fiscal distresses that we have seen during the eurozone crisis⁹.

⁹ As described by Princeton-professor [Ashoka Mody](#), as well as by [Sylvester Eijffinger](#), Professor of Financial Economics at Tilburg University in his call for the establishment of the position of an EU Finance Minister.

French Finance Minister [Emmanuel Macron](#) and German Vice-Chancellor Sigmar Gabriel see the lack of a fiscal union as one of the reasons the Monetary Union couldn’t provide more convergence. Additionally, the German political scientists [Florian Sanden and Bernd Schlüter](#) argue that there is a need to “lift social monitoring onto an equal footing with macroeconomic surveillance”. These problems all contribute to Europeans’ lack of trust in their institutions and, if they are not addressed, could not only lead to another economic crisis but also deepen Europe’s crisis of confidence and legitimacy.



A Crisis of Legitimacy

The “cloud cuckoo land” of the EU, the bureaucratic, expert-driven nature of the Union, seemed so incomprehensible to many people in the United Kingdom that they couldn’t see any advantage in staying in the EU (even the Remain camp refrained from talking about European values). The UK population didn’t seem to attribute much legitimacy to the European institutions and the societal changes that came with European integration – and one can find similar feelings among the populations of other EU members.

The perception of an unelected, undemocratic EU has not done any good when it comes to improving the image of the Union amongst its citizens in the 28 Member States, and has in large part contributed to the Brexit vote. The “cloud cuckoo land” of the EU, and Germany’s austerity and refugee policies have proven so incomprehensible to voters in the UK that even the campaigners of the Remain camp were unwilling to refer to the European idea in their campaigns and only cited economic benefits instead, writes [Wolfgang Streeck](#). The EU seemed to have lost all its legitimacy in this campaign.

According to economist [Anatole Kaletsky](#), the real obstacle to keeping the UK in the EU was the latter’s bureaucracy. The European Commission, for example, has become a fanatical defender of existing rules and regulations, even though they are irrational and destructive, just because they were afraid that concessions would lead to even more demands from other countries¹⁰. Slovenian philosopher [Slavoj Žižek](#) adds that the EU bureaucracy’s ideological decisions “are more and more masked as administrative regulations based on neutral expert knowledge, and they are more and more negotiated in secrecy and enforced without democratic consultation.” This is also the reason why the European flag as a symbol doesn’t work anymore: “This symbol has become that of a technocracy, a system run by puppet-masters,” writes German political scientist [Ulrike Guérot](#). [Jean Pisany-Ferry](#), Commissioner-General of the public think tank France Stratégie, adds that even serious experts’ opinions are not trusted anymore, they are seen as agenda-driven, biased, and naïve – even though they would play an important role in a democracy.

¹⁰ Ironically, bureaucracy would have been a good preventive to the Brexit, argues Paul Fisher, a British lawyer and former Oxford lecturer: if the EU had left no constitutional pathway for leaving, maybe no one would have thought of holding a referendum to trigger Article 50 of the Lisbon Treaty. See: Paul Fisher: The Soviet Union made it hard for republics to leave – so why didn’t the EU? The Washington Post, Aug. 2016. <https://www.washingtonpost.com/news/monkey-cage/wp/2016/08/10/the-soviet-union-made-it-hard-for-republics-to-leave-so-why-did-the-e-u-add-an-exit-clause/>

The [German Greens](#) agree to some extent with the statement that the EU lacks sufficient democracy, but they add that the European Parliament itself operates more transparently than the Bundestag or other national parliaments, though there is very little transparency in the decision-making processes of the heads of government, the national ministers in the Council, or the Eurogroup. This also gives lobbyists a chance to influence European legislation. Moreover, the EU’s competencies don’t seem to be in line with people’s actual needs. As the current Polish Minister of Infrastructure, [Andrzej Adamczyk](#), wrote in an article about Polish expectations about EU membership: according to polls, Polish voters were expecting the most from EU membership in areas where EU institutions have the least competence, such as employment and social policy.

The EU has also become a convenient scapegoat in European politics, from Orbán to Cameron and from Tsipras to Kaczyński; many politicians blame it for things going wrong in their countries (in some cases they are right, in others they just divert attention from their own wrongdoings). Because of this, many parties define themselves in relation to the EU. A recent [Wikis-](#)



[trat](#) study argued that today's political fault lines are not between left and right anymore; instead the divide opposes liberals and internationalists against conservatives and nationalists. And very often one side sees the EU institutions as accomplices of the enemy.

Additionally, [Heikki Sairanen](#), a Finnish Green party activist argues that the EU is dominated by conservative and pro-business right; while Czech journalist [Jakub Patoč](#) writes that many of the pro-European leaders are unfit to represent European values due to their backgrounds – as an example he refers to Jean-Claude Juncker's involvement in the Luxleaks scandal.

Established parties don't seem to find their place in this system anymore, write [Jan Erik Surotchak and Thibault Muzergues](#), they are now “faced with the need to fundamentally transform themselves in order to survive, both ideologically by redefining and re-politicising what had so far been technical issues, and institutionally by lightening their operations and making their structures more manoeuvrable.” Finally, Green MEP [Benedek Jávor](#) and Razem member Marta Tycner also complain that the traditional social democratic parties are protecting the status quo in the EU, and don't seem to realise that there is a ticking time bomb under the whole construction of the EU. Sorting out the problems of established parties is especially important, because these remain the most significant pro-Europe forces today (besides the Greens and to some extent the radical left); without them the fight to save Europe will become even harder.

Disruptive Attitudes

In the United Kingdom, the presence of citizens from Poland and other Central and Eastern European countries (as well as the presence of refugees from war-torn countries) was one of the leading issues (if not the principal motif) in the Leave campaign.

Provincial England, which mainly voted to leave the EU, vocally expressed its disapproval of the increasing number of migrants in the public sphere, writes [Małgorzata Kopka](#), Programme Coordinator of the Heinrich Böll Foundation's Warsaw Office. Racism and anti-immigrant sentiments are becoming the new normal for Europe, and they have already led to casualties in the UK: prior to the referendum, Jo Cox, a British Labour MP with a pro-refugee position was shot dead by a white supremacist, while a few months after the referendum a Polish man, Arek Jozwik, was killed by a teenage mob outside a pizza restaurant, just because they heard him speak in his mother tongue¹¹.

Whilst xenophobia and anti-immigrant sentiments were an obvious driver for Brexit (or as [Wolfgang Streeck](#) puts it in the very first sentence of one of his papers: “It is now clear that a major, if not the most important, reason why the British voted to leave the European Union was immigration.”), for some reason these attitudes weren't taken seriously in Western Europe, while in the Eastern Member States this hatred was perceived as the norm and branded a serious threat by Western observers, writes [Marta Tycner](#).

Now we are at a point when commentators in East and Central Europe are just as worried about the developments in the West, as their Western counterparts are about the new Member States. A good example is Romanian journalist [Ovidiu Nahoi's](#) concerned analysis of the attitudes dominating the French public sphere ahead of the elections.

¹¹ For an analysis of post-Brexit xenophobia, see also SOAS Professor Laleh Khalili's article, and journalist Homa Khaleeli's article on post-Brexit “celebratory racism.”



For a long time, the Western Member States were seen as open, progressive societies that always managed to restrain and tame the extreme right, therefore no one saw their Eurosceptic, antidemocratic, racist forces as a real threat to the European project. Now, after Brexit and the unexpected popularity of Donald Trump in the United States, the extremist threat, and its manifestation as right-wing populist rhetoric is seriously discussed (see former Israeli Foreign Minister, [Shlomo Ben-Ami](#) on the similarities between populism in the past and the present, as well as former German Foreign Minister [Joschka Fischer](#) on populism's impact on the future of the West¹²).

But mainstream politics still doesn't seem to understand what is at stake. [René Cuperus](#), Senior Research Fellow at the Wiardi Beckman Foundation, think tank of the Dutch Labour Party/PvdA, writes that despite the large populist threat "establishment politics and its cosy circles of policymakers continue with business as usual – as if there were still a stable, harmonious society, with a great capacity for flexible adaptation and permanent reform¹³."

No Knowledge of Advantages

A major problem for the European Union is that very often the advantages of the EU are not obvious even for those who benefit from them, write the German Greens [Anna Cavazzini](#), [Stephan Bischoff](#), and [Terry Reintke](#). Moreover, forces at the national level contribute to this lack of understanding: economist [Vicente Navarro](#) writes that the economic and financial establishments of Member States often support public policies that come down from the Troika and the EU establishment, and justify them by saying: "There are no alternatives."

Brexit is a prime example of scapegoating the EU: campaigners of the Leave camp promised to increase their spending on the National Health Service (NHS) and curb immigration once the country was out of the EU – ignoring the fact that it was originally the United Kingdom that decided to open its labour market to the work force coming from the Eastern Member States (years before Germany and other older EU Member States did so), and the amount of the country's spending on the NHS budget was also based on sovereign decisions of the government, it wasn't pressured by any outside force.

Another extreme example of scapegoating the EU is Hungary's anti-EU propaganda surrounding refugees. Here Prime Minister Viktor Orbán has used the issue of refugee quotas to blame European integration for all that has gone wrong. In short, his argument against the EU is the following: European bureaucrats are forcing a sovereign country to take in and feed people who might pose a threat to its culture and the security of its people, and if the country dared to refuse to accept a refugee on its soil it would be forced to pay a "solidary contribution" of EUR 250 000, the equivalent of what an average citizen would earn after 40 years of hard work. So the message is clear: according to Orbán, the EU wants the country to divert its funds from helping its people to aiding non-citizens (in reality it is the massive misappropriation of EU cohesion funds by the Hungarian government that leads to less spending in those areas where the public and EU funds are badly needed; see also the article of the Green MEPs [Bart Staes](#) and [Benedek Javor](#) on this issue).

But, luckily, European voters seem to be more aware of this problem than the policymakers and analysts who try to interpret today's attitudes. A

¹² Sławomir Sierakowski, Director of the Institute for Advanced Study in Warsaw adds that populism can easily turn into a "war on women" in some parts of Europe, while Joanna Maycock, Secretary-General of the European Women's Lobby describes the effects of the crisis on women's rights.

¹³ Although these feelings are very often activated by economic hardships, many current scientific papers have found that those who vote for populist politicians are not always the ones who are most hit by the crisis: the proponents of Brexit and the supporters of populists are people who already have prejudices against those who are different, and who prefer a leader who is tough on crime and supports capital punishment (See the analyses of [Alasdair Rae](#), [Eric Kaufmann](#), [Torsten Bell](#), as well as [Ronald Inglehart](#) and [Pippa Norris](#); for a magazine-style overview of the rise of the phenomenon, see [Zack Beauchamp's](#) article, and read [Ian Buruma](#) on how populists are often backed and supported by less educated, "newly rich" people who don't feel accepted by the establishment). Knowing that these regressive attitudes are present in our societies will require us to openly address them.



study by the Hungarian think tank [Policy Solutions](#) found that even though anti-EU sentiments are growing, the picture looks less grim for the EU if looked at it in the larger context: they found that European citizens still have more trust in the EU institutions than in their own national political leadership. Therefore, the problem needs to be seen as a “disappointment in the entire political system across the continent,” and not simply a disappointment in the European project. [Yanis Varoufakis](#), former Finance Minister of Greece sees this similarly: in his opinion there is a global fight between the right-wing populists and the old establishment bloc which “represents the old troika of liberalization, globalization, and financialization”. In its ranks we can find David Cameron, Europe’s social democrats, Hillary Clinton, the European Commission, and even Greece’s post-capitulation Syriza government, and in this context voters no longer know who to put their trust in.

[Ngairé Woods](#), Dean of the Blavatnik School of Government adds that there is also a lack of good leaders that could help Europe overcome its problems, as “politics has become a matter of self-promotion – and a race for ratings.” Today’s politicians behave like celebrities, and there aren’t enough politicians who would be willing to put the greater good ahead of their own interests¹⁴. Economists [Jean-Paul Fitoussi and Khalid Malik](#) argue that today the EU leaders puts abstract economic indicators before actual people, and very often don’t see the point of spending on fundamental needs, such as health and education. This in turn has an adverse impact on creativity and innovation, which goes hand-in-hand with a sense of disillusionment. As [Anna Triandafyllidou](#), Professor at the Global Governance Programme of the Robert Schuman Centre for Advanced Studies, writes: “we stopped believing what the collective can achieve.”

¹⁴ Joschka Fischer decries a similar lack of bold leaders in Europe.

The Perception of the Irreparable Europe

[Monica Frassoni](#), Co-President of the European Green Party, argues that the people of Europe are inclined to see the EU as irreparable; while they see a change in governments as a solution to problems on the national level, on the European level they demand the dismantling of the whole construction in order to overcome current difficulties.

This is most obvious in the case of Brexit, where both the Conservative and Labour parties had politicians in their ranks who supported an exit from the European Union. Therefore, it is no wonder, that there are also movements and individuals on the Left who believe the EU cannot and should not be saved.

[Lee Jones](#), a Reader in International Politics at Queen Mary University of London writes “the European Union is the enemy of left internationalism, not its friend.” In his opinion, the Left cannot convincingly defend the European Union, and therefore the extreme Right is benefiting from all the Euroscepticism in society. According to Lee the “vast majority of Europeans remain primarily attached to and interested in national democratic politics” and the Left doesn’t seem to be in a good enough shape to start a revolution and win the hearts and minds of Left-leaning citizens for the EU-project. [Stathis Kouvelakis](#), a former member of the Syriza central committee, has a similar opinion. According to him, the EU was a “project built by and for elites, and which did not enjoy popular support,” something the Left needed to understand in order to avoid playing into the hands of racists and xenophobes¹⁵.

¹⁵ See also British writer Tariq Ali’s video speech against the EU, and an article by [András Istvánffy](#), leader of the Hungarian radical left-wing 4K! party who argues that Left-wing parties of Europe are caught in a trap: they support the EU as the lesser evil against Right-wing, populist and Eurosceptic forces, and thereby they make it impossible for the Left either to make the exit as progressive as possible, or turn the EU itself into social Europe. In order to transform Europe, the Left needs to be willing to consider exiting the EU. For them, the only acceptable EU should be a social Europe.



The Inability to Act as a Global Actor

For many years, Europe was admired for its “soft power” approach in international affairs that came with the promise of redefining “old notions of power and influence.” However, the severity of the crises and conflicts surrounding Europe requires the EU to reinvent its foreign policy approach in order to find a holistic approach to address the root causes of international threats.

In international affairs the EU has long been seen as the “friendlier face of the West”, a Western actor that didn’t have “the aggressive image of the United States” writes [Nathaniel Copsey](#) in his book “Rethinking the European Union”. Political strategist [Parag Khanna](#) has even called it a “metrosexual superpower”, because “just as metrosexuals are redefining masculinity, Europe is redefining old notions of power and influence.”

A decade ago Europeans (and much of the world along with them) still believed that European “soft power” (such as economic clout and cultural appeal) would make the use of hard power in international affairs less necessary. And even in 2012, when the Nobel Peace Prize was awarded to the European Union, there were opinions according to which this award could set the stage for the EU to increase its influence in world affairs, and make the European style of soft power politics the dominant tool in international affairs. [Daniel Cohn-Bendit](#) even suggested that this would be the time for the EU to try to gain a seat on the UN Security Council “as a peaceful power.”

However, after the conflict in Ukraine broke out, it became all too evident that the soft power approach didn’t work as well as people on the progressive Left hoped. While Europe has placed its faith in soft methods, such as sanctions (war without weapons), Russia was “leaning increasingly towards a military solution”, wrote Green MEP [Rebecca Harms](#), adding that the Europeans had made too many concessions in the Ukraine conflict, hoping “that these would help create peace and security for the Ukrainians,” yet in practice just potentially prolonging the conflict.

With the conflict in Ukraine, and a number of other “simmering tensions” in the neighbourhood, that could be ignited at any moment, Europe is focusing on immediate crisis management, which diverts its attention from “thorough reflection on a holistic foreign policy critical to addressing the causes of instability”, writes [Charlotte Beck](#), Program Director for Foreign & Security Policy at the Heinrich Böll office in Washington DC. The lack of a holistic policy is most visible in Syria, where the EU found itself in a “second-tier position” among international actors, even though many of the “war’s humanitarian, economic, and security consequences fall on EU countries”, writes former French diplomat [Marc Pierini](#) in his analysis. Not to mention that there is a lack of consensus among the EU’s member states on whether and how to confront Russian aggression, as political analyst [Andrew A. Michta](#) points out.

Moreover, [Juraj Mesík](#) of the Slovak Foreign Policy Association warns the dangers are still not taken seriously, as Germany and other Western European countries are seriously contemplating investing in the Nord Stream II project which would not only lead to a greater dependence on fossil fu-



els, but would also indirectly finance the Kremlin’s “hybrid warfare” that is fought not only with weapons, but also with propaganda¹⁶.

¹⁶ In addition, for the difficulty reconciling European security, and human rights in the Middle East, see the analysis of [Judy Dempsey](#), Senior Associate at Carnegie Europe.

There are similar problems when it comes to providing humanitarian help: “The failure of the EU’s established crisis management revealed the core problem behind the refugee crisis,” writes [Bodo Weber](#), a Senior Fellow at the Berlin-based Democratization Policy Council. This has turned a manageable humanitarian emergency into an “existential issue for the EU” (The French economist [Jean-Paul Fitoussi](#) has branded today’s EU a “soviet” Europe, in the sense that it is building walls between itself and the rest of the world; on the EU’s failures see also [Rebecca Harms](#)’ article on the past shortfalls of the EU, [Ska Keller](#) about the EU-related aspects of the refugee crisis, and [Pierre Vimont](#), Senior Associate at Carnegie Europe on the complexity of today’s migration situation). According to Weber, Angela Merkel’s risk averseness and lack of vision and strategies has played a great role in preventing the EU from addressing structural problems. By the time Germany opened its borders to some of the refugees in 2015, thousands had lost their lives on the way to Europe, and, as [Daniel Cohn-Bendit](#) puts it, the “EU governments have consistently blocked attempts to ensure EU border policies also focus on saving lives at sea and deciding which countries take responsibility for those saved. They have also failed to ensure that those seeking refuge can access asylum systems safely.”

The Member States of the EU have seen an international breakthrough in international climate negotiations (see article by [Radostina Primova and Kathrin Glastra](#)) however, when it comes to international trade, the EU, regardless of the softness of its power, is listed among the bad guys, it is usually featured on top of [Oxfam](#)’s “double standards index,” amongst other reasons for “contradicting world trade rules by putting the interests of big drug companies before the 2 billion people in the world who cannot access essential medicines.” Moreover, [Timothy Garton Ash](#) adds: the EU is responsible (together with the U.S.) “for the shameful stalling of the Doha round of world trade talks” whose fundamental objective is to improve the trading prospects of developing countries.

LSE Economics Professor [Paul De Grauwe](#) adds that free trade agreements (similar to the currently debated CETA and TTIP) have come with great hidden -social and environmental- costs: “while globalisation went full speed, industrial countries reduced the redistributive and protective mechanisms that were set up in the past to help those that were hit by negative market forces”, he writes. And it is no wonder that these effects are not only felt by the masses who are left behind, but have also alienated them from their political leaders¹⁷.

¹⁷ See also how Greens can fight back hand in hand with civil society, by Green MEP [Michel Reimon](#), as well as by the activist and filmmaker [Thomas Fazi](#).

And shockingly, there are cases when even Green parties tend to forget about the adverse effects of free trade, writes Green MEP [Tamás Meszrics](#): “On the global level Greens have very serious ideas on this topic, nevertheless, when it comes to the European neighbourhood policy, they seem to avoid asking whether or not free trade is beneficial for partner states inside this system.”

Concluding Remarks

There is a lot to be worried about in today’s European Union. Looking at the available analyses, we can be certain that the malaise of Europe is far from over. Saving Europe will require hard work from pro-European forces.



It is also fair to say that Europe's problems did not come out of the blue; many of them were long-term and structural. It has been clear since at least the late 1970s that an "ageing, low-growth, high-unemployment, and high-inequality society (see [Nathaniel Copsey](#))" cannot prosper forever without serious reforms. And by now it is also obvious that half-hearted reforms, combined with the belief that crises per se will lead to stronger European institutions, will not yield the kinds of results we need in order to save the European project and foster further integration.

This conclusion may sound evident (especially after all that Europe has been through over the last crisis-stricken years), but the weakness of the European construction was left unattended for many years, even by knowledgeable experts and scholars of the European project.

Just a decade ago, few people would have thought that the EU in 2016 would be in such bad shape as it is today. Even the Greens, never short of constructive criticism when it came to making the EU fairer and more equitable, didn't believe that a crisis of Europe would strike so soon. At that time, the European Union, a post-war project bringing together 28 peaceful and democratic European states, was branded the success story of the 20th century, a project in which member states were "[united in diversity](#)", where former arch enemies came together "to work for peace and prosperity, while at the same time being enriched by the continent's many different cultures, traditions and languages." As British historian [Timothy Garton Ash](#) put it: "Had I been cryogenically frozen in January 2005, I would have gone to my provisional rest as a happy European."⁴

As we can see in this paper, the post-2008 years have made us see things differently. The articles that were subjectively selected for this publication cover not only opinions stemming from parts of the Green movement, but also feature numerous thinkers from the Left and beyond. Many of them critically reflect on the promise of convergence that came with the introduction of the common market and the single currency. While ten years ago there was still trust in the prospect that the new members would catch up and would share the prosperity of the founding members, today we are much less enthusiastic; the promises of bringing wealth to all countries of the EU did not come to pass the way we were hoping. Moreover, today we know that there are threats both from the outside (unfavourable trade deals, terrorism, and wars in our neighbourhood, etc.) and the inside (design failures of the EU institutions, a democratic deficit, reactionary movements) that jeopardise the European project.

It is also evident that Europe's citizens are well aware of the hardships that accompany today's crises, no matter how misinformed or misguided the establishment commentators think they might be. They know that the prosperity promised has not materialised (the so called "post-truth" nature of today's politics cannot hide this fact from them, instead it amplifies the grievances and makes the doomsday mood in Europe even more prevalent), and this is why so many citizens feel compelled to express their dissatisfaction with the status quo, and demand change. As we see no willingness from (the majority of) Europe's leaders to address problems in a constructive way, "change" means for many of Europe's citizens the abolishment of the EU structures, the erosion of the openness and cosmopolitanism of Europe, and a step out into the unknown.

Therefore, at this point it is not enough to come up with ideas to save and reform Europe. Pro-European progressives need to make their voices heard, need to engage in debate, and need to create fora where opinions



can reach the people to a much larger extent than today.

Now that Europe's fairy tale of prosperity has turned into a nightmare of multiple crises, we need to provide Europe's citizens more than just the empty promises of the past. We need to provide them with tangible, believable, and convincing arguments and visions for a genuine Union of the people of Europe.

When looking at the available articles, it becomes obvious that there is no lack of understanding today, and nor is there a shortage of ideas among progressives, but there is a lack of connection with the intended recipients of hopeful messages. As one member of the Green network signalled, "progressive left-wing critiques" of the EU are side-lined and marginalised in the current discourse, only appearing in "niche intellectual publications", thereby not reaching the people they are supposed to reach. This needs to change. The Greens need to act. They need to become louder and more visible in order to make change happen, from Sofia to London, from Lisbon to Warsaw.

This year, the 60th anniversary of the signing of the Treaty of Rome, could be a good opportunity to reflect on what we have gained with the process of European integration, and what we are going to lose if we let Europe fall apart. Therefore, Greens and like-minded progressives need to make their voices heard in the streets, in the media, the blogosphere, the parliaments, and wherever else they can reach; the people of Europe (and the rest of the world) have a right to know that open-minded societies do not belong to the past, and that a path towards a united Europe is still open.



Contact us:



GREEN EUROPEAN FOUNDATION

GREEN EUROPEAN FOUNDATION ASBL

Rue du Fossé 3, L-1536 Luxembourg
Brussels Office: 15, rue d'Arlon,
B-1050 Brussels

t: +32 (0) 2 234 65 70

e: info@gef.eu

Connect with us:

Visit our website to find out more about us



Follow our social media to stay informed about our latest activities and events taking place all over Europe

