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Europe Update 2005: Current Challenges, Future Perspectives

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‘The Future Face of the European Union’

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If you enter crisis and Europe into Google you get over 40 million entries (and 27 million relate to this year alone). Does this mean that we should surmise from this that the EU is in crisis? I have been asked to consider the future face of Europe for today’s event. I would argue that Europe has many faces and many challenges. The temptation to reflect on current crises and do some crystal-ball gazing leads us to contemplate and perhaps privilege the negative, as Hillenbrand pointed out over ten years ago, and to engage in a never ending debate among politicians, professors and journalists¹. In this paper, I attempt to discuss the challenges and achievements of the European Union (EU).

The pattern of the European shuffle dance is that of two steps forward and one back. Europe has always been plagued by crisis. It was even founded in a time of crisis – war. It is based on a very counterintuitive way of seeing politics – it is called cooperation. It sees conflict-resolution and conflict transformation as major goals. They are also key achievements. The EU works on quiet diplomacy and a quiet transformation and it is appropriate that we are at the War Memorial today because the EU has been primarily about creating peace among countries with a long and bitter history of war.

Yet the EU is also subject to considerable criticism at the same time. It is currently in a crisis of leadership and personality and of objectives, in a world that seeks solutions while not always agreeing on the problems.

The EU is the subject of both admiration and criticism. It is admired for its transformation from a continent torn by violence into one of the world's most prosperous and peaceful regions. Comprising twenty-five nation states, the EU has a population of 457 million and accounts for 25% of the world's Gross Domestic Product. It has an economy comparable to the United States. The Australian government has recognised that the enlarged EU's strategic weight is likely to increase steadily and that 'a more unified Europe is already having a noticeable impact on the processes and agenda of international diplomacy'. Further, it accounts for 20% of global imports and exports, while the euro's introduction has seen the EU strengthen its standing as one of the world's top economic powers. Europe also effects considerable change in the international political landscape. It signs major international treaties and agreements, setting down stringent conditions for many accords, known as 'conditionality', particularly those regarding the management of democracy; good governance; human rights and civil society, linking trade and civil society norms. Yet is it neither a state nor a conventional international organisation. It is complex, widely misunderstood and oft-maligned.

The European Integration project itself has been characterised by triumphs and difficulties. It contained within itself the means to radically alter international and national politics yet it has also been teleological in its tone, messianic in its zeal and

forgetful of the citizens. It is advancing an agenda that is very different from its origins while at the same time its current problems and crisis are in part due to the distinctiveness of those very origins. However, in contrast to the argument that the European nation state is obstinate and not obsolete, I argue that the European Integration project is in fact obstinate, and durable - it is not obsolete, even in the aftermath of the recent Enlargement and rejection of the Constitution.

This is despite the fact that it forgets to consult the people regularly; it often does not manifest any understanding of the citizens and the voters- and regularly appears to have lost the plot. Despite this Janus-like appearance, the EU's integration project remains obstinate and not obsolete, even though current crisis are considerable, serious and in need of leadership.

Let me quote a few comments about Europe's problems:

'Make no mistake. What is at stake is the future of European Integration'-
Gaston Thorn, President of the European Commission in 1983².

'Europe is facing a number of important decisions which it cannot afford to put off' – Former President of the European Parliament, Emilio Colombo, in 1978³.

'I am aware that people in America are impatient over the speed at which we are moving toward an integrated Europe. I am also impatient. But nevertheless, we are moving forward.' Konrad Adenauer, German Chancellor in 1953⁴

It is clear that the EU has also been challenged by new tasks and initiatives and by distinctive understandings of sovereignty and political power. More recently there has been talk of crises of values; of norms; of society and the EU's institutional design. We cannot forget the bird flu crisis; energy crisis; crisis about Turkey's EU membership. There is the spiritual crisis. A fishing crisis. The post-Enlargement crisis and the constitutional crisis. In addition we have the climate change crisis and those old chestnuts – democratic deficit and accountability. They are crisis with

international and transnational aspects and reach, just as the EU is both international and transnational.

One way of working thru this mosaic of crises is to look at it as a choice of **exit voice and loyalty**, drawing on the European American Albert Hirschmann⁵. He argued that members of an organization – whether it is a nation or another type of grouping, are faced with two possible responses, when they regard the organization is ‘demonstrating a decrease in quality or benefit to the member (s)’. The choices are that they may **exit** (withdraw from the relationship, or in this case the EU); or, they can **voice** (‘attempt to repair or improve the relationship through communication of the complaint, grievance or proposal for change’). **Loyalty**, meanwhile, may lead to a cost-benefit analysis that helps the people decide whether to use strategies of exit or voice.

The citizens can choose to exit, by opposing the constitution and other moves in referenda as we saw in Fr and NL this year. They can choose to express voice in contestation and in representation. Exit is a choice also considered by the leaders, in national contexts. Voice is expressed in the EP and in increased use of the referendum and in giving citizens a sense of participation and representation. It is a means of making the citizenry more actively involved and embedded in the EU system.

There is little loyalty, however, to the EU though some appreciation of its benefits and expectation of the EU’s role. There is a great deal of loyalty and devotion to the EU’s objectives on the part of its institutions and officials and a passionate support for it by some activists. There is not a general loyalty to the EU – in fact it engenders emotions of suspicion regarding identity, loyalty and fear of loss – of sense of self, group, region, nation. So emotions can run high. There is also the fact of the EU’s promotion of its peace agenda or its global norms or its international agendas, aid and humanitarian provisions and support for human rights. The EU is also quite good at self-promotion – of promising a great deal and not always delivering. Of promising a lot and not thinking through the consequences. Of leading to unintended consequences. Its promotion can be regarded as bordering on propaganda. It can be seen a lacking true legitimacy.

It can be argued that, since the EU is not a state, its legitimacy does not depend on having a political system or constitutional order of the kind liberal democratic states have. There are divergent conceptions of the EU, its political and constitutional development, the role of constitution and the legal and political order of the EU. There is a clear need for fuller understanding of the discourses on the constitutionalisation of citizenship and on political participation as a means of legitimation and possible benefits to the citizens. There are arguments that the idea of EU citizenship is exclusionary. A key question is, then - what might give legitimacy to the EU institutions, processes and outcomes; and if not, how might legitimacy be acquired. For some, the EU process of integration and closer cooperation is a process that involves an inevitable – but regrettable - loss of national sovereignty.

Yet at the same, time, the process of integration means that the EU project is firmly embedded in the national political systems of Europe. There has been a remarkable Europeanisation of decision-making and governance in the EU, transforming both the EU and the nation state. Yet in what ways is the EU a new form of political organisation and how can we understand it? In what ways is the EU distinctive? What makes it work? The Europeanisation may well be embedded but the benefits of the EU are not widely known or appreciated. There are problems of acceptance of the EU's presence, yet, as we see in all opinion polls, an expectation that the EU will achieve what in many case the nation state has not – peace, higher employment, a stable and prosperous economy, assistance for minorities, humanitarian assistance, for example. There is a capability expectations gap regarding the EU, particularly a crisis of expectations regarding EU actions and the EU's actual capabilities, which is compounded by the fact that many national leaders are reluctant to admit this.

Europeanisation is a way of describing what Ralf Dahrendorf has called the habit of cooperation, which cannot be underestimated⁶. This is a cooperation that is not only institutional but involved soft power influences such as education and culture as well. The EU's governance system is characterised by member states engaging in a pooling of sovereignty. Some former nation state functions are now EU competences. In an era of allegedly post-Westphalian, post-sovereign and post-national politics, the EU is

a new type of sovereign body, a body made up of post-sovereign polities and post-sovereign economies.

The EU is a 'peace community', entailing reconciliation among former enemies⁷. In the past this peace may have contributed to the EU's legitimacy. Yet is that peace still irrelevant? Does it lead to legitimacy?

There are challenges of the democratic deficit, often linked with the issue of legitimacy. There is diffuse yet varied support for the EU in the member states. There is consideration of voice and even desire for exit in evidence in the member states. Many observers are of the opinion that the EU needs democracy, though it remains undefined or related to governance reform. There are suggestions that what the EU needs is an active role played by a European civil society, although this has been disputed. On the other hand the EU is assuming functions in democracy promotion and even the sponsorship of a European social model. Certainly, it can be argued that the decline of the so-called 'permissive consensus' in favour of elite decision making in the EU has led to increased contestation of the legitimacy of the EU.

The most pressing challenges to my mind are not those of constitutional design or of governance reform. They are more fundamental and more exciting than that. They involve assertive leadership and bridging the gaps of expectations and capabilities. They are challenges of leadership and establishing an identity. They relate to dealing effectively and in a visionary manner with fears regarding identity, community and globalisation. They involve recognition that the EU cannot run every global and national agenda, though it sometimes gives the impression it can.

In any discussion about identity, especially national identity, the roles of memory and myth are played out. In the case of the EU there is the memory of war and peace, and of benefits of membership, but the persistence and tenacity of national memory is paramount. It is doubtful if the EU could supplant national identity – perhaps it should not even try. Flags and hats may well have their place but the role of the EU and its importance can well be based on solid achievements and not on symbols especially when they may come into conflict or contestation from national or regional ones based on a common history, shared values and identity (and language in some cases).

The EU is distinctive and does not need those trappings. The value of its flag is in the united forces in peace keeping missions, aid and humanitarian assistance – in other words in its contributions to international order, its contribution as a civilian power, a power which is magnetic and soft not hard. On the international as well as transnational levels, the EU is exporting its values, as a soft power.

This integration experience has led some observers in some quarters to regard its experience of transnational cooperation as the most appropriate means to work out international diplomacy and resolve almost intractable problems. It is not just its admirers who see it as a putative paradigm. It is regarded as a successful laboratory for governance and institutional cooperation, for economic regional integration and the achievement of peace. Further, the EU knows that carrots are better than sticks, that soft power is more persuasive than hard power and that it has massive clout in international negotiations. This is the world of what one observer, Parag Khanna, calls the metrosexual superpower - the European Union of the 21st century. Metrosexuals are strong, suave, sophisticated and attractive⁸. They attract friends, acolytes and imitators. They are less threatening than hard power. My students see the EU in this context as a type of Ian Thorpe!

Tommaso Padoa-Schioppa wrote in 2002:

‘The West has a fundamental task to accomplish in the world, and Europe has a fundamental task to accomplish in the West. Striving for a united Europe is the same as striving for a united world tomorrow.’⁹

Yet it is essential that that the EU must resist the temptation to preach and to seek to influence international agendas beyond a point of cooperation.

The EU has a visionary and ideological basis and origin. In many EU pronouncements over time, promises to achieve an ever better – or bigger and better EU – feature. The developmental nature of the EU has a sense of integration moving, and moving in one direction, forward to a better EU and a better world even, expressed with considerable messianic zeal. One way of looking at this is to assume that progress in governance

and integration in general has been in logical stages, an assumption that must be questioned, not least due to the many crises that the EU has faced.

The EU must resist the imperial temptation. It must not laud its own achievement but quietly get on through its leaders with governing itself first, effectively and with commitment. This may well involve sacrifices but not of its fundamental principles of rights based society and the rule of law. It must resist exclusionary tendencies in immigration and in counter-terrorism. It must not impose or suggest any EU model. There is no single EU experience or model. There are many Europes and the EU is the most obvious – and powerful - of them. We must, as Bo Strath has suggested, see Europe in the plural¹⁰. Current societal insecurity in Europe is based on fear of the unknown and of the EU as much as concern regarding the effects of globalisation. Studies have shown that the EU is regarded as a face of globalisation within states.

Finally, the EU shuffle is still in evidence. Many articles on the EU's crises could be interchangeable over time – lack of political will, of leadership, of democracy, of legitimacy, of accountability, of vision, of a Jean Monnet or Altiero Spinelli or a Jacques Delors are often lamented. Europe has to work with what it has – a sophisticated system of consensual decision-making based on consociationalism and respect and the habit of cooperation. There has been considerable progress. There still will be more. There will be problems. Is the miracle the fact that they are all still at the same large table at all? It is a distinctive experiment and it works but not in a traditional manner – it often need to invent new rules, new dances. That is what makes Europe-watching so fascinating.

¹ M. J. Hillenbrand, An Assessment of the EC future, *Annals of the American Academy of Political and Social Science*, 531, January 1994.

² G. Thorn, What is at stake in Athens, *Community Report*, November 1983, Vol 3, No 9, 2, Irish Office of the Commission of the European Communities, Dublin.

³ E. Colombo, *The decisions facing Europe*, Second Jean Monnet Lecture, European University Institute, Florence, 9 November 1978.

⁴ Quoted in Clifford. Hackett, *Cautious Revolution: The European Community Arrives*, Westport, Connecticut, Greenwood Press, 1995, 191.

⁵ Albert O. Hirschman, *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States*. Cambridge, MA: Harvard University Press, 1970.

⁶ Ralf Dahrendorf, The Future of Europe? in R. Dahrendorf et al eds. *Whose Europe?* London, Institute of Economic Affairs, 1989, 9

⁷ Lily Gardner Feldman, Reconciliation and legitimacy: foreign relations and enlargement of the European Union, in T. Banchoff and M. P. Smith (eds) *Legitimacy and the European Union*, London, Routledge, 1999.

⁸ P. Khanna, The Metrosexual Superpower, *Foreign Policy*, July/August 2004.
<http://www.foreignpolicy.com/story/files/story2583.php>

⁹ From a united Europe, to a more united world, *Euractiv*, 4 November 2002
<http://www.euractiv.com/Article?tcmuri=tcm:29-116998-16&type=Analysis>

¹⁰ B. Strath, 'Images of Europe in the World. Introductory Report', in European Commission, *Intercultural Dialogue. Dialogue Interculturel*. Directorate General for Education and Culture, Jean Monnet Project, Brussels, 2002, 76-81