

A European's viewpoint

## When can we expect the Eurozone to be reformed?



*BY DUSAN SIDJANSKI\**

The European Union has been suffering from an infantile disease ever since the failure of the EDC in 1954 which brought down in its wake the project to create a European political Community. And today more than ever, the European Union lacks vision and global weight, which implies political power at a time when it is beset by serious crises and both external and internal threats which it is having difficulty overcoming. Obvious examples of such external threats concurrently assailing the European Union are the Russia-Ukraine crisis, the civil war in Syria and the conflicting actions undertaken by France and Germany and their repercussions on the response to Daech, as well as the wave of refugees and migrants pouring into Europe and dividing it. Moreover, the general crisis is causing rifts within the Union and the Eurozone. One only has to look at the disastrous effects of the imposed austerity measures which have contributed towards the re-emergence of nationalism tinged with populism, political extremism and europhobia. Not to mention the breach of trust caused by the scandal involving “das Auto”.

Swept up in this turmoil of threats, the Greek case has forced the Eurozone members to recognise the need to reform the structures and functioning of the Union's pioneer core. If we accept the objective, as envisaged by Jacques Delors, of shared monetary and economic sovereignty, there is an urgent need to carry out the first phase of the Eurozone's institutional overhaul. This would allow the Zone to fall in line with the Union's current regulations; the

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\* Dusan Sidjanski, former advisor to José Manuel Barroso at the European Commission, is the founder of the Department of Political Science at the University of Geneva. He is also a member of the board of the Latsis Foundation and Honorary Chairman of the European Cultural Centre.

Zone's institutions would fit within the framework of the Lisbon Treaty, functioning according to "enhanced cooperation". The Council and European Parliament, in their 19-Member configuration, would take decisions on proposals by the Commission which are supported by the ECB, according to qualified and simple majority respectively. As a result the community method would replace the current haggling between Member States, thereby ensuring that the Eurozone's functioning is consistent with that of the Union.

Certain examples illustrate the key features of these reforms. The term "Summit" which implies interstate discussions, would become the European Council of the Eurozone. Its President would be the same one who presides over the European Council of the Union. After all, it was President Donald Tusk who played a decisive role during the last Summit meeting together with François Hollande, followed by Angela Merkel. It was decided to maintain Greece in the Eurozone, thus avoiding a ripple effect and the probable demise of the irreversibility of the euro.

The Eurogroup, to be renamed the Council of the Eurozone, would alter the image it projects to the public and would align itself with the qualified majority vote applied by the Council of the Union. In this way, it would adapt its decision-making procedure to that of the Council and would become more integrated into the system used by the Union. Paradoxical as it may seem, this avant-garde core still functions according to the intergovernmental method! It is obliged to catch up if membership is to be extended to the 9 Member States which have not yet adopted the euro. This process of progressive inclusion is reminiscent of the formation of the Swiss Federal State.

In short, the Eurozone would adopt the community method invented by Jean Monnet, thereby guaranteeing more efficiency, solidarity and legitimacy. In this way the Union would prevent the decline initiated by the major crisis and the Eurozone could commit to implementing the project of a "hard core", an idea presented by Wolfgang Schäuble and Karl Lamers in 1994. Their priority was to reinforce the institutions and create a European government within the federative core driven by the energy of the Franco-German couple. This innovation also implies strengthening the Union's capacities as regards foreign and security policy. I appeal to the author of this project, the current Minister of Finance, to the German Chancellor and to the French President, so that at their instigation, and with the support of other Members such as Italy and Greece, together they will implement this project for a political federal Union.