

President Macron's Call for a "Sovereign Europe"

Dusan Sidjanski

Professor Emeritus, University of Geneva (Switzerland) – Dusan Sidjanski Center of Excellence in European Studies
Article published with *The Federalist Debate*, Torino, n° 2 2018

In the light of the EU's existential crisis, President Macron, a truly committed European, has proposed his vision for a "sovereign Europe". The bottom line is that the Union is not, or rather is insufficiently equipped with sovereign powers. Yet it is these very sovereign powers which are needed in order to effectively respond to the considerable threats hanging over the EU and the Eurozone. Particularly with regard to currency, foreign, defence and security policy, as well as migration. In our democracies all of these areas are subject to a political authority and parliamentary control. Especially the army and security forces. As the reform of the 27-member Union will be a more or less lengthy process, one could envisage taking immediate action by using "enhanced cooperation" in order to create a federative political core capable of giving a new impetus to all 27 Member States.

How can we overcome the global crisis?

- The Eurozone and beyond

The European Union is experiencing a multifarious existential crisis. With a few slight variations and to differing degrees, there is a consensus regarding the threats and the main challenges with which the EU is confronted. On the other hand, there is no agreement on how to tackle these threats. Take for example the Eurozone: the question of its reform, of an ultimate way out of the crisis and of austerity measures which have taken a heavy toll on certain Eurozone Member States. For instance, the austerity imposed by Germany provoked a psychological war between the Greek and German media.

The issue of poverty and mounting inequalities, high unemployment and the public debt have undermined social cohesion and weakened democracy, not only in Greece but mainly in the Southern Eurozone countries. An essential question comes to mind: how were the United States able to rapidly overcome the crisis which they brought about, whereas the Eurozone in particular is struggling to attain the same economic level which it enjoyed before the crisis? And yet Merkel and Hollande both agreed that the failure of the euro would spell the end for the Union.

- Internal threats

The resurgence of National Populism, of Euroscepticism and anti-Europeanism is often accompanied by a rise of far-left and far-right movements. Austerity has paved the way for an authoritarian drift in Central Europe

(Poland, Hungary, Czech Republic). This surge has also taken hold in Austria, Germany, the Netherlands and even in France where for a long time the National Front has been casting a shadow over the Union. History is repeating itself in the wake of the break-up of Yugoslavia and the growing divide within the Union between North and South, as well as between those Member States who respect democratic values and principles and those who have recently gone off course. Brexit has confirmed this tendency as does the separatist upsurge in Catalonia and Scotland.

The Union seems to have lost its way in the whirlwind of globalisation, faced with the influx of migrants which has fuelled the Visegrad Group's sense of protectionism in refusing to admit those migrants passing through central Europe.

L'Union apparaît sans boussole dans le tourbillon de la globalisation, face aux flux migratoires qui alimentent le renfermement et le refus d'accepter les migrants qui passent par les pays d'Europe centrale et le groupe de Visegrad.

For a long time, the flood of migrants into Italy was considered to be Italy's responsibility whereas Greece was receiving aid from the Union. However, the lack of any European Asylum and Immigration policy is playing into the hands of the far-right parties. Apart from in Germany, the 450 million European citizens are reluctant to host refugees and migrants despite the fact that their population is declining all over Europe, France being the exception. At the same time, the threat of Islamist terrorism hovers over us, increasing the sense of insecurity. The fall of Raqqa cannot be seen to herald the end of the terror attacks. The Union is up against an ideological, religious and security war, which is being waged by fanatical groups and even individuals.

Simultaneously, the challenges are mounting in the form of organised crime and the threat posed by GAFAM which abuse their monopoly to flout the rules of the game, while digital technology and the problems of cyber security are invading Europe and the world. Then there is America's international disengagement under Trump, the regional conflicts in the Middle East and the nuclear threat posed by North Korea, which are all generating a mood of suppressed fear and triggering a move towards a return of the Nation-State. On top of these threats there are the challenges linked to climate control, energy and unfair competition which all go towards creating an atmosphere of international disorder.

- The spillover effect of the global crisis

These multiple threats point towards the absence or lack of sovereign powers within the Union, as well as the absence of a global vision, all the more essential since these crises, threats and challenges are increasingly interconnected and interactive. By tackling one problem, this creates a ripple effect in other sectors, thereby causing a global crisis. On the other hand, apart from the case of the European Defence Community (EDC) and the European Political Community (EPC), all the crises before "the great financial crisis" of 2008 were characterised by their sectoral nature. This is true for "the empty chair crisis" regarding agricultural policy and voting by qualified majority. Contrary to the idea that such ordeals make Europe stronger, I have observed a weakening of the Community spirit and commitment. In the current crisis Jean Monnet's strategy of integration sector by sector, which was to lead step by step to political Union, has reached its limits. Hence the current dilemma: either take a "political leap" or accept the decline of the Union.

Going back to these different examples of a combination of crises, of changes to the political and environmental climate, and of innovation in digital technology, the only effective response is President Macron's proposal for a "sovereign Europe". Immediate action needs to be taken to provide Europeans with renewed hope and reverse the harmful "spill down". This is a precondition for a general reform of the Union to be envisaged in the medium or long term and explains why several proposals advocate recourse to "enhanced cooperation" with a view to setting up a core group equipped with sovereign powers. The long-term survival of the euro is contingent upon the creation of a political authority. Whereas, to quote Brugman's expression, the euro today is a product of Europe's "back to front federalism".

The new strategy

- The Union is in urgent need of a political core

The future political Union is the key to the success of the monetary Union. This is what the Bundesbank maintained in 1992, followed in 1994 by the project of Lamers and Schäuble calling for a "hard core" equipped with a government and a legislature. Personally, I prefer the term "federative core" and I will never tire of reiterating the watchword: no single currency has ever existed without sovereign power. Yet the euro is incorporated within an economic mechanism deprived of a political framework. The study of numerous cases by Karl W. Deutsch's team concluded that successful federations were formed at the instigation of a federative core.

The shelving of the "Schäuble plan" in the 1990s, followed by the rejection of the European Constitution by referendum in France and the Netherlands marked the beginning of a series of grave crises: the financial crisis imported from the United States in 2008, which morphed into an economic, social and even political

crisis, eroding societal cohesion. The drift toward authoritarianism in Hungary and Poland is evidence of this as well as the rising influence of national populist and far-right parties in European democracies.

Moreover, the threats are mounting: the effects of austerity measures, the surge of nationalism, a wave of populist even extremist and anti-European movements, as well as the fears aroused by the mass influx of migrants, by Islamist terror attacks and neighbourhood conflicts. So many Damoclean swords hanging over the European Union. At the same time, globalisation combined with the rise of superpowers such as China and India, Russia's revival under Putin, as well as the destabilisation of the world order by President Trump and Brexit and even the wars in the Middle East are raising deep concerns, which are a wake-up call for the Union.

Some, including Macron, are calling for the reconstruction of the EU, whereas Merkel's meeting with the Polish government has confirmed the latter's desire to recover powers transferred to the Union. "European democratic conventions" will only be able to have a positive impact once confidence and renewed hope have been restored.

- The Union in a state of emergency

It's time to admit that the EU is in urgent need of a dynamic federative core equipped with sovereign powers if it is to be revitalised, with other Members who so desire following the same path. In this respect, the Lisbon treaty provides for "enhanced cooperation", allowing for the creation of a vanguard political core group capable of responding to the accumulation of threats and ensuring the survival of the euro. Incorporated within the Union, this core group would have at its disposal the same structures reduced in size to the number of its members: a European Council, a Council of Ministers and most importantly, an Executive and the ECB, the European Parliament composed of the 19 Eurozone members and a special Chamber of the Court of Justice. The core would have sovereign powers and its decisions would be taken according to the community method by qualified majority regarding monetary and economic affairs, but also in relation to external relations, security and defence, foreign military intervention or migration flows. This decisive move would ensure the survival of the euro, the definition of common strategies and the assignment of the means to implement them due to a specific budget. The details still need to be fine-tuned but the essential idea is to strengthen collaboration in a democratic structure incorporated within the Union.

As a result, the driving force inspired by this federative core would provide impetus to all 27 members by intensifying their "unity in diversity" in accordance with a federal outlook. It's up to France and Germany, together with Italy and other Eurozone States brave enough to do so to take such an initiative, thereby motivating all 27 Member States to follow their lead. It's

time to cure the infantile disease from which the Union is suffering; ever since the failure of the EDC it has not been able to equip itself with a political project whereas today politics has replaced pure economics. This revival is what is needed for the European Union to recover its role as a beacon of democracy in our globally destabilized world. I am convinced that the very survival of our civilization depends on this. The creation of this core group within the Eurozone is a top priority faced with the disintegration of the European Union. President Macron's call for a "sovereign Europe" is a logical consequence of this sad reality.

With this in mind, we propose a two-step approach: 1) immediate action undertaken by a federative core within the Eurozone capable of breathing new life into the European Union; 2) a move towards reforming the Union in the medium term. The ultimate aim of these two initiatives is to establish a "sovereign Europe".

Moreover, confronted with the current wave of technological and digital innovation, of artificial intelligence, the Union is more than ever in need of a "High Ethics Council".

Democratic values and principles, human rights and solidarity are called upon to find their rightful place

amongst all the activities carried out by the European Union. After a long period during which the Union's founding values have been marginalised by its economic and above all financial functions, the time has come to reunify these two complementary elements which constitute the originality of our European identity.

The political core would possess a holistic view, sovereign powers and the means required not only to ensure economic revival but also to effectively implement foreign, defence and security policy, particularly in the fight against terrorism, against the GAFAM tech giants and tax evasion. By revitalising all 27 Member States, this dynamic core group will rekindle hope for a united Europe whose citizens are supportive of one another in a destabilised world in the grip of nationalist and populist extremist movements. Indeed, the economic crisis, increasing inequality and poverty are a breeding ground for authoritarian regimes in Europe, as well as throughout the world. Europe, a bastion of democracy and human rights, urgently needs to regain momentum and assert itself in the dialogue between cultures. The time has come to choose between allowing our European civilisation to either thrive or decline.