

DEFENDING EUROPE TO DEFEND REAL SOVEREIGNTY



Thierry Chopin | *Research Director at the Robert Schuman Foundation, Associate Professor at the European School of Political and Social Sciences (ESPOL, Université Catholique de Lille), and Visiting Fellow at European Institute of the London School of Economics and Political Science (LSE)*

SUMMARY

1. The ineffective and perilous gamble of going back to the “Europe of the past”

The European Union is facing major challenges (financial and economic crisis, terrorism, migration crisis, Brexit, rise in populism and extremism) which expose its weaknesses, in particular in several sovereign areas. In-depth reforms are necessary, and national retrenchment will bring about more new problems rather than real solutions. “Renationalisation” cannot solve the phenomena taking place on supranational levels (management of migratory flows, economic vulnerability, terrorist threats). The example of a return to national currencies and a collapse of the Eurozone is clearly symptomatic of the consequences of such a scenario, and a return to the French Franc would in practice result in a loss of monetary sovereignty for France.

2. “Sovereign Europe”: a new political project for the EU

After peace and the market, the current European situation involves putting forward a clear political message on what the EU’s foundations are and its legitimacy in dealing with the present challenges. This means identifying the collective objectives that unify Europeans, and the common interests and goods that require common action (currency, financial stability, control of the EU’s external borders, foreign and security policy, etc.). In these areas, the EU and its member states must jointly exercise sovereign powers. Coordination of member states’ resources must be enhanced in order to tackle the current challenges, both on a European level (justice, police, intelligence, the fight against terrorism) and an international level (diplomacy, defence). There is also a strong case for sovereign Europe in terms of the new global geo-economic power balances (environment, digital technology, trade negotiations).

A “sovereign Europe” strengthens the sovereignty of public authority, whether on a national or European level, as both levels are complementary. The European Union and European States have the same purpose, namely to protect their citizens (physically and economically) and to ensure the greatest possible scope for personal freedom. Maintaining borders open and the founding values of European construction call for the constitution of a “sovereign Europe”.

France has a role to play in this project for a sovereign Europe. It can emphatically defend a strategic position in the European arena in the areas in which it enjoys high levels of credibility (military and diplomatic power, tax expertise, European solidarity with regard to terrorist attacks) and which tally with the most deeply-rooted collective preferences in France, which would be an effective means of countering the rising defiance and scepticism (and not Europhobia) expressed by the French in relation to European construction. In addition, France must work with its partners in these areas due to the common interests that Europeans share and the degree of interdependence that holds them together.

3. The importance of the method: working towards a “differentiated” Europe

Given the joint exercise of sovereign prerogatives that this project implies, it is not likely that it could bring together all EU member states, at least not initially. All future EU policies cannot concern all member states in the same way, which must result in cooperation being negotiated between States in order to make progress in certain areas. This is what the “differentiated” Europe project proposes.

The differentiated Europe project was recently mentioned as a means of reviving European construction following the British referendum on Brexit. Differentiation is, however, criticised and may give rise to some risks if deployed poorly: an excessive fragmentation of the integration process; additional institutional complexity, division between member states by making the positions of member states on the outside more inflexible. It is therefore of the utmost importance to ensure that differentiated integration is an open process and that, should it be subject to conditions (as is participation in the Eurozone), this is legitimate and transparent.

European construction is now committed to new political prospects which affect Member State sovereignty and national socio-economic and political consensus. The heterogeneous nature of national interests must be acknowledged, while creating room for progress for those member states who wish to move forward. France and Germany must act as a driving force in Europe’s political and geopolitical renewal strategy with regard to sovereign issues.

TABLE OF CONTENTS

INTRODUCTION	3
1. The ineffective and perilous gamble of going back to the “Europe of the past”	3
1.1. The risk of national retrenchment	3
1.2. The illusion of finding a feeling of sovereignty in regal choices	4
2. “Sovereign Europe”: a new political project for the EU	5
2.1. Strong justification	5
2.2. France’s role in a European project that can be shared with its partners	7
3. The importance of the method	10
3.1. The Franco-German motor: a “crystallising core”?	10
3.2. Differentiated Europe: precautions to be taken	11
CONCLUSION	13
ON THE SAME THEMES...	14

INTRODUCTION

The presidential campaign in France illustrates the extent to which the central issues of the debate all have a dimension which is at least as European as it is national: economic uncertainty, terrorism, migration crisis, climate challenge, rise in populist and extremist discourse, the role of France and Europe in the new global “disorder”. In order to tackle the many sensitive subjects, we must start by analysing objectively the reasons for the shortcomings in European construction, as it has been implemented by its member states, and to set out a new and clear political project on what the European Union and its member states must do respectively to meet their citizens’ legitimate expectations with regard to the current challenges. To achieve this, a number of key questions must be answered in preparation: what are the common interests and values that unite Europeans today? What are the collective objectives and challenges which clearly require common action? In which ways is a united or cooperative approach between European nations in a globalised and uncertain world preferable to withdrawal behind the idea of the Nation-State¹?

1. The ineffective and perilous gamble of going back to the “Europe of the past”

1.1. The risk of national retrenchment

The European Union is under threat. The financial and economic crisis and its social and political repercussions have demonstrated the vulnerability of the Eurozone. The major challenges facing Europeans today—terrorism, migration crisis, Brexit, rising populism and extremism—expose the EU’s weaknesses and try Europeans’ capacity to present a united front against the successive crises they are facing. Everywhere, populist and extremist parties are attempting to leverage these weaknesses to exacerbate them rather than solve them, with a view to promoting national retrenchment.

Against such a backdrop, the only way forward for European construction is in-depth reform². The European Union cannot provide the protection required by its citizens in the form created by its member states, guided by the objective of free trade while limiting where possible shared sovereignty. While the European Union does have a number of instruments to ensure the regulation of markets (in particular through its prerogatives regarding competition and internal market and monetary regulation), we must also acknowledge its shortcomings in several sovereign areas. In particular, its capacity to contribute to the stabilisation of economic cycles through budgetary policy, or its role to maintain security and the rule of law (for example in the fights against corruption and terrorism, defence and the protection of the EU’s borders) are highly limited. European institutions have therefore found themselves at a loss when facing the economic crisis and demands to step up the rule of law and the security policy. It is therefore not surprising that many protest parties are as critical of European action as they are of national policies.

1. The author wishes to thank Yves Bertoncini and Jean-François Jamet for their valuable comments.

2. Cf. Thierry Chopin and Jean-François Jamet: “The Future of Europe”, European Issues n°402, Robert Schuman Foundation, September 2016 and “Comment répondre aux attentes des Européens ?”, Commentaire n°155, Autumn 2016.

If national and European leaders do not apply reforms that will allow the EU to correct its current shortcomings rapidly, European openness will unfailingly give way to national retrenchment. This scenario, championed by those attracted to a return to the Europe of the past before European construction, could appeal to many citizens who express a legitimate demand for protection and who seem to identify with sovereignty in regal and security powers in the political framework which seems the most “natural” and protective: the national state. However, this option is immensely hazardous, both economically and politically, with the prospect of a fragmented, divided and weakened Europe. In addition, this national isolation would clearly give rise to more new problems rather than providing actual solutions. In particular, “renationalisation” itself would not resolve phenomena which are on a supranational level: it would not stop the flows of migrants, correct economic vulnerability, make politics more ethical or put an end to the terrorist threat. Moreover, national retrenchment would not resolve European discord, but only exacerbate it. The acrimony felt towards “Brussels” would gradually evolve into resentment towards neighbouring States, which would resume the role of scapegoat that they had prior to European construction and which resurfaces from time to time. Reversion to a Europe of nations, and therefore to the “Europe of the past” would mean resuming a history of political divisions that European construction has not eradicated but has managed to surround by safeguards.

1.2. The illusion of finding a feeling of sovereignty in regal choices

Let us take the example of a possible reversion to national currencies and a collapse of the Eurozone, a situation marked by great disparity and a very high level of interdependence. The consequences would be disastrous in the short term for the most vulnerable States which would find themselves exposed to high levels of currency instability and therefore a major financial crisis. To avoid capital flight (investors withdrawing to limit their exposure to monetary risk), capital controls would have to be rolled out, which would require an abrupt budgetary adjustment (as the State no longer has access to international markets) or a request for financial assistance from the international community (as the European assistance mechanisms would no longer be available). The benefits of a depreciation of the currency, often put forward as a positive argument, would not be readily available, appearing only after a major shock that is painful in economic, financial and social terms, with the significant risk of political repercussions, because the return to national currencies implies a risk of an “every person for themselves” attitude. In addition, for less vulnerable States, including those outside of the Eurozone, it would be unrealistic to think that they would not be affected if they left the more vulnerable States to their fate. The entire banking system would be weakened with a risk of the financial crisis spreading and a considerable decline in their exports to the worst affected countries.

In the case of France, the benefits of the Euro for French sovereignty with regard to other European States must be stressed. In the past, the Banque de France basically had to follow the policy of the Bundesbank and the American Federal Reserve. As Mathilde Lemoine recently demonstrated³, “it is therefore false to believe that a return to the Franc would allow France to recover its monetary sovereignty”. The amount of French assets owned by foreigners is much greater than the amount of foreign assets owned by the French. The rest of the world therefore has a claim against France. If these investors were to sell their claims, the currency would depreciate and the simple prospect of a return to the Franc could result in the setting up of capital controls and a restriction in cash withdrawals. If this were to happen, those in France who wish to borrow massively to finance their mammoth campaign promises upon winning the presidential election would have to understand the implications of this and answer the following question: who would they borrow from? From the international creditors, who they criticise just as they announce capital controls? From the French, who would write them a blank cheque? The most recent polls show that the French are not fooled by this and that almost three quarters (72%) are against a return to the Franc, i.e. 10 points more than in 2010⁴.

3. Mathilde Lemoine: “The main virtue of the creation of the Euro was to give monetary sovereignty back to France. Before the single currency, French monetary policy was dependent on that of the American and German central banks (...). At no time since the Second World War has France been able to gain monetary independence from Germany and the USA. The country finally obtained it when Germany accepted to give up the symbol of its renewal, the Deutschmark. Their sacrifice to the altar of European construction is greater than that of France (...). The Euro has allowed France to stop being tributary to German and American policies, and therefore to acquire a new form of monetary sovereignty”, in “Retour au franc, une perte de souveraineté”, L’Agefi Hebdo, 9-15 March 2017.

4. Cf. Ifop for Le Figaro and the Robert Schuman Foundation, “Les Français et l’Europe 60 ans après le Traité de Rome”, 25 March 2017.

TABLE 1 ▶ The French opposition to leaving the Eurozone

Question: Do you want France to leave the Eurozone and return to the Franc? (in %)

	Rep. May 2010	Rep. Nov. 2010	Rep. Jan. 2011	Rep. June 2011	Rep. Sept. 2011	Rep. Nov. 2011	Rep. June 2012	Rep. Sept. 2012	Rep. Sept. 2013	Rep. Jan. 2014	Rep. July 2016	Total March 2017
Yes	38	35	28	29	37	32	26	35	33	38	29	28
No	62	65	72	71	63	68	74	65	67	62	71	72

Source: Ifop for *Le Figaro* and the Robert Schuman Foundation, "Les Français et l'Europe 60 ans après le Traité de Rome", 25 March 2017

Let us take the example of the fight against terrorism. Following the attacks in several European countries, these events can either unite or divide. Solidarity and unity must win the day but it is feared that these new tragedies will further exacerbate the divisions within French society and those between European States. The presence of jihadists in groups of asylum seekers has an impact on the immigration debate. Between the front-line countries which are accused (in particular Greece but also Italy) and the Central European countries which decry the danger of multicultural societies, the field is full of obstacles. The issue of security policy is also highly topical: fingers are pointed at the shortcomings of national security services. In short, the concept of a return to national isolation with borders as the only legitimate protection may well rise in popularity. Against this backdrop, mutual distrust can only increase and the Schengen area would be subject to unprecedented pressure with the return of national border controls and the construction of walls and security fences between States⁵. Yet the cross-border dimension of present-day terrorism is evident. While States indubitably have the primary responsibility for security, it can only be guaranteed, to increasing proportions, through European cooperation that is both structured and systematic between all State bodies (intelligence, police, justice), the quality of which currently depends on the national interest of each Member State. The words "protection" and "closure" must not be confused and we should be mindful of the misleading temptation of wanting to (re)build a Maginot Line.

2. "Sovereign Europe": a new political project for the EU

2.1. Strong justification

Against this backdrop, after peace and the market, the current European situation involves putting forward a clear political message on what the EU's foundations are and its legitimacy in dealing with the present challenges⁶. This implies providing an answer to the following questions: what are Europe's collective objectives? What are the common goods that require common action? In economic terms, under the effect of the Eurozone crisis, Europeans have learned that a Greek deficit is also a European deficit, and, going beyond currency issues, financial stability has gradually become a common good to be protected because a crisis in one EU Member State can threaten stability in the entire Eurozone. However, "the scope of such reflection [on common goods] goes beyond just the economic sphere, it also encompasses key determinants of power, such as technology, energy and even foreign policy and security. In federations, public investment in such common goods is centralised. Here in the European Union, we are a long way from that. And yet, we face the same international challenges"⁷. Take the issue of terrorism: who could be against the fight to combat

5. Yves Pascouau, "The Schengen area in crisis: the temptation of reinstalling borders", *Schuman Report on Europe, the state of the Union 2016*, Paris, Lignes de repères, 2016.

6. Thierry Chopin, "Pour une Europe régaliennne", *Le Monde*, 30 June 2016, and "Europe : La paix, le marché et après ?", *Telos*, 25 March 2017.

7. Benoît Cœuré, Member of the Executive Board of the ECB, "Drawing lessons from the crisis for the future of the euro area", address at the Ministry for Foreign Affairs, during Ambassadors' Week, Paris, 27 August 2015.

terrorism? Who cannot see the cross-border dimension of present-day terrorism? It is therefore possible to identify common interests for citizens to endorse.

With this in mind, Europe must be able to convey a sovereign concept to meet citizens' expectations in terms of security, expectations which are entirely legitimate and require a response. Failing this, the European level has no response with regard to these key issues, security in particular, which are central to citizens' concerns. This project for a sovereign Europe seems to have solid justifications.

International issues question Europeans' collective capacity to respond to global geopolitical changes. This is the case for the organisation of their collective security, but also for the regulation of migratory flows and the fight against terrorism. A project aimed at developing a "sovereign Europe" would provide many cyclical and structural advantages as there is obvious continuity between the internal dimension of these challenges and the resources to tackle them by coordinating member states' resources on a European level (justice, police, intelligence, fight against terrorism) and the external dimension on an international scale (diplomacy, defence). Such a project is also meaningful in terms of the management of new global geo-economic power balances, in areas such as the environment, digital technology and trade.

Trade negotiations are a prime example of this. Currently, growth levers are mostly outside of Europe due to demographic dynamics and the closing of the economic gap, but also because many technological innovations are spread over or are made profitable on a global scale. Against this backdrop, protectionism may have the term protection in its name, but does not provide any. This does not mean that Europe must not defend its interests and preferences⁸. This involves in particular the requirement of reciprocity, for example for the application of principles governing the market economy, the protection of intellectual property, public procurement and export guarantees. It also assumes that trade agreements do not run counter (directly or indirectly via unsupervised mechanisms of dispute settlements) to existing provisions in European regulations on consumer protection, in the fields of health, agriculture, environment and finance. Lastly, it implies that Europe has the resources to monitor compliance with its rules, resources that are as effective as American resources, for example as regards fiscal and financial issues and technical standard compliance.

This issue has another economic aspect which is highly topical: in addition to trade, the domestic foundation of sovereign power is the capacity to raise tax revenue, a capacity which has been eroded by evasion, fraud and fiscal optimisation. Social justice is also threatened if some taxpayers or companies are able to avoid paying tax. The widespread support that the Commission enjoyed in the Apple case⁹ and the swift adoption by the Council of the Commission's recent legislative initiatives highlight the demand for strong European action in this field.

On a more geopolitical level, sovereign issues concern the question of borders and European identity as tackling such issues generally results in the identification of an inside and an outside. The identification of an outside can strengthen internal cohesion. The dynamic following the British referendum illustrates this: the fact that the twenty-seven member states have to negotiate with what will ultimately be a third country tends to unite them. In addition, the polls conducted following the Brexit outcome, and the outcome of the Austrian presidential election, after a campaign in which the question of membership of the European Union was a core issue, suggest that public opinion has become more favourable to participation in this Union¹⁰.

The project for a "sovereign Europe" also places the issues of sovereignty, subsidiarity and ultimately the effectiveness of public action in their rightful place. A "sovereign Europe" is a Europe which strengthens the sovereignty of public authority, exercised on a national and European level, as these two levels are not contradictory but complementary. In our democratic model, the European Union and its member states have the same purpose, namely to protect their citizens physically and economically and to ensure the greatest possible scope for personal freedom. Maintaining borders open and preserving the founding values of

8. Cf. Anne-Marie Idrac, "Trade policy: to arms Europeans!", *Schuman Report on Europe, the state of the Union 2017*, Lignes de repères, 2017, p. 103-111.

9. Elie Cohen, "L'affaire Apple ou les vertus de l'Europe par l'exemple", *Telos*, 2 September 2016.

10. Cf. "Brexit has raised support for the European Union", *Bertelsmann Stiftung*, 21 November 2016

European construction call for the constitution of a “sovereign Europe”, without which the risk of national retrenchment will only grow and the European project will come under threat.

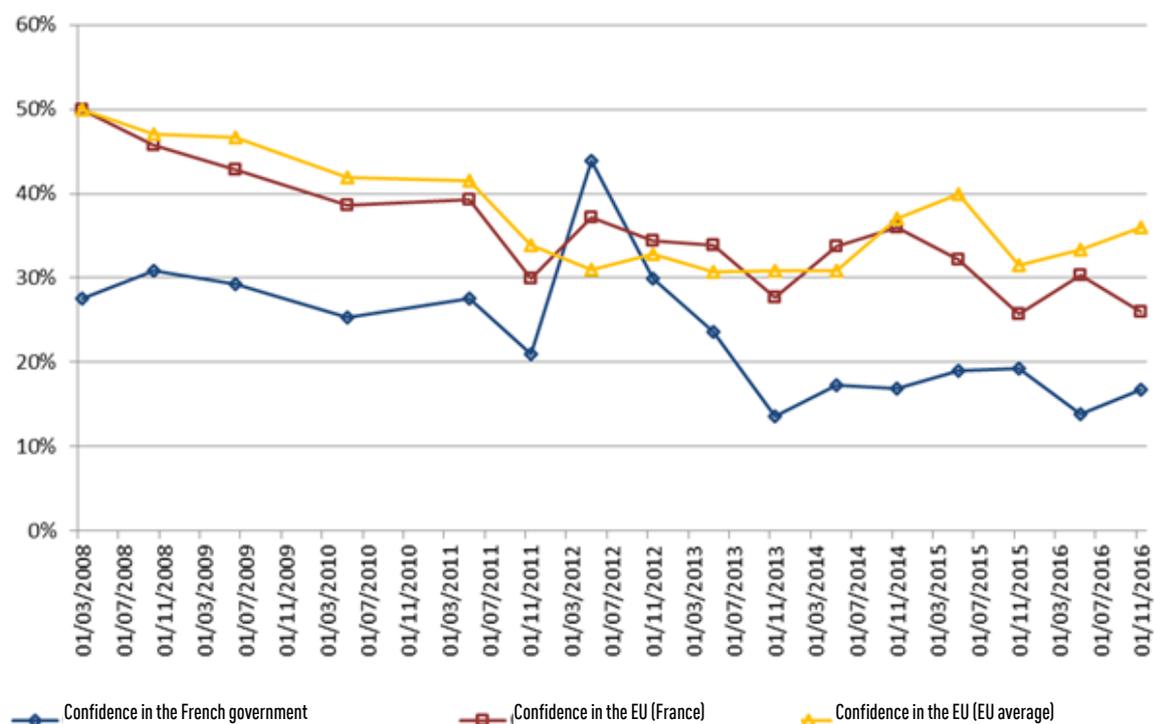
2.2. France’s role in a European project that can be shared with its partners

France has an ambivalent relationship with European construction and has long blown hot and cold¹¹. It was behind ambitious integration projects (ECSC, the Single European Act, the Maastricht Treaty) but has often displayed significant reluctance to these very projects: European Defence Community in 1954, the empty chair crisis in 1965, the European Constitution in 2005 and—the latest example—the European Economic Government.

In general terms, French diplomacy shows a preference for intergovernmental relations. Public opinion shows reticence to the idea of European democracy in that it would make it possible that “French ideas” (interventionist economic policy, the key role of public services, mistrust of liberalism, social Europe and also Europe as a great power) are given minority status in European debates, particularly in a Union of 28 member states, and even at 27 following the United Kingdom’s decision to leave the EU. This is one of the lessons of the French “no” to the European “Constitution” in 2005¹².

France’s influence is also diminished by its weakened political, economic and social situation. This fact naturally impacts the rise in Euroscepticism among both politicians and the public. Since 2008, the economic crisis has heightened Eurosceptic feeling within the population: France’s distrust of the European Union rose by almost 25 points between 2008 and 2016.

GRAPHIQUE 1 ► The development of confidence in the EU and in the French government (2008-2016)



Data: Eurobarometer

11. Thierry Chopin, *France-Europe : le bal des hypocrites*, Editions Saint-Simon, 2008.

12. Yves Bertoncini and Thierry Chopin, “Impressions de campagne. Le référendum du 29 mai 2005 et le malaise culturel français”, *Le Débat*, n°137, November-December 2005.

The French are particularly ill at ease with the current European crisis because the EU was originally a French strategic initiative¹³. They are finding out that “Europe” is not “France on a magnified scale” and they no longer perceive it as an instrument to serve “French ideas” (cf. Archimedes’ lever argued by General de Gaulle) but as the “Trojan horse” of economic globalisation. In addition, this feeling is heightened by the EU’s “strategic renunciation” and the disarmament of its member states since the end of the USSR twenty-five years ago, and up until recently.

In short, France no longer seems to believe in its “reincarnation” (the term used by Zbigniew Brzezinski¹⁴) in a liberal, federal and enlarged economic union¹⁵ which reflects its loss of influence and in which no longer seems to fit in. France seems to be on a quest for a new European narrative¹⁶.

In such a situation, France can actively defend a strategic position on a European level in the areas in which our country enjoys a high level of credibility and which tally with our most deeply rooted collective preferences. The return of sovereign challenges which France and its European partners must tackle (migration crisis, terrorism, security challenges in the East and South, etc.) must be used as a means of re-establishing a “French” narrative for the future of the European project that could be shared with its partners. There is particular reason for this because it is essential that we work with our partners in these areas, given the common interests that Europeans share with regard to these issues and therefore the degree of interdependence that unites us in terms of common security interests.

It is noteworthy that sovereign issues are an area in which France’s voice may be legitimately strong, given its military and diplomatic power (France will be the only nuclear power and the only Member Country of the UN Security Council after Brexit), the acknowledgement of its expertise (in the fiscal domain for example) and European solidarity following the terrorist attacks in France. In addition, the fit between the traditional model, the French political identity and legacy of state intervention and the sovereign nature of the challenges facing Europe¹⁷ would counter more effectively the rising distrust of French people with regard to European construction, and perhaps even in broader terms of “politics” and its ability to act efficiently on both national and international levels.

Furthermore, it seems that Germany is open to progress on these sovereign issues, whether in terms of defence—Wolfgang Schäuble even spoke about a European defence budget¹⁸ -, the fight against terrorism or migration issues¹⁹. For defence, this is indicated by the publication of a white paper on defence in the summer of 2016 and the recent announcement by the German government on the increase in defence expenditure, as a reaction to the risk of weaker trans-Atlantic links announced by the new American president. This also alludes to the common values that are the foundation of western solidarity²⁰. Even public opinion seems to be changing in favour of greater commitment in the management of foreign and defence policy issues. In addition, Germany is said to be in favour of initiatives to protect external borders and to combat tax evasion. Sovereign issues are therefore grounds on which the Franco-German motor may find a strong ripple effect.

This project can find support in countries which are traditionally less in favour of integration and answers the demands of European citizens as a whole: 82% of European citizens call for a greater involvement of the EU in the fight against terrorism, 75% in the fight against tax fraud, 74% on migration issues, 71% on the protection of external borders and 66% on security and defence matters²¹.

13. Even today, 55% of French people polled believe that “France has a specific duty to Europe”, Ifop poll “Le regard des Français sur l’Europe”, October 2016. It is also interesting to note that they demonstrate their attachment to “Europe as an area of common history and heritage” (69%) rather than to “the European Union as a political institution” (44%).

14. Zbigniew Brzezinski, *The Grand Chessboard: American Primacy and its Geostrategic Imperatives* (1997), Basic Books, 1997, p. 91.

15. Cf. Christian Lequesne, *La France dans la nouvelle Europe. Assumer le changement d’échelle*, Presses de Sciences Po, 2008.

16. Olivier Rozenberg, “France in quest of a European narrative”, *Les Cahiers européens de Sciences Po*, n°4, 2016.

17. 62% of French people polled believe that, in terms of the terrorist threat, the European Union can contribute to ensuring better protection for France. Source: Ifop, “Le regard des Français sur l’Europe”, October 2016.

18. “Wolfgang Schäuble calls for joint EU defence budget”, *Financial Times*, 18 October 2016; Wolfgang Schäuble: “We must strengthen the EU in those areas where it offers true added value relative to national approaches. Just look at foreign policy or defence. What can an individual country achieve in the areas?”, *Spiegel*, 10 June 2016

19. Cf. Address by Angela Merkel in Brussels on 12 January 2017, after receiving a honorary doctorate from the Catholic University of Leuven and the University of Ghent: “We must hold Europe together now more than at any time in the past; we must make it even better, and bring it closer to the people of Europe again (...). The EU and its member states must also become better at finding compromises and thus achieving better results. Specifically, readiness to compromise is needed on the issues of illegal migration, the fight against international terrorism, and in the field of security and defence policy.”

20. Cf. Address by Angela Merkel following the election of Donald Trump, 9 November 2016

21. “Europeans in 2016”, Special Eurobarometer of the European Parliament, June 2016. With regard to the French more specifically, a large majority of people polled believe that measures must be taken on a European level for defence (65%), foreign policy (60%), immigration (60%) and security (55%) matters. cf. Poll by Ifop / Le Figaro / Robert Schuman Foundation, op. cit.

TABLE 2 ► European citizens' expectations of the EU in sovereign areas

For each of the following areas, would you like to see the EU increase its involvement? (% of “yes” answers)

	The fight against terrorism	The issue of migration	The protection of external borders	Security and defence policy	Foreign policy	The fight against tax fraud
EU 28	82	74	71	66	50	75
Germany	83	74	66	55	47	78
Austria	73	57	69	61	44	52
Belgium	83	77	72	63	49	77
Bulgaria	86	80	79	73	55	70
Cyprus	93	91	86	88	77	86
Croatia	74	67	61	61	50	71
Czech Rep.	86	79	81	73	43	77
Denmark	78	57	66	40	31	77
Estonia	81	76	71	65	44	61
Finland	84	66	66	61	39	78
France	83	73	75	72	52	76
Greece	83	84	78	71	64	73
Hungary	78	71	73	71	49	75
Ireland	79	74	67	66	50	69
Italy	88	85	78	79	63	79
Latvia	76	60	66	59	42	72
Lithuania	76	67	72	69	55	74
Luxembourg	80	68	69	62	48	66
Malta	87	87	80	74	54	80
Netherlands	76	73	64	61	42	68

Poland	74	63	67	63	41	56
Portugal	91	86	87	78	62	91
Romania	82	75	73	74	56	79
UK	76	68	67	56	40	70
Slovakia	81	68	71	64	44	72
Slovenia	80	72	71	66	56	86
Spain	84	79	72	71	66	89
Sweden	80	79	48	52	35	74

Source: « Europeans in 2016 », Special Eurobarometer of the European Parliament June 2016.

N.B. The percentages in blue indicate the highest figures and those in orange the lowest, in each area.

3. The importance of the method

3.1. The Franco-German motor: a “crystallising core”²²?

The question of method and that of political drive must go hand in hand in order to make progress with European integration. The long-term continuity of the European project relies on support from member states and acceptance by citizens. As part of the Union, it is important to make a sincere attempt to move forward with all 28 States—27 after Brexit. If this attempt is ultimately blocked, the measure in question should be implemented for the broadest possible scope of member states. In these terms, the scale of the Eurozone is only one available option. European treaties provide for differentiated integration which may be restricted to nine member states. In addition, it is possible to interlink options: as part of the banking union, a foundation of common rules is applicable to all 28 member states (27 in the future) but the supervision of banks and the resolution of banking crises are only common to member states of the Eurozone.

Given the shared joint exercise of sovereign prerogatives that this project implies (internal and external security, external border controls, asylum, immigration, taxation, diplomacy, defence, etc.), even in an intergovernmental form, it is unlikely that it will successfully bring together—at least in its early phases—all EU member states. For the boldest projects (as the European project itself was at the outset), it may be necessary for a smaller number of States to take the risk of taking steps before others to demonstrate the viability and interest of integration.

France and Germany have been a driving force since the start of European construction. Yet, in recent years, the controversies, mutual criticism and quest for other alliances (Franco-British at the start of Nicolas Sarkozy’s presidency, the Franco-Italian Hollande-Renzi alliance for example) to sidestep the partner, have punctuated the relationship between France and Germany. Recently, the terrorist attacks, the Franco-German initiative in Minsk on the issue in Ukraine and the efforts to coordinate the management of the Greek crisis have seemed to strengthen the ties between the two countries²³. However, the refugee crisis set the Franco-German

22. This expression was borrowed from Gilles Briatta, “L’Union européenne dans 10 ou 15 ans : cinq scénarios pour l’avenir d’un «monstre» institutionnel”, Note du Centre d’Analyse et de Prévision, French Foreign Ministry, 1995.

23. Cf. Luuk Van Middelaar, “France-Allemagne : une incompréhension permanente”, in *Le Débat*, n.187, November-December 2015.

partnership apart on the basis of deep-rooted disagreements, national unilateralism and the “distortion of behaviour”²⁴. Overcoming these deep-seated disagreements will be a key challenge for France’s European policy after the 2017 elections²⁵.

France and Germany still represent together a critical mass of 30% of the European population and almost half of the Eurozone’s GDP. After several years of multiple crises, the question of confidence and trust must be asked again as the situation has been changing for several years now and signals an imbalance between the two countries, a decline in German federalist ambition together with a real dilution of French influence within the EU due to mediocre economic performance adversely impacting Paris’ credibility in the European arena. However, the current challenges facing the EU and its member states (terrorism, migration crisis, economic imbalances, rise in anti-European populism and extremism, Brexit, etc.), call for the revival of a European political ambition with both internal and external dimensions: “When redrafting the European project, values and common interests, the global scale must be taken into consideration (...). Paris and Berlin must come up with a political and geopolitical revival strategy as a matter of urgency in order to meet internal and external challenges”²⁶.

In this way, Franco-German dialogue has an important role to play due to the weighting of the two countries within the EU. If they wish to retain their motor effect, France and Germany must, however, closely involve their partners in Benelux, in Southern European countries such as Spain and Italy and also Northern European countries such as Finland. From this standpoint, the Eurozone is one option while others are available. It would also seem that the dissonance between the Eurozone and the rest of the EU is currently less intense, as regards sovereign issues at least: non-Eurozone countries also have expectations on these issues. Moreover, after Brexit, the overlapping of the two will be greater and the development of specific instruments for the Eurozone may become less important.

3.2. Differentiated Europe: precautions to be taken

Such a project for a “differentiated” Europe has been put forward several times recently as a means of reviving European construction in the wake of the British referendum on Brexit²⁷. Differentiation has, however, been criticised—particularly in Central European countries—as running the risk of creating a “multi-speed Europe”²⁸. History shows us that the European Union has already experienced many forms of differentiated integration, both in and outside of the treaties²⁹: the Euro and the Schengen area are among the symbols of European construction. These different forms should not be confused with the many expressions used in European political debate to describe the possible results of differentiation processes: “Europe with variable geometry”, “multi-speed Europe”, “Europe à la carte”, the “Hard core”, “Concentric circles”, “Avant-garde”, “Pioneering Group”, “Centre of gravity”, etc. In reality, these different expressions reflect three national political visions of differentiation³⁰. The first, originating from English-speaking countries, views differentiation as a means of non-involvement in any federal project, and more generally to allow any country the option of not taking part in integration on any given issue. On the contrary, the second, Franco-German view, sees differentiation as a way of creating a sub-group made up around the Franco-German couple and wishing to make progress in integration (in other words a form of Union in the Union). Lastly, the third view, which is expressed in Central and Eastern Europe in particular, considers the results of either of these views as they would fragment Europe excessively in the former case while the latter case would create an exclusive “club”.

24. This expression is borrowed from Jean-Louis Bourlanges, “L’Europe au miroir de Schengen”, *Telos*, 29 March 2016.

25. See Jean-Dominique Giuliani, *Pour quelques étoiles de plus... Quelle politique européenne pour la France ?*, Lignes de repères, 2017.

26. Michel Foucher, “Les 9 échelles de l’Europe”, *Le 1 L’Hebdo*, n.111, 15 June 2016.

27. Cf. the [Rome Declaration of Heads of State and Government](#) meeting at the European Council on 25 March 2017: “We will act together, at different paces and intensity where necessary, while moving in the same direction, as we have done in the past, in line with the Treaties and keeping the door open to those who want to join later.” See also the “[White Paper on the Future of Europe: Reflections and scenarios for the EU27 by 2025](#)”, European Commission, “Scenario 3: Those who want more do more”, 1 March 2017

28. Cf. [Joint Statement of the Heads of Governments of the V4 Countries](#), “Strong Europe – Union of Action and Trust”, Input to Rome Declaration 2017, 2 March 2017: “Yet any form of enhanced cooperation should be open to every Member State and should strictly avoid any kind of disintegration of Single Market, Schengen area and the European Union itself”.

29. Thierry Chopin and Jean-François Jamet, “La différenciation peut-elle contribuer à l’approfondissement de l’intégration communautaire ?”, *European Issues*, Robert Schuman Foundation, n°106 and 107, July 2008. See also Jean-Claude Piris, “The Acceleration of Differentiated Integration and Enhanced Cooperation”, Egmont Institute, 30 September 2014 and “Multi-Speed Europe Effects on EU Politics”, *Sciences Po*, 22 April 2015; Y. Bertoncini, “Differentiated Integration in the EU: a Variable Geometry Legitimacy”, Policy Paper n°186, the Jacques Delors Institute, March 2017.

30. Thierry Chopin, Christian Lequesne, “Differentiation as a double-edged sword: member states’ practices and Brexit”, *International Affairs*, vol. 92, n°3, May 2016, p. 531-547.

Differentiation could come with a number of risks if it is poorly applied. The first risk is that of an excessive fragmentation of the integration process itself. Differentiation creates additional institutional complexity in European construction, which is already often criticised due to citizens' difficulty to understand how the EU operates. Another risk is that of dividing member states by forcing those member states who remain outside of the group into inflexible positions: differentiation should not be perceived as the creation of clubs in which members can accept or refuse new participants, as this decision would depend more on the specific interest of each member of the club than on the common interest of the new group. It is therefore of the utmost importance that differentiated integration is an open process and that, should it be subject to conditions (as is participation in the Eurozone), this is legitimate and transparent.

Today, it is clear that all future EU policies in certain prominently political areas cannot concern all EU member states to the same degree, a fact which must result in talks to set up cooperation between some States to make progress in these areas. The only reference to sovereign areas shows that European construction is now looking to new political prospects related to the sovereignty of States and national socio-economic and political consensus. This is why it is more delicate for European governments to give up their "right of veto". The heterogeneity of national interests within EU27 must therefore be acknowledged, while a space must be created for possible progress for those who so wish. This is the condition for an effective and legitimate Union that can meet the expectations of its citizens.

CONCLUSION

Given the joint exercise of sovereign prerogatives implied by this political project, debate on the EU's political dimension must be renewed. If the crises affecting Europeans must set the terms of the debate on an actual political union and on the issue of the EU's political regime, the pursuit of Europe's integration cannot be achieved through a forced march, based entirely on necessity. Such a project must be conducted with a previously agreed purpose and with sufficient political legitimisation. If we want to make European policy meaningful again, we must quickly restore the EU's backbone and dare to enter into public debate on the content and future directions of the European project.

This debate must set out three choices clearly.

Firstly, the choice championed by those attracted to a return to the "Europe of the past" and national retrenchment. Such a scenario may appear tempting for many citizens who express a legitimate demand for protection and who seem to identify with sovereignty in regal and security powers in the political framework which seems the most "natural" and protective: the national state. However, this option is immensely hazardous, both economically and politically, with the prospect of a fragmented, divided and weakened Europe.

Secondly, the option of status quo involves, in the best-case scenario, a consolidation of the EU in the wake of the various shocks affecting it, but without a reform of the entire system. This would be a mistake. Status quo is not a viable long-term option and it would be misleading to content ourselves with consolidating what we have accomplished. History tells us that, when in crisis, a political system can ultimately disappear if it fears reform.

Lastly, there is the choice of those in favour of a Union of National States that does not shut itself off from the rest of the world: in dealing with the unease of many European citizens, a long-term political project is necessary for the Europe of the 21st Century if we do not want our societies to shy away from the modern world. This project must involve rebuilding a specifically European political, economic and social model that combines freedom, solidarity, values that convey our common identity, protection and international influence, in order to make it "competitive" in the global competition between civilisation and political and economic models. This is what must be achieved to rekindle European citizens' feeling of freedom.

On the same themes...

DIFFERENTIATED INTEGRATION IN THE EU: A VARIABLE GEOMETRY LEGITIMACY

Yves Bertoncini, *Policy Paper No. 186*, Jacques Delors Institute, 10 March 2017

YES, WE ARE EUROPEAN!

Jacques Delors, Enrico Letta, Pascal Lamy, Yves Bertoncini and the European Steering Committee 2016, *Tribune*, 7 October 2016

BREXIT: BETWEEN BRITISH EUROPHOBIA AND CONTINENTAL EUROSCEPTICISMS

Yves Bertoncini, *Policy Paper No. 171*, Jacques Delors Institute, 27 September 2016

STRONGER TOGETHER - EVEN AT 27!

Yves Bertoncini and Enrico Letta, *Tribune*, 15 September 2016

THE EU AND OUR COLLECTIVE SECURITY: STRONGER TOGETHER

Jacques Delors, António Vitorino, Pascal Lamy, Enrico Letta and Yves Bertoncini, *Tribune*, 17 June 2016

A DIFFERENTIATED VIEW OF DIFFERENTIATED INTEGRATION

Nicole Koenig, *Policy Paper No. 140*, Jacques Delors Institut - Berlin, July 2015

EUROSCEPTICISM OR EUROPHOBIA: VOICE VS. EXIT?

Yves Bertoncini and Nicole Koenig, *Policy Paper No. 121*, Jacques Delors Institute, 27 November 2014

REFORMING EUROPE'S GOVERNANCE: FOR A MORE LEGITIMATE AND EFFECTIVE FEDERATION OF NATION STATES

Yves Bertoncini and António Vitorino, *Study No. 105*, Notre Europe - Institut Jacques Delors, 15 September 2014

RETHINKING THE EMU AND MAKING GREATER EUROPE POSITIVE AGAIN

Jacques Delors, *Tribune*, Jacques Delors Institute, 28 June 2013

THE EURO ZONE, CORE OF A POLITICAL UNION

Jacques Delors & alii, *Tribune*, Jacques Delors Institute, 30 November 2012

Managing Editor: Yves Bertoncini • The document may be reproduced in part or in full on the dual condition that its meaning is not distorted and that the source is mentioned • The views expressed are those of the author(s) and do not necessarily reflect those of the publisher • The Jacques Delors Institute cannot be held responsible for the use which any third party may make of the document • Translation from French: Barbara Banks • © Jacques Delors Institute