The impact of the British departure from the EU and the growing internal and external threat to the European integration project have imposed the reiteration of a debate about the forms and shapes through which the continent can move forward. This happens on the backdrop of incomplete and insufficient solutions to the crises of the past years, which makes the debate appear awkward and misplaced. Rather than address the causes of Europe’s ailments, political leaders are eyeing new avenues of cooperation and focusing on who would participate and who might be excluded in the next steps. In some respects, this is a false debate.

This paper does a census of member states’ positions on key areas and argues that existing cleavages run deep while at the same time, no-one wants to be left out. And that ‘core Europe’ does not really exist. Yet the debate can represent an opportunity to reinvent political dynamics inside the EU and create incentives to renew commitments to European integration.

1. The Future of Europe

The 60th anniversary of the Treaty of Rome, which founded what is now the European Union (EU), has accelerated the debate on the future of Europe. After successive years of crisis management, the British vote to leave the EU, an international environment more actively hostile to European integration, and the surge of anti-EU sentiment across the continent are putting pressure on political leaders to come up with new imaginings of the future. With an electorally difficult year ahead, the Treaty of Rome anniversary on March 25 will be branded as an early step of a longer reflection period rather than the delivery of solutions. The discussion about different futures for Europe is underway. Once Angela Merkel was reported saying that “the history of recent years has shown that there will be a multi-speed EU, and not all members will participate in the same steps of integration,” the reflections around two-tier or multi-speed Europe, variable geometry, flexibility and differentiation, as they are known in EU jargon, have become politically salient.

Whether they can become a reality is another matter. These debates have been explored in the recent past, with a focus on the policy areas in which further integration may take place, the forms through which

such differentiation might take shape, and the processes which could govern it.²

“Two- or multi-speed” Europe refers to different paces of integration along a commonly agreed path; “variable geometry” captures cooperation on different policy fields. And, of course, some flexibility already exists with ins and outs of the eurozone, and the Schengen area which abolished border controls between most but not all countries.

This paper does not aim to examine the functionality of these proposals. It focuses on the who rather than on the what and how. Indeed the problem with the proposals is that there is no who: currently the EU lacks a coherent core around which a two-tier Europe could evolve, nor is the Commission strong enough to provide necessary policy impulses to potential coalitions of the willing. Not even the Franco–German tandem, which is often considered as the motor of European integration, is in a state in which it could credibly drive European integration. In the short term, the outcome of the French elections in May 2017 might further strain Franco–German cooperation. Recently, the group of the six EU founding members, which has put the idea of a multi-speed Europe back on the agenda, is even more divided. Conflict lines touch upon several issues, ranging from different perceptions of sovereignty and supranationalism, varying ideas about the role that the Commission should play going forward, different interpretations of the need for eurozone reform, to diverging priorities for EU cooperation in security and defense.


The debate on multi-speed Europe can nevertheless serve a purpose if it is used as a tool for a constructive and inclusive discussion about ways to reconcile EU unity and efficiency, as well as solidarity and fair burden-sharing. Rather than run the risk that the debate becomes smoke to mask the absence of a shared vision on how to solve Europe’s deeper problems, the current discussions need to be used as a pragmatic stepping stone toward a politically riper moment to address Europe’s real issues. Also, it can provide opportunities to move out of classical leadership constellations and dynamics of the past, and encourage diverse groupings and alliances creatively to drive the policy agenda forward.

2. Decision-making in the EU

Decision-making in the EU has increasingly shifted toward the member states convening in the European Council, despite the growing co-decision powers of the European Parliament and at the expense of the role of the European Commission in initiating policy proposals. The Lisbon Treaty (2009) crystallized this, and the crises of recent years accentuated the existing trend of centralization of decisions in the European Council and the heads of state and government meeting there. The days in which the Commission would legitimately drive policy are long gone. The current, unpopular Commission is accused of double standards and a lack of credibility and legitimacy by some smaller member states, so getting member states to implement EU decisions has become more of a struggle. This centrality of member states in EU politics makes the EU agenda more subject to domestic political constraints.

Even though the setup of EU governance seeks to accommodate structural power imbalances between small and big member states and has established a quasi-consensual system of EU decision-making, crisis management efforts in the past years have revealed that inside the European Council some member states seem to be more equal than others. Germany, France, and (less so in recent years) the U.K. have been central policy drivers, serving as a basis of varying coalitions — long-established groups of countries coexisting with more ad hoc groups that coalesce around concrete policy issues.

Brexit will alter these alliances and their balance within established political dynamics in the EU. Losing the U.K. as an important ally on issues, such as trade, enlarge-
mer, Russia, or institutional questions will change the calculations of many small- and medium-sized member states, such as the Baltics, the Central European Visegrad Four (Czech Republic, Hungary, Poland, Slovakia), or the Netherlands, in ways that remain to be seen. How leadership constellations will realign in light of the British vote, the impact of new geopolitical calculations in a hostile international environment, and possible fundamental changes in domestic politics of some member states, will shape Europe of the near future. Whether stable or ad hoc pioneer groups of member states will emerge, or whether the EU will find a means to move forward at twenty-seven will mark the shape of the continent. Analyzing current power dynamics in the EU and sketching out prevailing dividing lines is necessary to identify the structures and actors which can weather potential crises to come.

3. Leadership Constellations

Existing leadership constellations in the EU are based on two major organizing principles: geographical proximity that often comes with a shared history, and similar established preferences on EU integration. The Franco–German partnership is the most established and decisive, having laid the foundation for Europe’s postwar order. An understanding between the two has been behind all major decisions on integration, the Economic and Monetary Union, and enlargement toward Central and Eastern Europe as prominent examples. They have recently led together on foreign policy matters in the so-called Normandy Format in which negotiations with Ukraine and Russia have been taking place. Franco–German cooperation is institutionalized to a degree not comparable with other sub-groupings within Europe. Next to regular meetings prior to EU Council meetings and EU Summits on all political and working levels, biannual Franco–German Ministerial Councils bring together the two Cabinets, and ministerial officials are exchanged between the two countries. Joint structures and default consultation have not, however, prevented political frictions and diverging positions, including on key matters, such as on economic convergence and joint monetary policy or the refugee crisis.

Until recently, Paris’ most important interlocutor on foreign and security policy was London: on most key international issues, with the notable exception of the military intervention in Iraq, France and the U.K. were closer to each other than any other European country. Indeed, their bilateral cooperation on defense was the engine also for the EU’s Common Security and Defence Policy (CSDP) in the 1990s. Despite their continued cooperation, London’s disengagement with the EU has led Paris to seek other allies, mostly in Berlin.

France and Germany are also central actors in the Weimar Triangle, a sub-regional format that links the two states with Poland. German policymakers have considered this miniature Eastern–Southern nexus to be a very attractive and useful framework, granting Germany legitimacy and embeddedness in a geographically balanced coalition. However, this group has never provided any strong policy impulses as Poland and France share few interests or perspectives on the EU. Under the current Polish government cooperation has come to a temporary halt after a failed helicopter deal between France and Poland.

Next to big state alliances there are a number of other sub-regional groups that bring together smaller-sized countries. The oldest one is the Benelux group, consisting of Belgium, the Netherlands, and Luxembourg, established in 1944, well before the Treaties of Rome. The three countries built a customs union and worked toward economic integration and free movement, thereby contributing to the blueprint for the European Single Market and Schengen.

Nordic cooperation is another example for a well-established sub-regional brand, bolstered by joint institutions like the Nordic Council and Nordic Council of Ministers, which cover a broad range of generally soft policy areas and focus mainly on practical cross-border projects. After the fall of the Iron Curtain, the Baltics started to cooperate with the Nordics on a regular basis and the Visegrád Group emerged in 1991 as an example of pragmatic sub-regional cooperation without joint institutions; the International Visegrád Fund which focuses on civil society projects being the exception. V4 cooperation became known to a broader European audience beyond Central Europe in the context of the refugee crisis in 2015 when the four states managed to form a united front against binding relocation quotas.
Other groupings have occasionally emerged, such as the Club Med or, most recently, the Big Four (France, Germany, Italy, and Spain, meeting in Versailles on March 6, 2017), but they have so far not clustered into a regular consultation format.

The pattern of European integration has always included drivers pushing cooperation and integration in a certain policy field, which in turn produced incentives toward further integration. Past policy entrepreneurs have included the Commission, with its power of initiative, and a few member states working together. This was the logic behind the single market push. Aside from the Franco-German partnership and the Franco-British tandem on security and defense, other leadership constellations have been mainly relevant for the respective sub-regional groupings and the promotion of stronger cross-border cooperation but on the whole have not created incentives for further integration on a larger scale.

On the second principle based on EU integration preferences, varying membership in the eurozone, Schengen, and NATO produces partly overlapping circles of countries inside the EU. The eurozone currently consists of 19 member states with Denmark (and the U.K.) holding formal opt-outs and eight countries still to join. On Schengen there is EU-internal differentiation with Ireland (and the U.K.) having opt-outs and Bulgaria, Croatia, Cyprus, and Romania eager to join as quickly as possible, but not yet admitted. In addition, non-EU members Iceland, Liechtenstein, Norway, and Switzerland have opted in. Austria, Cyprus, Finland, Ireland, Malta, and Sweden are not members of NATO but participate in EU-led Common Security and Defence Policy (CSDP) missions. In all these formats different leadership constellations have emerged: due to the U.K. opt-out the traditional drivers on eurozone policies have been Germany and France, on security and defense, France and the U.K. but also Nordic countries on key aspects of CSDP like civilian missions or peace-keeping, and Schengen-related issues on border management and immigration have been pushed by frontline Mediterranean states (largely unsuccessfully). Other ad hoc groups do emerge on occasion, such as those member states promoting the digital market, European Neighborhood Policy, and open trade policies.

In reaction to the complexity of differentiation, there are provisions in the current Treaties (enhanced cooperation and Permanent Structured Cooperation — PESCO — for defense) that allow a group of member states to move forward on a certain initiative, as was attempted on the Financial Transaction Tax and is currently happening with regard to a European public prosecutor. Yet, taking into account the experience of the past crisis years, there is reason to doubt that these are sufficient conditions to enable coalitions of the willing, improve decision-making and maintain solidarity at 27. The scope of enhanced cooperation has been limited to specific projects that have not provided the incentive to further deepen the project or to enlarge the number of participants. The debate on PESCO has only just started.

4. The Impact of Brexit

Britain’s departure from the EU will have ripple effects on alliances among the EU 27. First and foremost, it refocuses the balance of power on the Franco-German axis, with Germany swiftly taking on the posture of a commitment toward the security and defense agenda, which hitherto had been driven by London and Paris. As one of the three largest EU member states, the only big member state outside of the eurozone and of Schengen, as well as the driver of liberalization in the EU, the U.K.’s exit from the EU could alter the balance between large and small states, as well as between net contributors and beneficiaries to the Union budget — all issues that are likely to lead to tough Brexit negotiations and to impact the EU’s next multi-annual financial framework.

The role of the eurozone outsiders will be weakened, though Denmark, the only country left with a formal opt-out, is acknowledged as “behaving as if in the eurozone.” Still, without London championing the influence of non-euro members on economic and financial governance, the relationship between the eurozone and the outer circle may change as the non-eurozone countries lose an economic and political heavyweight in their circle with enough leverage to grant them access to balance the relationship between euro and non-euro countries in economic decision-making. The EU’s ambition to shape international engagement

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4 Enhanced Cooperation and Permanent Structured Cooperation (PESCO) in the defence sector. Ref to Articles
5 Denmark’s krone exchange rate is tied to the euro.
will also change, with traditionally Atlanticist countries, the Baltics, Poland, and Czech Republic for example, losing their strongest representative. Another concern shared by some Central and Eastern European member states is that the approach toward Russia might soften with one of the staunchest supporters of sanctions leaving the EU.

With Brexit on the horizon the “future of the EU” debate became more concrete. In the run-up to the Bratislava Summit in September 2016 and the Treaty of Rome anniversary in March 2017 a number of meetings have taken place in different constellations (for instance the EU founding members, the Big Four, V4, Club Med) to discuss and coordinate next steps. On top of those “minilateral” meetings, Angela Merkel consulted with a range of countries during a small European tour prior to the Bratislava Summit to make sure smaller states felt included in the thinking process on the future of the EU.

5. Matching the Debate to the Politics

Germany and France as well as the Benelux states have introduced different proposals and position papers in recent months manifesting a preference for pursuing models of a multi-speed Europe — even two-tier Europe — in order to move ahead in policy areas like defense, internal security, economic and fiscal policy. These proposals have been contested by the V4 in a joint statement. Jean-Claude Juncker has summarized the current debate by publishing a White Paper on the future of Europe that outlines five different scenarios, ranging from a thinner Europe limited to the Single Market, to “more of the same,” more integration through a coalition of the willing, which picks up on the political debate about two-tier Europe, to doing less but better, which by and large reflects the strategy of the outgoing and current institutional leadership, to the more ambitious fifth scenario of “doing much more together.” Deferring the responsibility to choose the level of ambition to the member states illustrates how the Commission’s influence has diminished within the EU.

The emerging preference for multi-speed models, which assumes a common path for its members, albeit at different paces, glosses over differences on several core policies, including those which have been indicated as priority areas at the Bratislava Summit last October: migration and border policies, internal and external security, economic and social policy.

On migration policy, member states have converged during the past year toward strengthening the external border and involving third countries in stemming flows of irregular migrants and refugees, but have made little to no progress in overcoming major obstacles toward agreeing on a common asylum policy and on policies for integration of migrants and refugees.

On security, steps are being taken toward strengthening Europe’s Common Security and Defence Policy as a follow up to the EU Global Strategy.

“Steps are being taken toward strengthening Europe’s Common Security and Defence Policy as a follow up to the EU Global Strategy.”

Eurozone integration has long been a divisive issue among those who emphasize the need to implement agreements already reached and stick to existing deficit

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and sovereign debt criteria, and those who seek a more ambitious reform of eurozone governance that would involve more elements of burden-sharing and joint liability. Beyond this is another division on adding a social dimension to economic policy, which is proposed by some member states as a subject heading but does not get fleshed out to avoid further controversies over the deeper cleavage on real economic convergence.

The main conflict lines in the EU do not overlap. There currently is an East–(South) West divide on the notion of national sovereignty and a North–South divide on priorities for economic governance. The divide on national sovereignty can be traced in the refugee crisis as mostly Central and Eastern European states have opposed the idea of binding and automatic relocation and resettlement schemes as well as, in particular, the fact that the Commission pushed for Qualified Majority Voting on the relocation of refugees from Greece and Italy. However, conflict lines become more blurred on the implementation of the Council decision as some Central and Eastern European states like the Baltics or Slovenia have made great progress in fulfilling the quota despite of their initial harsh criticism of the process and the binding character, while others like Poland and Hungary have so far resisted to take in any refugees at all.

A second example of the sovereignty and non-interference divide is the Polish rule of law case and the question of whether the EU should intervene in issues pertaining to constitutional reform and domestic adherence to democratic and rule of law principles enshrined in EU treaties. Some post-Communist countries are resistant to hold a vote in the European Council on domestic developments in Poland while countries like Luxembourg, Belgium, and Sweden have been among the most outspoken proponents of a unified response, potentially including economic sanctions or even the suspension of voting rights. On economic governance, countries in the south and southwest like France, Portugal, Spain, Greece, or Slovenia have opted for more integration and communitarization, while most member states in the north and east, as well as Germany, have emphasized the priority of implementation of agreed policies like the Banking Union and adherence to austerity as precondition for any further integration steps.

There are, and there always have been, differences and divisions within the EU. Indeed, the Union’s strength has been in building consensus across them through complex negotiation processes. Transactions across different policy areas to compensate for compromises were part of the game. The cleavages are not just determined by policy preferences but by deeper attitudes toward integration, national cultures, and influenced by current domestic politics. Alongside different security threat perceptions shaped by history and geography and different attachments to the notion of EU-fostered prosperity where ‘beneficiaries-benefactors’ politics can kick in, the recent crises have revealed crucial distinctions over the balance between national sovereignty and supranationalism and the degree to which EU institutions and/or other member states can intervene in the domestic affairs of other states. Some member states, most explicitly Poland and Hungary, have a preference for stronger intergovernmental decision-making and would like to de facto strip the Commission of its power of initiative. Others would like a stronger Commission, but are unpleased with its performance. Germany, once the most important sponsor of the Commission, is seen by many as ambiguous toward it. Policy and institutional flaws in the governance of the EU stem from these divergences and ambiguities.

This has become most evident over the EU’s democratic oversight of constitutional and political reforms in Poland and Hungary, but also the adherence to deficit rules and the enforcement of structural reform where there are battles over rules, who sets them, who breaks them, and who can impartially enforce.

As things stand today, there is no perfect overlap between groups of countries, policy fields, and pace of integration: a two-tier Europe is unrealistic.

There is no perfect overlap between groups of countries, policy fields, and pace of integration: a two-tier Europe is unrealistic.
thinking about a common future or not, the future of the EU depends on its ability to address the heart of its problems.

6. Implications for Future Leadership

If the intention of political leaders is to use the multi-speed debate as a pragmatic expedient to get member states talking about their unity, be it on policy or on participation in tracks of integration, and recover the “trust and solidarity” lost over the past few years, then it will serve a purpose. The debate reflects a down-to-earth assessment of the current state of the EU and sketches out several pragmatic options ahead to keep the integration project floating. But not too much needs to be read into the two-tier/multispeed debate. The two-tier model, pushed only by the founding member states, is seen with skepticism by the others. Indeed, the key cleavages identified in this paper cut across the founding six countries, making deeper cooperation among this inner “tier” unrealistic. And last but not least, the debate is far from addressing the disenchantment of European citizens from the integration project.

This notwithstanding, the debate provides an opportunity to shake up existing leadership constellations – something which may well be necessary should Europe’s upcoming electoral cycle bring about surprises or simply weak governments.

The Franco–German partnership remains essential, but alone is no longer sufficient. On the contrary, it is seen by other member states at best as a frame through which Germany presses forward its own policy priorities, at worst its functioning is seen as a myth. Through it, however, Germany is enabled to manage its leadership, for instance by showing willingness to cooperate with France on defense and security. Even though German leadership remains controversial at times it is broadly accepted as most other member states’ route toward pushing its political priorities to the EU agenda goes through Berlin.

This has several implications. First of all, depending on the outcome of presidential and parliamentary elections in France, one can imagine German leadership being key in preventing the EU from coming to a standstill. Secondly, Germany should play a bigger role in reassuring other member states as well as listening to their preferences. In fact, Berlin could be more creative in exploring possible alliances with other groups of countries. Thirdly, other member states could play a more active role in shaping the agenda if working with a common script, with or without Germany, at least to promote debate and make the policy shaping process more inclusive — for instance the Baltics on cyber security and the Digital Single Market, or the Nordics on sustainability.

So far, the attention the Franco–German tandem merits is not matched by attempts to promote alternative views of leadership within the EU. The smaller and medium-sized member states expect to be led, and most have shifted their eye from Brussels to Berlin on key decisions. Yet it need not be the case. Smaller member states, in alliance, can aspire to shape the agenda far more than they do. They can also push for a Commission that better represents the interests of all.

In the meantime, and in a context of internal and external uncertainty and disarray, inclusivity and transparency must be the key message EU leaders meeting in Rome to celebrate 60 years of uninterrupted peace, democracy, and prosperity need to send to each other, their citizens, and the rest of the world.
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