



Judy Asks: Europe—Is the System Broken?

By Judy Dempsey

The following edition of [Carnegie Strategic Europe's](#) Judy Asks column was inspired by the 6th [Mercator European Dialogue](#) on the theme “Europe: Is the System Broken?,” which was hosted by the German Marshall Fund and its project partners in Rome on February 1–3, 2019. The column features five members of parliament from the Mercator European Dialogue parliamentary network and three Mercator European Dialogue experts.

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A selection of experts answer a question from Judy Dempsey on the foreign and security policy challenges.

KRIS BLEDOWSKI, Council Director and Senior Economist at the Manufacturers Alliance for Productivity and Innovation

No, Europe is not broken. On the other hand, European institutions ought to deliver better in the few areas in which they can.

The EU cannot mitigate the effects of structural change that displaces some workers from stable jobs. Neither can fiscal or monetary policies narrow regional disparities in economic performance. The EU cannot fight cyber threats or run antiterror deterrence.

By contrast, the EU exercises real power in other

areas. In trade, the Commission has the ability to clinch a comprehensive trade and investment deal with the United States, its most consequential partner. The deal would raise economic growth and render European economies more resilient. In competition, the Commission and the Council should close ranks with the United States, Japan, Korea, and others to push back against unfair Chinese trade and investment practices. In the end, nothing less than greater economic security for the Europeans is at stake. Finally, the EU should pile up serious money into Frontex, its external border protection. Uncontrolled migration hovers near the top of Europeans' concerns.

In all, a reality check is in order. The EU is not all



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things to all people. It should be ambitious where it can and be frank in admitting its limitations.

ELISABETH BRAW, Associate Fellow, Modern Deterrence – Military Sciences at the Royal United Services Institute for Defence and Security Studies

Which system? NATO has prevented a land invasion of its European members for seventy years and counting and has a queue of other countries wanting to join. The EU, meanwhile, is the product of European integration that seemed impossible in the 1950s. The European Coal and Steel Community was a breakthrough—but a modest model compared to today’s EU.

No doubt about it: there are serious tensions in Europe. But tensions are not the problem—our sky-high expectations of what “Europe” should be able to deliver are. Smooth European integration should not be taken for granted. Indeed, the relatively speedy integration we have seen since the early 1990s has been an exception, an aberration even. We Europeans have become spoilt by the success of our common institutions. To be sure, there’s much to dislike about Viktor Orbán and the nationalist movements that seem to be on a path towards success in the European elections, but their predicted success doesn’t mean the system is broken. The real test will be their post-election impact. What needs to change is our expectations vis-à-vis the “system.” A worse-for-wear EU is inferior to a harmonious EU28—but superior to no EU at all.

MARGARETA CEDERFELT, Member of the Swedish Parliament

The European system is not broken, but it is under pressure. What is needed is to build confidence between politics and society, politicians and voters. The EU must be kept intact. It means communication and dialogue.

Migration is a big challenge. Russia is a real threat to the EU. And the challenge of protecting freedom of movement, speech, religion, equality, and liberalism is also immense. Europeans have benefited from

the EU during these past several decades of peace, individual rights, shared values, and economic growth. The problem is that the Europeans don’t always see this, and we politicians have forgotten the importance of communicating those benefits—in addition to taking the EU itself for granted.

History shows that Europe has never benefited from the populist and nationalist movements. The European Parliament elections in May will be a real test of the system. Europe is under pressure and being challenged on several fronts, but the idea of a free society will survive.

ANGELOS CHRYSOGELOS, Berggruen-Weatherhead Fellow at the Weatherhead Center, Harvard University and Associate Fellow in the Europe Programme at Chatham House

Yes, but that doesn’t mean that it will collapse any time soon.

As the past decade of governance crises has shown, the EU suffers both from policy and representational deficits. On the one hand, governments have been unwilling to construct effective common tools so that these crises don’t emerge again: a eurozone fiscal capacity or a fair and binding asylum system. On the other hand, the halfhearted solutions that were devised, like bailouts and mandatory refugee quotas, pitted national democracies against each other. Policy stalemate and democratic discontent ended up reinforcing each other.

But the mess of the almost Grexit and uncertain Brexit has also demonstrated how perilous disengagement from the EU is in practice, leading most populist parties to shift to a strategy of criticizing the system from the inside rather than exiting it. This leads to a new equilibrium: political elites can invoke the specter of populism to legitimize European cooperation with them as gatekeepers, but can also use it as an excuse for not transferring too much power and competences to a supranational union. Populism becomes a structural feature of EU politics, acting as the de facto democratic pillar of an intergovernmental and often deadlocked system.

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ROBERT COOPER, Visiting Fellow at LSE Ideas

Failure is normal in politics and in international relations. We need leaders ready to experiment, to follow up what succeeds, and to change policy when they don't. This needs honesty, imagination, and courage. If the heads of government choose office holders with these qualities there is no limit to what the EU can achieve.

PÅL JONSON, Member of the Swedish Parliament

No, the system is not necessarily broken, but there is certainly a counter-revolution going on against the liberal international order and the European Union, which is a product of that order. Few of us saw this change coming five years ago. The challenges across Europe are rather similar. How do we interact and deal with the nationalist/populist parties, migration flows, and a lack of social cohesion within our societies? If the old political parties fail to come up with answers to those questions, this trend will continue and will cause permanent damage to Europe beyond Brexit.

Ideally, however, this process will stimulate the competition of ideas. And we are seeing signs of increased participation in elections in several European countries. I also take note that support for EU membership in my own country has never been higher than it is today.

YASMINE KHERBACHE, Member of the Flemish Parliament

No, the EU system is not broken, but it is failing us.

The EU's resilience has become almost proverbial—despite the threats it had to face and countless, ensuing doomsday stories. Nevertheless, its sometimes nerve-racking inertia, ice cold austerity dogmas, and inability to manage the refugee crisis caused levels of disappointment in the European project never seen before, and rightly so.

Regardless, the wheels of the supranational EU institutions keep turning like ever before. It is, however, in the intergovernmental Council of

the EU and the European Council that the EU's viability will be ultimately tested. Here we see that its underlying principle of “you scratch my back and I'll scratch yours” is increasingly traded in for “*après moi le déluge*” by unscrupulous national politicians exploiting popular disenchantment.

Their negative-sum game forces us to rethink and revalue the essence of European integration. Brexit should serve as a masterclass here. At the end of the dividing line, we cannot miss to see the one between the haves and have nots. Therefore, without a re-enchantment of European politics by social justice, instability will keep rocking Europe. How much (more) can it take?

JUHA LEPPÄNEN, Chief Executive of Demos Helsinki

Europe is at crossroads. The promise of economic union, in which benefits would trickle down to European citizens, is not believed in anymore. We see symptoms of this all around us. Trust in institutions is diminishing, radical movements are gaining momentum, and there's a growing lack of aspirations toward the future.

The European system of the industrial era has run out of steam. The system still runs, but fewer and fewer people believe in it.

Europe needs to radically renew its sense of purpose for European citizens. This should be the core focus of the next European Parliament and Commission.

How can this be done? First, by defining the challenges that people and industries in Europe face. Digitalization and decarbonizing production and consumption put pressures on the everyday lives of individuals, companies, and industries as a whole. The sheer momentum of these changes should not be underestimated, but instead explicated as openly and concretely as possible.

Second, the process of addressing the challenges we face can be made smoother through policies focusing on fair and sustainable transformation. This means

changing the focus from running the European system into transforming the European system. The most important mission for European politicians is to make the outcome of this transformation as attractive as possible.

DENIS MACSHANE, Former U.K. Minister for Europe

No. Despite some ugly politics—though not as bad as when Stalinist parties won up to 30 percent of votes in European elections between 1950 and 1975; or in the era of the IRA, ETA, or “revolutionary” political violence in Italy, Germany, and Greece between 1970 and 1990—the political governance of Europe’s nations, regions, cities, and towns has never been healthier.

Social and cultural rights that did not exist in twentieth-century Europe are now enshrined in 28 EU member states.

The EU, and especially the Brussels institutions, have always been contested—de Gaulle, Thatcher, Berlusconi, and Aznar were little different to some of today’s noisy critics of the European Commission, Council, or Parliament.

In 2008 and 2009, the EU survived a global, made-in-the-USA financial crisis potentially as bad as (if not worse than) the crash of 1929. The 2015 arrival of one million immigrants after Mrs. Merkel’s unilateral decision to open German borders has subsided. Brexit has turned out to be a political-economic disaster. The populist, anti-EU parties on both the Right and the Left have now dropped calls for a referendum on leaving the EU or the euro as they look with horror at Brexit Britain.

Of course, the Brussels bureaucracy could be streamlined and the European Parliament is less and less representative. But the EU is an aggregation of nation-states, not their replacement. It could and should work better, but Europe is not broken.

ANDREW A. MICHTA, Dean of the College Of International and Security Studies at the George C.

Marshall European Center For Security Studies

The European Union is in trouble, and the idea of a two-speed Europe exacerbates the problem. After Brexit, the disparity between the relative economic weight of the eurozone versus non-euro countries will effectively divide the EU into a core and periphery, with the growing security concerns of countries along Europe’s eastern and southern flanks likely to add to the internal discord.

At present, the EU seems focused on saving multilateralism as its principal *modus operandi*. But arguably the real challenge is to agree on what Europe’s multilateral processes and institutions should aim to achieve, now that the old vision of the EU has been eclipsed by tectonic political and security shifts in and around Europe. In a nutshell, the challenge for European elites today is to “reimagine” Europe in this new environment and, most importantly, to ensure buy-in from the citizenry.

What happens next depends on two variables: First, how Germany will define its role in Europe. And second, whether Europe can maintain strong transatlantic security relations.

Views expressed here are the author’s own.

ELENI PANAGIOTA, Research Fellow at Hellenic Foundation for European and Foreign Policy

It serves some to think so. They use the old cloak of national determination to push their countries toward illiberalism. They use Europe’s shortcomings to protect judicial independence in many countries, to fight off threats to media freedom, to promote social equality, to address migratory pressures—in order to build and impose their own grand vision of a fragmented and isolated Europe.

Without a doubt, the system needs fixing. Asymmetries in power and policy outcomes and a timid approach to reform have distanced European citizens from Europe both emotionally and politically. System recalibration is feasible, but

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it requires both boldness and courage. With public finances on the mend across Europe, it is time to rethink the fiscal space and redesign health and education spending. Better jobs and better wages can be guaranteed within a Europe that addresses low productivity, supports innovation ecosystems (including by finally moving to a digital and a capital markets union), and provides a safety net for member states to address nation-specific institutional and financial constraints.

One final word. Those who remain steeped in complacency or feel too weak to fight for Europe's goals and values should calculate the costs of inaction. Kicking the can down the road has become the most politically risky game in town.

ANTIONETTE SANDBACH, Member of the U.K. Parliament

Since the 2008 financial crisis, the EU institutions and its member states have come under unprecedented strain. The economic cost of the sovereign debt crisis and the social cost of the migrant crisis have tested the strength of our system. This sparked the rise of populist movements, which has met with varying success.

However, the image of the EU as a broken relic, soon to be overrun by populists and their allies, is premature. We have seen a rekindling of support for the EU—especially in light of Brexit.

The biggest threat to the system is populists invoking “democracy” to justify riding roughshod over established norms, the rules-based order, and even the law. Democracy isn't simply the vote of the majority, but a system that—through the rule of law—preserves the rights of all citizens. While Europe stands up to those who ignore this fundamental truth, the system will remain unbroken.

Nevertheless, the EU needs to recognize that it's only part of the solution. It needs to be responsive to change, but also recognize that there are areas where member-state cooperation is preferable to the EU always taking the lead.

GINTARĖ SKAISTĖ, Member of the Lithuanian Parliament

Trust in Europe's future is not broken. We have many challenges to face as a prospering region. But these same challenges are being faced worldwide. They include income inequality, distrust in democratic institutions, and the changing speed of life. We do not have to blame the European Union for all our problems. But we should clearly identify what challenges have appeared because of the EU. In my opinion, the main issues are too little accountability of EU governing institutions, opposing interests of the different member countries, and lack of understanding about our differences. We must discuss how to regain trust both in each other and in Europe's future—because it is our future.

IVAN VEJVODA, Permanent Fellow at the Institute For Human Sciences

The system is not broken, but it is severely challenged. Europe is all too slowly awakening from its complacency. The long period of post-war peace in Western Europe, when the EU could progressively forge and consolidate its institutions under the U.S. security umbrella, is gone.

Trump's victory and the Brexit referendum jolted public opinion in all member states who suddenly realized what they had to lose. There was a surge in support for the EU then, but member states have been all too slow—focused as they are on their domestic political, economic, and social issues—to push forward in finding solutions to burning internal and external problems.

Europe has seemingly never shown more unity of purpose than in its response to the United Kingdom's decision to leave. It should demonstrate a similar focus on infusing much greater democratic legitimacy to its institutions and decision-making process. The “system” is moving at a snail's pace in finding remedies to the negative effects of globalization on a whole swath of citizens of Europe. This, among others, fuels the Far Right.

Europe has so much more to offer, but it will take much bolder leadership and statesmanship, beyond the borders of member states and from continued civic engagement to the avoid the danger of dark times returning to this continent.

PIERRE VIMONT, Senior Fellow at Carnegie Europe

Today there is a shared conclusion among politicians and the public alike that the European system is broken. But this straightforward assumption has more to do with the kind of disruptive judgements cherished by populist movements than with any objective assessment of the current reality.

As a matter of fact, Brussels is still delivering substantial legislation on issues related to the European single market, where union members fight

hard for their national interests. At the end of many arduous discussions on personal data protection, posted workers, or copyright rules, member state representatives and the European Parliament are still able to agree on significant regulations.

Yet it would be foolish not to recognize that the system is going through a deep crisis. With growing divergences on fundamental principles, a sense of lack of solidarity is silently creeping into many of the ongoing negotiations. When a deadlock arises, EU members are no longer committed to going all out to find a solution. A few years ago there was an unwritten engagement shared by all delegations to relentlessly work together toward some mutually satisfying result. This attitude is gone, replaced by an everyone-for-themselves policy. It is this loss of mutual commitment that is corroding today the fabric of the EU.

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1744 R Street NW
Washington, DC 20009
T 1 202 683 2650 | F 1 202 265 1662 | E info@gmfus.org
<http://www.gmfus.org/>