



IED - YDE Winter Academy 2018

The Future of the European Union. What Challenges ahead?

14 – 15 December 2018

Brussels, Thon Hotel EU

Towards the European elections

Briefing note for the Winter Academy 2018

December 2018

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2014-2019: disasters and lost opportunities

The previous legislative period (2009-2014) had been mostly about dealing with the fallout of the financial crisis of 2008. and the resulting sovereign debt crisis in the eurozone. During the current cycle the EU has been facing even deeper crises putting into question its very essence.

- For the first time, a major country decided to leave the European project. **Brexit** has shown at the same time that European integration is not irreversible, but also that it has reached such a depth that even the least-integrated country, the United Kingdom, is having great difficulties to reverse it. More practically, losing the UK upsets the balance within the EU (relations with Central and Eastern Europe, support for free market approaches, etc.) and removes a powerful military actor from the block at a time of geopolitical uncertainty.
- Distracted by the euro crisis, the EU did not manage well the upheavals in the Arab world and the increasing aggressiveness of the current Russian leadership. This led to a **major humanitarian and security crisis** in 2015 on the European territory, with hundreds of thousands of refugees and an increase in terror attacks from the safe heavens of terrorists in the Levant and North Africa. More generally, the member states have been unable to agree on how to share the burden of managing migrations. Meanwhile, the destabilisation of Ukraine by Russia, its terror attack with chemical weapons in the UK and its meddling in the politics of a number of European countries, have exposed the lack of capabilities of the EU to defend itself without the United States, just as they become less reliable.
- While the stability of the Eurozone clearly improved during this period, with Portugal, Ireland, Cyprus and Greece regaining access to more conventional means of financing,

satisfactory long-term solutions to the Euro architecture could not be put in place. The banking union is incomplete and bold proposals for Eurozone reform by the French President Emmanuel Macron have met explicit resistance from Northern European countries, and implicit resistance from Germany. Italy, a big economy with huge government debt, is less and less willing to follow the rules agreed during the Euro crisis and could suddenly crash out of the Euro with unforeseeable consequences.

The European political landscape

- **Far-right and eurosceptic parties stay fragmented** at the European level, probably because of their very nature, which make it hard for them to collaborate on European solutions to European problems. The likely departure of the British MEPs from the ECR will leave it with only the Polish PiS as a significant force.
- The **EPP is still the dominant force** and will probably emerge again as the winner of the 2019 European elections. However, its lack of coherence is becoming more and more glaring, combining members such as the Hungarian Fidesz which is explicitly promoting illiberal democracy and the German CDU which recently confirmed, with the election of its new leader, a centrist and pro-EU orientation. The choice of a lacklustre Brussels insider as lead candidate, combined with the overall failure of the Juncker Commission, will probably deal a blow to the democratic experiment of the last election, whereby the lead candidate of the winning group would become president of the Commission.
- In many countries, the centre-left is facing an existential crisis while the populist far-left has failed to provide an alternative (Greece's Syriza has held to power by watering down its policies, and UK's Labour under Jeremy Corbyn has no serious European policies to speak of). But there is a willingness to reoccupy this space and there are already signs that **new forms of pro-EU democratic leftism are emerging**, such as the rise of the Greens in Germany and a few other countries, a weak but modern new government in Spain, the relative success of Portugal's socialists, etc. This is probably the least predictable part of the spectrum: depending of their alliances and relative success, we could see parties recombining in new groups, such as a standalone group for the Greens or a harder-left but reasonable one weakening the PES (which will still stay the biggest political group in this space).

How to build a powerful centrist block?

The alliance of the Liberals and Democrats has consolidated its position as the centre of the European political landscape, combining values and vision with pragmatism and analyses which have repeatedly be validated by events. But it could not really influence the implicit "big coalition" it is currently forming with the EPP and the PES, and prevent the EU to sink further into helplessness. However the victories in 2017 of the VVD in the Netherlands and of En Marche in France (with the decisive support of the MoDem) have shown that **a centrist pro-European approach could succeed at the national level** in countries which are of critical importance for the

EU.

There is a (now explicit) willingness to build a broad but coherent alliance and ask the European citizens to give us enough weight within the tired, messy or rightly dangerous European political landscape described above. **How can the European Democrats contribute to this effort?** Rather than providing ready-made answers, here are some questions so as to feed the debate:

- Can we provide **a social dimension to the European project**, in order to compensate the image of a cold liberalism, driven by the interests of big business, that stick to some of our allies?
- Should we be **the “green” wing of this alliance**, insisting on a long-term plan for an “industrial revolution” which would go beyond consumerism and take into account the environment as foundation, not as secondary thought?
- With our liberal friends, we have been among the first to see and denounce the threat of rising human rights violations, militarism and the weaponisation of social media through manipulation and fake news; can we now propose **a credible approach for a modern European “hard power”** in the 21st century?
- Shouldn't Brexit (but also the erratic Eastern Partnership, Turkey's stalled candidacy, etc.) rather be seen creatively as an opportunity to put in place a new architecture for the EU, based on **concentric circles of integration around a federal core**, instead of a multi-speed cherry-picking that is currently emerging, and which is completely opaque for the citizens?