

WHAT KIND OF A EUROPE DO WE WANT?

Miguel Ángel Moratinos Cuyaubé

I WOULD like to begin by referring to a passage from Denis de Rougemont's *Twenty-eight Centuries of Europe*, in which he states that "European conscience is practically synonymous to the aspiration for peace. It develops gradually, the Swiss philosopher continues, as the wish to escape from the chain of confrontations and violence that have blooded the continent regularly."

It is with this in mind that I believe we can begin to consider the results of the recent European parliamentary elections. Europe confronts itself with several essential challenges. There are many voices which announce the decline of Europe in a globalizing world, predicting the loss of European influence in the twenty-first century.

I do not share this point of view. Quite the contrary: I believe that Europe can and must play an essential and positive

role in shaping today's world. It is in this context that I hope this essay will be read, for I intend to show how the European Union could strive to again bring forward the vision that founding fathers such as Robert Schuman, Jean Monnet and Alcide de Gasperi had in mind when they conceived this fantastic entity.

Please remember this historical date: May 9th, 1950. On that day, Robert Schuman declared at the Quai d'Orsay that Europe needed to change its fate of drama, of confrontation, and of suffering—and that was, therefore, choosing to offer a hand of peaceful reconciliation to Germany, the same country that began two wars that caused millions to die and millions more to suffer all across Europe and around the world.

And he did so as a political decision, with a political outlook, and with a political strategy. But he also said, aware of

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Two great founders of Europe: Jean Monnet and Robert Schuman

the difficulties and obstacles that existed to build that future, that "*l'Europe ne se fera pas d'un seul coup.*" He believed that Europe needed to be built with specific goals, and that this needed to be done with a real sense of solidarity. It bears repeating: Schuman offered his hand to Germany—the same Germany that today sometimes hides its hand and does not offer it to those European countries in trouble.

Imagine for a moment if we were capable of bringing Robert Schuman back to Europe today. I think he would be astonished and that his feelings of pride would rise to the surface, as he would look in the rearview mirror of history and see all that we managed to accomplish since May 9th, 1950. He

would say: "How have we been capable of building so much space for cooperation and solidarity over these 64 years? How is it possible that Europe exists with no borders? How have we enabled our students to travel freely? How have we obtained a single market?"

Yes, I believe Robert Schuman would be pleased. But his happiness would be fleeting. He would soon get heavy-hearted, because upon being told of recent happenings, he would surely say: "Where are my principles? Where is the solidarity to jointly build the future of Europe? Where is the customs union? Where are the programs for Social Cohesion and the Structural Funds?" And I am convinced that he would perorate

thusly: “Europeans, awaken anew. Decide politically—you must make a political decision, have a political strategy, and then build on that so as to achieve positive results for the citizens.”

Does it not strike us all that Europe appears confused—that we Europeans seem lost? The May 2014 European elections were like a great political tsunami. They have called into question the principles and values that we have defended over the last decades across the European continent. They have highlighted the absence of clarity and direction needed to guide the vessel that is Europe—be it from the Left, the Right, or the Center.

Perhaps we feel tempted to fall prey to a syndrome of pessimism and inability, or to the powerlessness of taking on our challenges.

I believe we have two basic paths ahead of us. We can choose—as did the great Viennese writer and political scientist Stefan Zweig—the road of resignation and ultimately despair. He started off as an optimist, believing that we had advanced after World War I. He saw that a League of Nations had been created and that a collective security system had been established, and he truly believed that war had been buried for good. After all, we had the Roaring Twenties, the gaiety of dance, of partying, of poetry, of peace. And yet, just

a decade later, we became engulfed in another, even more terrible conflagration that cost tens of millions of lives and produced the barbaric Holocaust against the Jewish people.

As I said, Stefan Zweig was an optimist in his first years, but after the developments of the late 1930s, he decided to throw in the towel, moving to the New World in 1940. There, he looked upon Europe as an impossible mission: these Europeans would never learn; they would continue to kill one another, destroy one another—they were congenitally incapable of building a fair and peaceful society. Two years later, he committed suicide at Petrópolis, a town near Rio de Janeiro.

The way of despair is one way, but it is not my way. We can all succumb to depression, feel incapacitated to make changes, decide that nothing can be done, and watch Europe be carried down a path of decadence. But we must rise beyond such attitudes.

That is why for me, the alternative path is that of conviction and determination. It is the way of Robert Schuman and the other founding fathers. It is the way of those who know and worry about the challenges ahead, and advocate how to overcome them. It is they who want to find new solutions, launch new initiatives, and create new instruments.

They are the inheritors of the vision of all those who helped build the fabulous entity called the European Union. And this is the way that I would encourage us all to follow. It is the way I defend with all my passion and commitment.

To do that, we must squarely examine the challenges that the European Union now faces. The first challenge is not normally included in conventional political assessments, but I consider it essential: the psychological-emotional challenge of European citizens as regards to the European institutions—towards what we call the European Union.

The Spanish citizen, the Hungarian citizen, the Cypriot citizen, the German citizen and practically all the members of the European Union are perplexed;

they want to know where this European vessel is headed, and what the real contributions of the European Union are to their lives. And if we were to conduct a poll among European citizens right now (at least those of a certain age), and ask how they felt about the European Union, I believe most of them would give answers that can be grouped under

the category “nostalgia.” They would say something like: “those happy times of the past, those years in which only good news came from the European project. Peace on the continent, freedom and democracy arrived for Spain and other countries, a common economic market was launched, and with them, our ability to rebuild our country—the

Cohesion Fund and the Structural Funds were plentiful. The abolition of borders, the Erasmus programs, the single currency. We were happy, for Europe offered solutions to much that mattered. In those times, well, we were all very pro-European.”

But recent events, going back several years, are leading many people to say that Europe is now a frustration and a sacrifice, burdened by bailouts and austerity.

They would bemoan the dismantling of the welfare state, underline that Europe is tightening its belt, and conclude that the EU is now virtually incapable of taking action in the more productive sectors. They would emphasize how Europe imposes a series of financial and fiscal measures, and conclude that this Europe is unfriendly, cold, and distant.

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Between our nostalgia and frustration, we must react. If we do not address this psychological-emotional challenge, we will not overcome the current situation. People should rise up and say, “well, it’s true, we’re going through a tough time, but we can change *this* Europe, because we are part of *this* Europe, because we participate in *this* Europe and, therefore, we must be European citizens; we must identify the reasons why we only receive bad news and we are not capable of generating new and good news.” And that is the first challenge to which we need to find an answer.

The second is the political-institutional challenge: what kind of Europe do we want for the twenty-first century? Do we want a federal Europe? An inter-governmental Europe? Do we want to transfer our competences and our sovereignty to a different entity, or do we want to follow the structure laid out in the Lisbon Treaty? A supranational entity *sui generis*, that is neither supranational nor intergovernmental, but a new creation that does justice to the *raison d’être* of European creativity.

I believe that it will be difficult to create a Europe that can satisfy all the parties, now that there are 28 of us—with several more (hopefully) on the way. Undoubtedly, what Europe needs to do now is grab hold of the political helm. I would like readers to reflect on my insistence on the political issue. I am aware that nowadays politics is not

really appreciated, and in my view, this is largely because there is—for the most part—an absence of politics in Europe. Too much is technical. There is no political strength and vision to decide, convince, transmit and mobilize society towards bold objectives and goals.

If we move towards a European political union, something that Chancellor Merkel defends, then we will be moving towards a point at which Europe will have to take another step forward as regards the institutions we have right now. And we will need to improve the democratic deficit. Elections were held in May and, logically, something has moved. It is true that we have improved a decimal in participation, but we are still at 45 percent in Spain and 43 percent in Europe. Less than half of European citizens are even minimally interested in the future of the European institutions—at least in the sense that they can’t even be bothered to vote. Of those who did, about 20 percent in certain major countries cast their ballots for anti-European parties, which will be represented in the European Parliament alongside the pro-European parties. They will invariably try to destroy what we have achieved over the past 64 years. And so we need to ask ourselves, in all seriousness: where is this democratic construction of Europe headed?

As democrats, we need to defend democratic values and principles, and put a stop to the rise of neo-fascists, neo-

Nazis, and populists whose numbers are increasing and who will be occupying seats in the European Parliament just like any other democratic force. We should propose that each European MP who takes his or her seat commits to upholding European values and principles. No matter if they are from the Right or the Left, they must respect the constitutional and founding texts of Europe. Right now, that’s not the case. We must not enable Golden Dawn and other such parties and splinter groups to destroy the European institutions at will and with no hindrance. Those who represent Europeans in our institutions must believe in Europe, and contribute positively to building Europe. Meeting this political challenge should help us construct a new, stronger European Union.

There is another political challenge that we will have to face in the time ahead. In a few years, the United Kingdom has committed to holding a referendum on whether to remain in the European Union, and we will likely be admitting new members in the time ahead. What absorption or adhesion capacity does the European Union have? Will all the Western Balkan nations be allowed to join the EU? Can the European Union work in a free-trade area or, to the contrary, do we want

to have a group of 18 or 19 nations from the Eurozone, capable of making progress and deepening their ties, and thus stand at the vanguard of the achievements and the vision of the European Union? How can our single currency, which some have still not adopted, survive without a real integrated policy?

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We need new political institutions that could *fé-dérer* among the respective Member States that really want to consolidate the EU, and some *passerelles* should be created between national and European Parliaments, and the economic, fiscal, and budgetary

policies should be guided and monitored by Eurozone institutions, along with the European Central Bank.

Maybe we will not reach a truly federal Europe, but at minimum we will need, as the French will say, *un État fédérateur* of Europe. I believe we need to quickly move in this direction—the sooner, the better—because Europe will not be able to resist a new crisis similar to the one we suffered from 2008 to 2012.

Alongside the psychological-emotional and political challenges, we also need to focus on the challenge that most dominates our discourse, namely the economic and financial challenge.

We all know that Robert Schuman's European Union was built through the economy, because a single market unifies beyond itself. But it is the economy, not the financial sector. The economy means a single market, which began by putting together the coal and steel market, and then helping our farmers with a common agricultural policy, and then investing in structural funds, and then in transport policies, and so on. But our founders did not speak so often of the European Central Bank. Nowadays, we have sacrificed all our European policies on the altar of speculation, money and banking systems.

Since the famous date of May 10th, 2010, when every economic and financial movement in Europe started to explode, there have been more than 30 European Council meetings. And finance and consolidating the financial system were discussed at all of them. Practically all the efforts of the Member States and the EU institutions have been dedicated to working through how to finance more than € 520 billion for the bailout of Irish, Cypriot, Greek, Portuguese and Spanish banks. And yet, only € 120 billion have been assigned to the Growth and Employment Pact, that is, for creating employment. Out of this, € 6 billion was destined to the Youth Fund and of that € 6 billion, very little has actually been paid out until now. What do I mean with this? Obviously, we need to have healthy finances and an agile financial system—a

financial system that actually works—but if we have no economy, if we have no production, if we have no demand, of what use is it to have financial systems filled with euros, if they are not there to serve the needs of our citizens?

A BRUSSELS CONSENSUS

Neoliberal winds brought us the now-decayed Washington Consensus and the puzzling Beijing Consensus. We must turn away from those political and economic storms, which have proved devastating and inefficient, and turn instead to the creation of an appropriate economic and social environment for the twenty-first century.

We thus need to create a new consensus. Let's call it the Brussels Consensus. By this I mean a European agreement that defines concepts, establishes guidelines, and ensures holistic and fair growth for the world economy and the global civil society, while conveying European universal values to the international community and fostering a climate for sustainable development that rejects a stormy neoliberal ideology obsessed with relentless and uncontrolled growth.

From the current perspective, the Washington Consensus and the Beijing Consensus have proved inefficient for the development of countries and societies, while the El Dorado of growth has only brought greater inequality and less substantive democracy to the world. These

models are no longer useful. We have the chance to put forward a new one, inspired by Europe's founding principles: imagination, courage, solidarity and social welfare.

Europe can and must make a new contribution to the international community by putting forward the Brussels Consensus. This consensus must revitalize Europe's founding principles and abandon current fiscal contraction policies that will only result in hardship for millions of citizens and recession for our countries. For such a purpose, we must forget about the El Dorado of unlimited growth with limited resources, and consider sustainable development in all seriousness. By changing current policies and championing a Brussels Consensus, we can assume a position of influence on the international stage, instead of continuing to coast to irrelevance, as the current decisions of the European Commission and Council are pushing us towards. For such a purpose, it is essential that the economic agenda neither drains nor permanently conditions the political agenda.

I would like to propose the following ideas, which could help a more united and more strategic Europe stand tall in global affairs:

First, advocate for the establishment of a new statute for the international banking industry, allowing for the division of financial activity, separating commercial and investment banking, and moving

towards the removal of the fractional reserve system, starting with the increase of the minimum reserve. Other measures should include banning speculative financial practices and products, such as short transactions and Credit Default Swap (CDS), over-the-counter (OTC) markets and high frequency trading operations, banking secrecy and tax havens, as well as taxing financial transactions based on their social usefulness.

Second, reform the European Central Bank statute, compelling it to report to the European Parliament and setting as its main concern the establishment of full employment, equality and social welfare, within a financial system protecting Eurozone Member States from attacks by financial speculators.

Third, create a public credit rating agency and prohibit private ones from rating public debt securities. A European Tax Agency should also be established, and it should be highly progressive, enabling it to put an end to fiscal competition among countries. The European Investment Bank, should also be strengthened, and its activity must aim to change the European production model.

Fourth, define the European Union as a financially self-sufficient area, ignoring the financial sector's 'me-first' demands whilst establishing capital controls to put an end to speculative movements.

Fifth, promote financial regulations which adjust international financial rules to a European financial self-sufficiency environment.

Sixth, create a reserve fund derived from productive and bank assets activity that sets off future banking bailouts, whilst reforming European trade strategy, as well as removing EU grants and subsidies to industries or companies competing with impoverished countries.

Seventh, strengthen redistributive mechanisms, such as income transfers among countries and social classes, European unemployment benefits, and so on, and further stimulate local non-polluting production, which generates less waste and uses less energy.

Eighth, coordinate salaries and set forth pan-European collective bargaining agreements between employers and workers based on the progressive recovery of the relevance of salaries to income. We should approve compulsory European regulations concerning equality, work-life balance and joint responsibility.

Ninth, require compliance with corporate responsibility codes, limiting directors' and brokers' compensation, and promoting European social cooperative policies, thus progressing towards a more democratic management of companies.

Tenth, reassess fiscal policy by establishing a totally new innovative fiscal pact. I believe the EU should increase its own internal resources. We cannot continue with a budget situation in which Member States contribute only one percent of their GDP. We should explore new innovative financial mechanisms, while at the same time requiring large multinational corporations to contribute their fair share to the EU budget through tax regulations devoid of opaque procedures and loopholes. A better structured EU tax system could alleviate the high burden on national budgets and finance the majority of infrastructure and research and development projects. I also believe that the new Commission, supported by the Council and the European Parliament, should immediately propose a set of mechanisms to regulate the efficiency of markets and prevent crises, such as those suffered by several southern Europe countries, where the prime rate was totally uncontrolled.

These and many other measures can lay the foundation for the Brussels Consensus, which must pave the way towards sustainable development and not only growth for its own sake, which would only cause indebtedness for the future generations and prove as inefficient as the Washington and Beijing Consensuses have become.

The fourth challenge the EU now faces revolves around reforming social and immigration policies.

I believe that if Europe is recognized, envied or admired, it is for having created a welfare state. Because we have education, healthcare and social policies in Europe, we have achieved social cohesion. The European welfare state is an attractive model which many nations in the world aspire to emulate. It is one of our most important accomplishments, one that needs to be defended in principle and modernized in practice.

Now, some experts and analysts say that maintaining the welfare state is too ambitious and that we Europeans spend too much on social well-being and that these expenses cannot be financed. We cannot get sick, we cannot study, we cannot have scholarships, we cannot take care of the environment. This is their argument. But I wonder, in politics, how is a politician going to say that he or she wants the present generation to live worse than that of their parents? How can we tell our children that they are going to be part of a generation of suffering and backpedalling?

Unfortunately, this is what some have tried to drum into the European public discourse over the last 10 years. And this is

something we must fight against with determination and innovation. It is true that we need to restructure our finances that we need to control our expenditures. But are we going to reduce the quality of life of our citizens just because globalization says all this well-being is too expensive?

Immigration is another of the big issues that influenced the results of the May 2014 European Parliament elections. I believe the rejection of foreigners is a

contradiction in terms.

We say that we want to be competitive, and that Europe needs to have a more active industry—and that means we need an adequate workforce. Is our current workforce sufficient to cover Europe's economic and industrial potential? No, it is not. All calculations point to us needing more than 50 million foreigners to cover the production demands of Europe by 2050. Are we incapable of

setting up fair mechanisms for coexistence and integration? Or do we always have to look at the other—at whoever is different—with fear?

The exclusion of immigrants is an exercise in European self-destruction. Why should we exclude when we can add on? Why segregate when we can build

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together? Building higher fences will not solve our problem. What is needed is for us to cooperate with third countries—with African countries—to help them keep their original population in their lands and cities. I believe that the world of the twenty-first century will be an intercultural world. The great André Malraux, who served as the French Minister of Culture between 1959 and 1969, said that the twentieth century would be cultural, or not. Well, the twenty-first century will be multi-cultural, or not.

Those who do not grow accustomed to living with different cultures and religions will fall behind, which is why I believe the EU must defend multiculturalism and mutual respect in Europe in the coming years. Our future depends on it.

The fifth and final challenge is foreign and security policy. Europe is a great power and, up until a few decades ago, was a great colonial power. It now stands on the verge of redefining its place in the world. Its economy, its science, its culture and its knowhow will depend on this. If we do not understand where the world is headed, if we do not know what the world's tendencies are, and if we do not grasp our own abilities and limita-

tions, it will be very difficult to place European interests in their rightful spot.

Therefore, properly formulating our foreign policy principles is perhaps one of the most important tasks of the European Union in the time ahead. We should have already done this. We're already behind and unprepared. We are experiencing, with frustration and drama, the most recent episodes dur-

ing which the European Union has been unable to adequately defend its interests in Syria, the Middle East, the Mediterranean and North Africa.

Let us not even mention in Ukraine, where we now find ourselves powerless. We have strained relations with Russia, while establishing fragile and unstable relations with Ukraine.

Today, there is no autonomy in European foreign policy. Is Europe concerned at the specter of losing a reliable source of energy? How do we evaluate the consequences of the crisis in Eastern Europe? What is our position on the Muslim Brotherhood in North Africa? The Islamic State in Iraq and Syria?

I want to make it clear that I believe foreign policy is essential to expressing the will of Europe, and that it should

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be backed and supported by security mechanisms. Why not have a European Army? Why don't we review the European Security Strategy? Yes, we have NATO. The North Atlantic Treaty had its place, and we are all grateful for its successes during the Cold War. But are we going to go back to the Cold War? A war between the United States and Russia with Europe in the middle? We are in a different time—a moment of vital strategic decision for Europe. And that is why we need to create a new foreign policy—one that places our principles, our values, and our interests first.

MAKING DECISIONS

We are at a turning point very similar to the one in which Robert Schuman found himself in the 1950s, when he decided to propose the almost utopian idea of an Economic Community of Coal and Steel—the embryo for what has become the European Union. A key difference is that we seem, this time around, to be experiencing deep feelings of pessimism and disappointment, and rare is the day that we do not hear something new about the decadence of Europe. But I do not wish to be decadent—decadence is nostalgia, it belongs to the snobbism of the twenty-first century; if you are decadent, nostalgic, well, then you do nothing, for nothing can be done. If we

stay the course, Europe will be turned into a museum-fortress where people can come to see the marvelous Roman and Gothic cloisters that tourists visit, or the Prado, Louvre and Picasso museums. Europe will be a living museum; they will come to visit us and we will be a fortress, because we do not want anyone to come in, and we do not want anyone to bother us. And we will have no workforce, no new ideas, and no abilities. And we will start to die gradually in our museum-fortress.

That is not the Europe that I wish for. I want a dynamic Europe—the Europe that deserved the Nobel Peace Prize; the Europe that has the best aeronautical industry, with Airbus and space launches; the Europe that houses the European Organization for Nuclear Research (CERN); the Europe of research, innovation and universities; the Europe of youth. In short, I wish for a Europe that believes in its own future.

This is the Europe that we need to build together—the Europe that the next generations deserve. As Robert Schuman once said: "It is always hard to make decisions, but in politics you have to know how to take a risk." And we have to decide: we have to choose to make decisions that will lead towards a better and sustainable future for all European citizens. ●