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## Who Owns the EU Reform Debate?

by Almut Möller



#### Summary/Zusammenfassung

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Countries outside of the euro zone are naturally asking themselves what the imminent deepening of this zone will mean for European Union membership in the future. At the same time, the question overarches the debate about EU reform. In these overlapping discussions, not every suggestion that comes unbidden is necessarily counterproductive. Quite the contrary.

#### Dabei sein ist alles

Wer bestimmt die EU-Reformdebatte?

von Almut Möller

Mit der bevorstehenden Vertiefung der Euro-Zone stellt sich die Frage, was die Mitgliedschaft in der Europäischen Union künftig noch bedeutet. Sind alle gleich, oder manche "gleicher"? Werden die Nicht-Euro-Länder bald überhaupt noch als vollwertige EU-Mitglieder angesehen, mit den damit verbundenen Rechten und Pflichten, oder verlieren sie langsam aber sicher den Anschluss an die stärker integrierte Währungsunion? Um den Charakter, um Sinn und Zweck der EU ist ein Kampf um Deutungshoheit entbrannt. Die Frage, wer die EU-Debatte bestimmt, ist deshalb längst nicht so unschuldig ist, wie sie klingt. Letztlich geht es um die Machtfrage, um den Zugang zu Entscheidungsprozessen und Ressourcen der künftigen EU. Im Vorfeld der Europawahlen im Mai 2014 bringen sich die Akteure in Stellung. Nicht jeder Vorschlag aus angeblich "unberufenem Munde" ist dabei kontraproduktiv – im Gegenteil.

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The European Union is in a formative phase, and the true meaning of "EU membership" is being carried along in its wake. What does it mean today to be a member of the EU? Are all members equal, or are some in fact "more equal than others"? Who gets to decide what a "real" EU member is, anyway?

Questions about the meaning of EU identity are being posed not only by the members of the euro zone—who, in the course of reforming their common currency area, are confronting entirely new problems of shared sovereignty and democratic legitimation. The European identity of countries outside the euro zone is affected as well. Will non-euro countries soon even be considered full member states with all the attendant rights and responsibilities—or will they slowly but surely lose their connection to the more strongly integrated monetary union? Will they forfeit their say in the decision-making process, which will ultimately affect them as participants in the single market?

Against this background, one must ask the fundamental question of what defines EU membership at its core. Does it mean belonging to the deeper monetary union and its decision-making processes? Belonging to the single market? Belonging to a community of values?

#### Seeds of discord in the Union

To pose the question of EU identity may at first glance seem an academic and artificial exercise. After all, one of the major strengths of the European integration process is that it rarely can—or must—provide binding answers about the scope and depth of integration. Up until now this openness has made it possible for an "ever closer union"

to offer room to countries with widely differing ambitions. Now, however, the terms and content of EU membership are threatening to become divisive elements. How did a battle come to flare up over something as basic as the interpretation of the character of the EU, its meaning and purpose?

In essence, it is the old subject of what the EU is supposed to achieve. Most recently, this has condensed into a question of whether a more strongly integrated euro zone can be reconciled with a high-performance Union with its single market of 28 members. How much asynchrony can the system handle? After all, there is a risk of creating systems that will compete with each other, which could well challenge the very idea of the single market.

It is therefore only to be expected that member states are reacting to these possible developments and are joining the debate over what the project of European unification actually consists of—and what sort of Union is to be left standing once the clean-up efforts have been completed.

#### Dry, legalistic, and technical

Governments and other actors are participating in this discussion in extremely varied ways. Take Germany for example. Chancellor Angela Merkel calls it "flying by sight," that is, taking a step-by-step approach to reform. This is why the debate in Berlin about Europe is largely shaped in a dry, legalistic, and technical way—dotted with terms like "contractual relationships," "single resolution mechanism," "stability union," to name a few of the current catchphrases. In the German debate, the fact that reforming the euro zone involves not only institutional and legal reorganization but also

some fundamental economic and social choices for the euro countries—to say nothing of the very make-up of the Union—tends to stay out of the spotlight.

The bloodless federal election campaign that recently took place in Germany and the coalition negotiations that followed also contributed to this. Here, the subject of Europe was buried as a subitem on the fiscal policy agenda, which really does speak volumes about the new government's idea of Europe.

The coalition government wants it this way. On the domestic front—following the line that has been pursued with astonishing success up until now—the idea is to stir up as little dust as possible. Hammering out euro zone reforms should really take place beneath the radar of public attention and excitement. On the European level, as a decisive member of the euro zone, Berlin is in the comfortable position of enjoying great influence in the way the reform agenda is designed. In many places, one hears of "German dictates," although this is far from undisputed. Nonetheless, according to the calculations of the new Merkel government, this is an optimal point of departure for forming its euro zone 2.0.

Elsewhere, other actors are fighting for the right to enter the decider's club. The debate about Europe that has been raging for months in Great Britain is so ideologically heated that it is making many Europeans on the continent rub their eyes in amazement (and not just the high-strung ones). In January 2013, Prime Minister David Cameron, under growing pressure from his conservative party, announced that he wanted to negotiate with the EU over the terms of his country's membership. Spelled out, this means "less Europe." After his party's desired reelection in 2015, the still-to-be reached agreement on membership terms is supposed to help the prime minister win the referendum on Great Britain's staying in the EU.

Too bad that in order to achieve its much-needed process for re-negotiation at the EU level, London finds itself in a difficult starting position. Hardly any other EU member state has the time or inclination right now to help the British government recapture portions of its rampant leadership elite or to tame its misdirected public opinion. The "balance of competencies review" between the EU and Britain that London launched in 2012 may be receiving a certain amount of analytical interest in other EU capitals—but politically it is seen as a stink bomb.

One hears fairly openly in Berlin and Paris now that the British have hereby catapulted themselves straight out of a serious reform debate that goes beyond mere national interest. How is Cameron going to manage any sort of opportunity for renegotiations—that is, a negotiation process to which London can bring its demands? From a continental perspective, this looks rather hopeless.

"But there is nothing wrong with ambition," the British government said to itself. If British ideas on EU reform could only be phrased in slightly more palatable terms, they would almost certainly find supporters in continental Europe. London entered the race of ideas with calls for more competitiveness, deregulation, and strengthening national parliaments. Can anyone seriously be against such suggestions?

### Marginalization looks rather different

Agile public diplomats that they are, the British have meanwhile managed to spin parts of the continental reform debate—not just in narrow political and diplomatic circles but also in universities and think tanks, within key media, and on Twitter. Continental Europe may indeed still continue to view London skeptically, but Britain has nonetheless contrived again to be a player at the table. Marginalization actually looks rather different.

Traditionally, Britain considers belonging to the single market to be the essential characteristic of EU membership. Germany, on the other hand, positions itself differently, making the euro its point of reference. After all, Berlin argues, Brit-

ain, Denmark, and Sweden (in a limited way) are mere exceptions; all new EU member states have committed to joining the euro zone as soon as they have fulfilled the convergence criteria. While this may be true in terms of fact—and while it is understandable that the German government has no desire to see a wedge driven into the EU-matters are far more complicated from a political point of view. Latvia did in fact just adopt the euro at the start of the year, and the euro zone is indeed growing. But the question remains open of how long it will take before the euro zone becomes nearly identical with the number of EU countries. In the meantime, it may well cost the German government considerable effort to uphold the euro as the main hallmark of EU membership.

#### Alarm bells are ringing in Warsaw

When this topic comes up, the loudest alarm bells are the ones ringing in Warsaw. Ten years into its accession, Poland has become an accepted member of the EU leadership circle. Nonetheless it is not yet a member of the euro zone. Warsaw is therefore watching the evolving meaning of "EU membership" with particular interest—and doing its best to shape the outcome.

In contrast to Britain, Poland enjoys comparatively good preliminary conditions for influencing the terms of EU reform. History has helped it forge especially strong relations with Germany, with whom it has come to be on an equal footing as an interlocutor. Moreover, in the Weimar Triangle—the cooperative association of Poland, France, and Germany established over twenty years ago—it stands side-by-side with Paris. From a political-strategic perspective, Warsaw is indeed well placed vis-à-vis the dual engine that drives the euro zone.

All the same, Poland has to worry about the difficulty of keeping up its connection with the deepened monetary union economically and institutionally, even if it has adopted the new reform treaties. In a speech he gave in Berlin in November 2011, the Polish foreign minister, Radosław Sikorski, took an effective and memorable stand in

the debate about the future, warning the German government that he feared "German inactivity" far more than he feared German power. The speech has had staying power, but Warsaw must continue to work hard to remain at the center of action. It is for this reason, among other things, that Poland is building up its cooperation with France in security and defense policy. The logic here is that if it does not become a member of the euro zone it will at least be a partner of some weight in one of the EU's other substantial policy areas.

Meanwhile Warsaw has largely managed to avoid London's attempts to cuddle up; on the contrary, Sikorski seemed far keener to read the UK the riot act in his September 2012 speech at Blenheim Palace. Determined as it is to remain part of the "center," it would indeed be extremely unwise for Warsaw to raise doubts in Berlin and London about its European orientation.

These examples from Germany, Britain, and Poland show clearly enough that the question of who owns the EU debate is by no means of an innocent nature. Ultimately, it involves the power question: access to the decision-making processes and resources of the future EU.

In the meantime, not only governments but also parties (gearing up for the 2014 European elections), associations, and actors from organized civil society have started to bring far greater weight to the debate on EU reform. In doing so they are attempting to lay claim to the "new" EU debate and to shape it according to their own interests—in some cases with considerable financial resources at their disposal. Compared to earlier EU reforms, the number of actors and arenas in the current debate is multiplying.

## Who is allowed to join the conversation?

These developments are strengthened by the politicization of Europe policies in recent years. To put it simply: when Angela Merkel sets forth in a black limousine to meet her counterparts at the Rond-

point Schuman, she travels not as the head of an important EU member state but rather as a politician needing to organize political backing of the coalition and her electorate at home. In the wake of the euro crisis, knowledge about and attention to the arrangements being made around the EU's negotiating tables has grown enormously.

This is without doubt a welcome development in terms of the democratization of European policy. Today's Europe has more varied information on offer than ever before, a wealth of opinions about the EU, its politicians, and the ongoing reforms. Public opinion therefore plays a much greater role in the calculations of various actors. "Europe matters"—now even in terms of holding on to power at home.

In the meantime, public opinion is being mobilized all over Europe. One thinks of the debates taking place throughout Europe and well beyond on the subject "austerity versus growth" which caused considerable headwind in Brussels for the German government. Connected to this new dynamic in the debate over reform is also the question of who the legitimate participants are—and why—as well as, vice versa, which actors are lacking (or seem to be lacking) legitimacy for participating in the debate over reforming the EU.

In many places, one hears it said that the British lack a constructive interest in developing a reform agenda for the EU beyond national self-interest. Is that really the case? Naturally, much depends on what sort of EU one has in mind. London, for example, openly expresses its doubts about the founding treaty's goal of creating an "ever closer union" among the peoples of Europe. To those who see this aim as the very heart, the guiding principle, of the Union, this comes as a shock.

Until just a short time ago, such champions of the old European idea were in the overwhelming majority in continental Europe. Today it is no longer a given that governments and, above all, national populations mutually embrace this goal. This does not necessarily make them all into enemies of the EU. Even if Cameron is, crucially, plumping for his own reelection, this does not make the questions London is putting on the table any less relevant. For surely in the end, we do not all have to share the same opinion. What the EU cannot afford at the moment, however, is a lack of ideas. Anyone ignoring a deep and controversial debate over reforms is not going to help Europe get out of its crisis. Quite the contrary: it only makes ample room for the growing discomfort that many people feel about the benefits of membership and the future direction of the EU.

#### **Expect Shockwaves**

This discomfort is particularly relevant when considered against the background of the upcoming European elections this May 2014. Populist and extremist parties and movements have been gaining ground throughout Europe for many years. To lump them all together would be dishonest, but what many of them have in common is that they radically question the "EU model" and its underlying values.

Often they present themselves as the sole upholders of genuine alternatives and try to hijack the reform debate for themselves. Even though they seldom pull together, they could very well send shockwaves through the European capitals at the polls this May. One need only think of Marine Le Pen, who wants to make her Front National into the strongest power in the upcoming municipal elections in France and who attempts to present herself as a unified right-wing force for the European elections with the Dutch far-right leader Geert Wilders.

Now more than ever, reform-oriented forces who want a better EU must make very clear where the difference lies between visions of "a different EU" and a declaration of war on its fundamental values and goals. Too much ground has already been lost.

The best argument for mobilizing the citizens of Germany and other countries to take part in the European elections is to show them that right now it is a matter of choosing course for the EU;

that there is an entire bandwidth of legitimate and interesting alternatives to consider in the current debate over the future direction of the EU; and that arguments about them need to take place and need to be heard.

The fact is, however, that there is also a growing number of forces that claim they want a "different Europe" but in reality have no interest in the spirit of cooperation and an interwoven Europe.

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