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WHO WILL LEAD THE POST-BREXIT EU? Politics returns to Brussels

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This should be the moment for a new politicisation of the European sphere. On the day he became president of the Council of the European Union, Donald Tusk, the former Polish prime minister, nervous and hesitant, announced that the time had come to retake the initiative, for an independent agenda and strong resolve. "Not only there are Eurosceptics questioning the EU's values, but we have also enemies. Dear friends, politics has returned to Europe", said Tusk, aware that his diplomatic and linguistic fitness for the role were being scrutinised. It was December 2014 and on the other side of the Rue de la Loi, the most veteran of all EU heads of state and government, Jean-Claude Juncker, was already in place as president of the European Commission, "the most political Commission in history", as he put it.

This past year and a half, politics in all its expressions – citizen consultation, ideological debate, confrontation of ideas and interests, strategies of national retrenchment and close-run parliamentary elections – have only further challenged the European project and weakened the power of the EU institutions. Added to the north-south breach opened up by the economic and financial crisis, last year a deep east-west

division appeared between the states in favour of implementing the European Commission's plan to relocate 120,000 refugees, such as Germany and France, which won the vote in the Council by required qualified majority, and those such as Romania, Slovakia, Hungary and the Czech Republic who fiercely opposed the proposal. The ever deeper disagreement between member states worsens the eroded scenario of mis-

trust whose nerve centre is in Brussels: erosion of citizen confidence in the European project, erosion of the relations between the EU capitals and the EU institutions, and ultimately, the bankruptcy of the solidarity and cooperation between European partners.

In the past twelve months, the United Kingdom, Greece, the Netherlands and Denmark have all put an agreement or negotiation with the European Union to a referendum and, in all cases, the Brussels option has been defeated – from the third Greek bailout package and the Danish refusal to increase their involvement in EU

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The ever deeper disagreement between member states worsens the eroded scenario of mistrust whose nerve centre is in Brussels.

The possible scenarios are: damage limitation, a union without institutions or a more political Europe.

There can be no political deepening without democratic deepening. Any scenario of reform and redistribution of EU power must urgently contemplate improving the democratic processes.

The only way to overcome the logic of government interests is to remember that, in the treaties, the EU institutions have the mission to protect the common good.

Today, Europe is a wounded continent. But for this reactive union that can find no answers time may run out.

police and judicial cooperation, to the Dutch rejection of the association agreement with Ukraine. On October 2nd, the Hungarian prime minister, Viktor Orban, will also challenge (and defeat) the European Commission's proposal of quotas for resettling a few thousand of the refugees seeking asylum in the EU in his country. In the past year, Poland – the supposed European miracle without a crisis that Donald Tusk once governed – has voted to return to power the ultraconservative Eurosceptic Law and Justice party. But it is the Brexit victory that is the origin of the most serious schism in the nearly sixty years of EU history. For the first time it is shown that belonging to the EU is not an irreversible process and that the deepening of European integration is not the only possible objective. The “**Monnet method of bureaucratic integration**”, as Daniel Innerarity calls it, has been exploded and, along with it, the balances of power that governed the EU design. These days, the EU's Eurosceptic forces feel strengthened and new referendums by contagion threaten to continue dominating the political agenda. The overlapping crises – eurozone, security and terrorism, and migration– that had already trapped a European Union incapable of healing internal divisions have now entered a new dimension.

In recent times, European politics has been cornered by the

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overlapping of particular agendas, national interests and the pressures of short-term public surveys. It is not only member states whose strategies and discourses have been contradictory during the migration crisis: the EU institutions have too. Jean-Claude Juncker's Commission defended its quotas plan with more commitment than chances of success, while Donald Tusk, as president of the European Council, continued to speak of sealing the EU's external borders as tightly as possible and aligned himself with the states that are most reluctant to receive migrants. Nevertheless, both have had to deal with a polarised EU in full humanitarian crisis that is allergic to consensus. Neither the 28 nor the EU institutions have been capable, during this whole period, of providing a united European response, and the debate on immigration became one of the keys to the British campaign in favour of “Leave”.

Looking for the guilty party

It is the British who have fractured the EU a little more and yet the first, most intuitive, response from some capitals has been to put the blame on Brussels. Not only did David Cameron – loser in his own political manoeuvre of calling a referendum to try to head off the political gains made by the Eurosceptic UKIP – blame Europe for his defeat, other capitals, such as Warsaw and Prague, have already called for Jean-Claude Juncker to resign. From the start,

the president of the Commission has taken the brunt of the **media** and **political** backlash to Britain slamming the door. Juncker and Tusk made a joint **appearance** at the press conference that followed the first summit of the 27 of the post-Brexit EU on June 28th. “I don't let the press either encourage or discourage me, either to incapacitate me or to drive me to highs and lows”, Juncker responded to the question of his resignation. Tusk came out in his defence: “Jean-Claude Juncker is the last person we can accuse of being responsible for the negative result of the referendum in the UK ... In fact, I can't understand this kind of speculation”, concluded Council President Tusk, attempting to settle the controversy.

Nevertheless, the unease was present before the Brexit campaign. Juncker **had already received complaints** about his presidentialist style, his erratic responses, his capacity for work, his institutional absences, his political priorities, his alleged lack of attention to the smaller partners in eastern and central Europe, and the doubtful benevolence of forcing fiscal discipline on the large defaulters of the south, especially France, Spain, Portugal and Italy. It is a lack of neutrality that Germany wants to correct so that “the Commission keeps the right balance between its political function and its role as a guardian of the treaties”, as the finance minister, Wolfgang Schäuble, told his colleagues at an ECOFIN meeting in Brussels in mid-June.

Juncker is an awkward figure. This is because of both his political past and his words. The Luxembourgier's application letter for the post set out his will and capacity to stand up to the member states;

his desire to **retake the political initiative** that the Brussels executive should not have ceded to the hegemonic power of the Council. Juncker toughened up the Commission's tone against the member states, whom he accuses of destroying the EU. The **speech given by the Commission president** on March 3rd in The Hague summed up his discontent perfectly. “Brussels is not just 28 Commissioners. Brussels is also 28 governments. And it is quite impossible to dictate Europe's direction against the will of the national governments and Member States”, he protested before an audience of various former ministers, commissioners and MEPs. An angry Juncker railed against his critics, naming and shaming the Italian prime minister for being overcritical of the EU executive, the Polish government for the constitutional reforms it has put in place, and the Finnish minister for foreign affairs for saying “the Commission should not busy itself with the observance of fundamental rights in Poland”. Juncker again defended his commitment to a “political” Commission to break with the idea of institutions that “very often approach the continent's problems in a bureaucratic and technocratic manner”. It is a shared analysis. The **five presidents' report** presented at the beginning of 2015 condemned “significant divergence across the euro area” and warned this “divergence creates fragility for the whole Union”. The problem for Juncker is that his longevity in European politics links him directly with this bureaucratic Europe that has disdained the citizens.

Transitions of power

For some time the balances of power in Brussels have been in transition. The European institutions are increasingly politicised. Juncker is much more political than his predecessor, Durão Barroso, and Donald Tusk has his own agenda, which is more closely aligned with the member states than with the Commission. Under the presidency of Martin Schulz, the European Parliament has gained visibility. The heads of state and government appear in the European Parliament more often than in the past and are subjected to the interventions of the political groups. Parliament and Commission act as genuine allies. As a senior Parliament official ironically said recently, "Juncker is the campaign manager for Schulz continuing as president of the European Parliament after January 2017 and until the end of the legislature". The separation of powers in Brussels is a little more diffuse these days.

Nevertheless, for the first time in a long while, a great institutional and ideological coalition – built on the Juncker-Schulz entente – is challenging the long period of intergovernmentalism that has monopolised the EU legislative initiative. This hegemony is based on the speech made by Chancellor Angela Merkel in November at the College of Europe in Bruges putting the power of the "lords of the treaties" (the member states) before the "guardian of the treaties" (the Commission). This vision of the Europe of the states for too long relegated the Brussels executive to acting as mere technical services of the will of the capitals.

The democratic unease is far more long-standing than the multitude of crises currently gripping the future of the union. The fracture between the EU project and European citizenry dates back practically to the French "No" to the European constitution in 2005. That was the moment the official Eurocritical discourse was forged that has been so difficult to recognise but which, a decade on, has become strong in national and EU policy. An important part of that "No" demanded a more social Europe but, by contrast, Europe's management and language during the economic crisis that hit in 2008 were more imbued with austerity than solidarity. The rift widened at such a rate that governments and the traditional political party structures have been unable to read it. The France of the middle classes and rural areas that felt threatened by globalisation – and which, according to all the surveys voted against the European constitution – is now even more numerous and more vulnerable. But it is the post-industrial areas of the United Kingdom in the midst of a debate on immigration and separated from the EU power nucleus of the eurozone that has dealt the final blow to an EU in constant crisis. The EU has reached a turning point. But how can we reverse the rationale that has ended up identifying the European project as the problem and not the solution?

Possible scenarios

Today, Europe is a wounded continent. But the need to move on from this reactive union that can find no answers is increasingly pressing. The first thing European leaders should

consider is whether the British referendum result is an isolated case that it is necessary to place in quarantine to avoid contagion to other member states, or whether the Brexit victory is the symptom of a problem that challenges the objectives and values meant to hold the whole EU edifice up. Should they limit themselves only to dealing with British defiance or go to the root of the unease expressed in the polls beyond the United Kingdom? The response to this dilemma will not only be crucial to the possible resolution of the crisis but to the future of the European project. At least three possible scenarios could result from how this is handled:

1. *Damage limitation*

Political inertia seems to recommend avoiding the traumatic United Kingdom exit that now worries even many of those who voted to leave. The first, almost intuitive, step by the European leaders – above all bearing in mind the political slowness and weakness with which they are handling the still unresolved crises, from the financial bust to the arrival of refugees from the Syrian war – may be damage limitation. But this almost Lampedusan scenario of limiting the consequences of the British vote as far as possible and returning to traditional EU business as usual can only lead to a deepening of the political paralysis, to new internal divisions between

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members – as we may read between the lines of Angela Merkel's initial strategy prioritising stability over the message of firmness demanded by a François Hollande frightened by the growing strength of the National Front – and the continued erosion of the domestic and global credibility of the European project. Once again, Berlin imposes pragmatism and containment. The finance minister, Wolfgang Schäuble, previously a defender of deeper integration, now supports the return to legitimacy by results (output legitimacy). The weather-beaten pro-Europeanism of the Merkel government opts to take action on key issues such as immigration, the single digital market, energy, security and defence, giving up "visions" and visionaries but arguing that a group of member states may advance more quickly if there is a lack of consensus among the 27.

But Berlin remains on a war footing against the Commission. So in this scenario the intergovernmental initiative would have to take precedence over the slow Brussels bureaucracy and would limit the political capacity of the EU institutions. This would present a more than likely reform of the power of the European Parliament under pressure from an increasingly large number of member states to retilt democratic control towards the national parliaments, in line with what David Cameron argued in his speech in early 2013 at Bloomberg when he announced the holding of the referendum.

2. *A union without institutions*

Brexit is the expression of deep unease among a part of the citizens that is alienated by what they perceive as a bureau-

cratic Europe: understood thus, Brussels is the embodiment of opaque, technocratic politics. The multiple crises that still shake the EU have widened the distance between the citizens and the EU institutions and the “Leave” victory in the British referendum threatens to trigger other replicas in the more sceptical states. It still cannot be discounted that a negotiation poisoned by Brexit could also lead to harsh consequences not only for the territorial integrity of the United Kingdom – with a new demand for an independence referendum in Scotland and the potential return of political instability in Northern Ireland – but also the end of EU integration. It would mean a “breakdown in trust” between London and the EU but also within the United Kingdom and could even lead to the end of solidarity between the EU member states, as Tim Oliver, researcher at the London School of Economics [summarised at a seminar held at CIDOB prior to the referendum](#). The European Union would run a serious risk of implosion.

“More integration is not the answer”, warned Dutch prime minister, Mark Rutte, after the British shock. The most uncertain prospect points towards the end of European politics and the renationalisation of the democratic control of decisions. An EU that is incapable of agreeing upon a path between the 27 could end up gambling on a large space of

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European cooperation. The Europe of the single market would dominate with minimal intergovernmental cooperation. This scenario would redraw the current balances of power. The European Parliament would lose its codecision capacity, in line with what the United Kingdom, the Netherlands and Nordic states keen on returning some of the democratic control of decision-making from the EU to the national parliaments already advocate. The Brussels institutions – culpable, according to Eurosceptic Europe, for the crisis of legitimacy affecting the EU – would lose their capacity for legislative initiative and become eminently technical bodies, charged with handling cooperation.

3. A more political Europe

The third scenario would mean the acceleration of political integration, institutionalising Europe at double speed. The EU must begin a period of reconstruction. The moment has arrived for new policies and new models of cooperation. In Berlin, at the first post-referendum meeting Germany, France and Italy acted out a timid first step in this direction. Angela Merkel, François Hollande and Matteo Renzi agreed a plan of three points for relaunching the EU: measures to ease the refugee crisis, initiatives in the field of internal and exterior security to face terrorism, and gestures in favour of economic growth and employment, especially

among young people. But, staying at European pace, the materialisation of these proposals will not be debated until September. Nevertheless, the EU institutions have begun to apply pressure to attempt to gain political territory if, finally, the EU decides that in-depth reform of the institutional balance is necessary.

A week after the referendum, [Martin Schulz affirmed](#) that the moment has come to transform the European Commission into a genuine government, elected and controlled by a bicameral system composed of the European Parliament and a chamber of the states. It is an old proposal that falls back on debates on possible EU reforms that are more than two decades old. This empowering of the Commission would mean: the revision of the whole European Union governance system, the strengthening of the European Parliament against the increasingly widespread opinion in favour of involving the national parliaments and, finally, the difficult relegation of the member states to some kind of senate.

According to [Jürgen Habermas](#), “the Eurozone would delimit the natural size of a future core Europe. If these countries had the political will, then the basic principle of “closer cooperation” foreseen in the treaties would allow the first steps towards separating out such a core – and, with it, the long-overdue formation of a counterpart to the ministerial eurogroup inside the European Parliament”. The division of the union would, in this case, be a reality.

But there can be no political deepening without democratic deepening. Any scenario of reform and redistribution of EU power must urgently contemplate improving the democratic processes.

Getting the citizens back inside

Europe remains a space of mobility and freedom for the majority of Europeans. In [the last Eurobarometer](#), published in May 2015, 49% of those surveyed identified the EU with the capacity to travel, study and work in any EU country. What is more, 58% were in total disagreement that their country “could better face the future outside the EU” and, paradoxically, this better-in-than-out feeling was overwhelming in countries with strong populist and Eurosceptic forces like the Netherlands (77%) and Denmark (70%). The emergence of Alternative for Germany has also failed to make a dent in the 70% of Germans who support the EU’s necessity. In the United Kingdom, by contrast, the Eurobarometer predicted a tie at 43%.

The state of opinion on the European Union also showed a slow recovery of confidence in the EU institutions. The European Commission and the European Parliament returned to positive indices of confidence for the first time since autumn 2011. Greece, Cyprus, Spain and the United Kingdom led the most Eurosceptic countries on the roles of both the European Parliament and the Brussels executive. Nevertheless, the EU’s image survived. The proportion of Europeans with a positive image of the EU grew by six percentage

points in a year (from spring 2014) and eleven points in two years (from spring 2013) and, according to this latest Eurobarometer, was at its highest level since spring 2010. Nevertheless, a study published by the Pew Research Center the day after the Brexit victory assured that the “debate in other EU member states about the future of the institution may just be getting started”. According to this survey, a majority of Greeks (68%), Dutch (44%), Germans (43%), Italians and French (39%) “wanted some EU powers to be returned to their national government”. The result of the British referendum also shows the difficulties the European project has articulating a positive message about membership of the union. For a long time, experts on the European public sphere pointed to the “lack of European identity” (Europe is always the “other”) and “the lack of conflict” (polarisation deficit) as the main causes of citizen detachment from the European Union. How can we aspire to construct a European democracy without having a European nation? The economic crisis has to a large extent changed this paradigm. For the first time, Europeans – above all those who felt directly affected by the austerity policies – awoke to a new perception of real EU power over their lives, they had new awareness of the real situation of their neighbours and the lives of citizens of other states in the union, and a transversal discomfort, which many analysts today identify with the “losers of globalisation”, took root among much of the European citizenry.

There are common, shared fears, without satisfactory European responses to ease them. Nevertheless, the Eurobarometer shows that, despite the concatenation of crises and the spread of a populism fed by weak governments and parties, which confuse a vote of discontent with a thermometer reading of what European society really thinks, the European Union and its institutions are still perceived as necessary. The response to Brexit – and the deep crisis that threatens the union – can only be European. “How could a pro-European attitude win over the broader population if political leaders behaved for decades as if a ruthlessly strategic pursuit of national interests was enough to keep you inside a supranational community of states?”, asked Habermas after the British “No” vote.

Reform of the European Union will need three pillars: political reform, democratic reform and social reform. The speech by the new British prime minister, Teresa May, is in this sense revelatory. “Taking back control”, which Brexit used as emblematic of the recovery of political sovereignty in a transnational Europe, is reinterpreted by May as the recovery of citizens’ control over their lives; “social justice” as a response to those who have felt betrayed by the political elite, whether by London or Brussels. Democracy is damaged because European social cohesion is too. Confidence in politics cannot be recovered without attacking the inequalities the economic crisis has brought about and the emergency measures adopted by Brussels have fed. If populism has become the electoral alternative to the official pro-European discourse in some member states it is because governments and traditional political parties have lacked the political will to openly face whether the moment has come to redraw the path that led us here.

Thinkers like Habermas and citizens’ platforms like democracy-international.org argue for a new European convention, a new constituent process to recover the reasons *why* the union should exist and rewrite the *how*. It is an idea that Chancellor Merkel – allergic to any reform that involves revision of the treaties and a new process of ratification – rejected at the informal post-Brexit summit on June 29th. Certainly the previous experience of the European convention, prior to the European constitution, was a genuine exercise “in being seen” (as the reporter Robert Fisk put it) but had poor results, was incapable of overcoming the debate of the elites or of winning sufficient citizen support to guarantee the approval of a text that was meant to be foundational but in fact plunged the EU into a deep existential crisis. The form this necessary citizens’ and political debate should take is still under discussion but, for the co-director of the progressive Policy Network, Roger Liddle, this new deal needs, above all, to return the “social dimension to the EU”.

Thus far the capitals have remained silent. The only clear commitment is the German proposal to focus on specific aspects to improve the performance (delivery) of the union. It is Brussels’s moment. The only way to overcome the logic of government interests is to remember that, in the treaties, the EU institutions – and to be more precise, the European Com-

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mission – have the mission to protect the common good. The only way to defend the necessity to maintain the legislative capacity of the European Parliament and the Brussels executive is to act as genuine counterweights to certain member states that in retrenchment. Politicising the European institutions is necessary. Although the leaders currently governing them have passed through elections to the European Parliament they still suffer from low democratic legitimacy, which threatens to undermine any debate on the improvement of the decision-making processes.

The European Union must go back to discussing what are the values and principles of the largest political integration in the history of regional and global models of government; what is the mission of institutions that have ended up ceaselessly regulating market interests and have been limited, by contrast, in their capacity to decide the union’s role as a global actor. What is now the common good of 27 member states with differing desires for political and economic integration? Only from Brussels can deep reform on the union be led, although the risk of further heightening its present disagreement with the capitals remains. On this depends the future of the EU and its own institutional survival. The moment for politics has arrived – politics understood as service and as conflict, politicisation as opportunity.