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Global Europe 2025

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Executive Summary

The history of European integration is a formidable success story. Today's European Union (EU), however, suffers from a lack of strategic orientation and a loss of dynamism. The EU has entered a period of exhaustion after almost two decades of tiresome and frustrating attempts to reform its politico-institutional structures and after "big bang" enlargement from 15 to 27 member states. Yet, the Union cannot afford to take a time out, if it wants to avoid the risk of gradual political marginalization in a global environment characterized by (i) a relative decline of the US and the West, (ii) the pressing necessity to redesign the system of global governance according to the new realities of international relations, and (iii) by a new quality of interlinked transnational or global risks, which cannot be solved on a national or even continental level. In order to develop new dynamism and to defy the danger of political marginalization two things are required: First, the EU needs to provide a modernized narrative on the basis of the recognition that European integration is the most appropriate means to enable Europe to maximise its global impact according to its values, historical experience and interests. For this, Global Europe must perceive itself and act as a regional risk community facing the same set of challenges and risks, and sharing the conviction that no single European state is able, alone, to exert substantial influence in a multipolar world dominated by a handful of (more) powerful players. Second, the EU needs to link the Union's novel future-oriented raison d'être with an ambitious yet realistic and concrete grand project that reflects the modernized narrative of a Global Europe. In concrete terms, the EU should develop and implement a comprehensive, coherent, proactive, innovative, ambitious yet realistic globalisation project. The Global Europe 2025 project should lay down Europe's response to the core challenges related to four major dimensions of globalisation: (i) the globalisation of the economy; (ii) the globalization of security; (iii) the globalization of the environment; and (iv) the globalization of society. In each one of these four fields the EU and its member states should define the core objectives, the priority project(s), detailed policy measures, a concrete time-table for the implementation of the agreed measures, and a communication strategy including a report equivalent to the Cecchini Report, which portrays the costs and benefits of the Global Europe 2025 project.

Global Europe 2025¹

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There can be no doubt: The history of European integration since the early 1950s is a formidable success story. After the experience of two devastating world wars and one Cold War the European project has contributed enormously to prosperity, peace, stability and security on the old continent.

After more than 50 years the European Union is omnipresent in almost every sphere of life. There is practically no policy area, which is not directly or at least indirectly affected by decisions taken collectively in Brussels. Shared sovereignty, an unprecedented level of economic and political interdependence and increasing social interaction between citizens have tied the member states and citizens of the European Union closer together than at any time in history.

The "big bang enlargement" in 2004/07 marked the latest milestone in the re-unification of the continent. In the course of five rounds of enlargement since the 1970s from originally six to now 27 member states the EC/EU has peacefully extended peace and prosperity throughout Europe. And the EU remains an anchor of stability and hope and a magnet for countries in its direct neighbourhood. Many countries in its periphery aspire to join the EU or to establish preferential relations, which in return enables the Union to influence the transformation journey of its neighbours.

European integration has not been crisis resistant, but it has been crisis proof. From the outset, the history of integration has experienced numerous setbacks. Among these are the failure to establish a *European Defence Community* and a *European Political Community* in the early 1950s, the period of *eurosclerosis* in the 1970s, the first Danish "no" to the Maastricht Treaty in 1992, followed by the original Irish one to the Nice Treaty in 2001, or the latest crises surrounding the "nos" of the French and the Dutch to the Constitutional Treaty in 2005 and of the Irish to the Lisbon Treaty in 2008. Despite this long, yet inconclusive list of heavy blows, the EC/EU has always been able to overcome its crises and in most cases emerged even stronger than before.

State of the Union: Lack of Dynamism and Loss of Strategic Orientation

Despite its impressive success story, today's EU suffers from two major deficits: a lack of strategic orientation and a loss of internal dynamism. The EU has entered a period of internal exhaustion after almost two decades of tiresome attempts to reform its politico-institutional structures and after the successful conclusion of the fifth round of enlargement in 2007. The European Union resembles a sedate tanker with a glorious history but without a command bridge providing a clear idea about its next destination. As a consequence, the European integration project has lost attractiveness, legitimacy and support both among ordinary citizens and increasingly also among

The present paper is work in progress and should thus be considered as a draft.

political, economic, cultural and intellectual elites. The record low turnout in the 2009 European elections (41,3 per cent!) was just one more indication that citizens may recognise they have a stake, but lack interest in the EU as it stands. At the same time, public opinion polls suggest that many Europeans believe that the Union is better placed to take decisions than national governments, particularly with regard to issues such as fighting terrorism, scientific and technological research, defence and foreign affairs, protecting the environment or energy.² Yet, why is there this discrepancy? And why does the EU suffer from a lack of strategic orientation and a loss of internal dynamism? One can identify a number of core reasons:

- (1) Consumed successes and lack of future-oriented narrative: European citizens and increasingly also parts of the elites are not aware of the future added value of European integration. The grand objectives of the European project prosperity, solidarity, stability and peace remain valid. However, the concrete accomplishments of more than 50 years of European integration are consumed. Citizens cherish (more or less) the four freedoms of the Single Market, the abolition of border controls, the practical advantages of a common currency, or the circumstance that the perspective of war between EU members has become unthinkable. These successes are associated with the past. Concerning the future, there is uncertainty: What will the European Union contribute beyond the already consumed achievements of the past? The EU and its member states have not been able to adequately answer this question (yet). The uncertainty about the future raison d'être of Europe has negatively affected citizens' support for the continuation of the European integration process.
- (2) Elite crisis: The integration process suffers from the fact that EU citizens have lost their trust in the ability of policy-makers to manage the complexity of modern life. Declining trust towards political elites is not an exclusively "European" problem, but a widespread phenomenon on all levels of political life. Yet, this lack of confidence in national and European policy-makers has particularly drastic consequences for the European project, which was and still remains a project primarily dominated by and associated with political elites. In other words: Distrust towards political elites leads to distrust towards the elitist European integration project. This is particularly harmful for the European Union, which enjoys a much smaller benefit of the doubt than nation-states and is called into question more quickly and fundamentally than its constituent members states.
- (3) Conceptual schism: The development of European integration is hampered by a conceptual schism between and within EU member states. Differences are ostensibly about treaty texts, but deep down it is a matter of antagonistic views about the future political order of the continent. Contradictory and irreconcilable attitudes towards Europe's *finalité* oppose each other. This profound disagreement over the EU's ultimate direction threatens the future of the European project. Whereas some construe the idea of a more political Europe or even of a "United States of Europe" as a survival strategy for the continent, others are keen to emphasize that they had merely joined an internal market and that they are not willing to go beyond a "common market *de luxe*". As a result, there is a lack of orientation regarding the question of Europe's future.

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For more details see Eurobarometer 70, first results, December 2008 (fieldwork: October-November 2008); see particularly pp. 50-51.

³ See Guy Verhofstadt, The United States of Europe, London 2006.

(4) Structural leadership gap: The European Union suffers from a lack of leadership on both the level of member states and the level of EU institutions, which has a negative impact on the Union's internal dynamic. This leadership gap is not new, but is has structurally grown following the EU's grand enlargement to 27 members.

On the member state level, one can diagnose a lack of leadership due to a number of reasons: (i) The old Franco-German engine has lost steam, attractiveness and effectiveness. In the past, a compromise between Berlin and Paris was in many cases sufficient to trigger the support from other member states. This is no longer the case. The increased size of the Union, the growing economic, financial, social and geopolitical heterogeneity and the increasing diversity of interests within the EU has led to a structural weakening of the importance and leverage of the Franco-German axis. In addition, the bilateral relationship between Paris and Berlin has deteriorated. This cannot be attributed solely to the circumstance that neither Chancellor Schröder and President Chirac nor Chancellor Merkel and President Sarkozy had or have a particularly close relationship. The reasons are more structural. First, the Franco-German relationship has suffered from the fact that the "old axis" has lost clout in the EU27. As a result, the motivation to reach a compromise between Berlin and Paris has diminished. Second, one can increasingly witness differences of opinion on substantial issues between Berlin and Paris. The present global crisis is a good point in case: In the course of the financial and economic turmoil Germany and France were - at least initially - blocking each other in nearly all strategic aspects of EU crisis management. Third, Berlin's strengthened self-confidence has disrupted the "old balance" between both countries, which up till the Kohl-era was characterized by a display of modesty on the side of Germany vis-à-vis France. (ii) Germany has lost its traditional role as a mediator between larger and smaller EU countries. Berlin has in the course of the last decade suffered a loss of trust and is no longer perceived as a defender of "genuine European interests", who takes into account and protects also the interests of smaller EU members. One can rather witness a "normalization" of Germany's European politics, which has become more and more pragmatic, less visionary and more determined by narrow national interests. (iii) No new leadership coalitions are being forged. The presumption that the "big three", including Germany, France and the UK, or the Weimar Triangle, including Germany, France and Poland, could replace the old Franco-German axis did not materialize. (iv) Finally, one can observe an increasing division and a growing distrust among EU members. Again, the global financial and economic crisis is a good point in case: The crisis has disclosed and increased the divide between the "richer" older member states and the economically less consolidated and less developed countries in Eastern and South-Eastern Europe. 5 Some observers have even warned of a "new iron curtain" descending across Europe. 6 But the divisions within the EU are not limited

See e.g. Janis A. Emmanouilidis, Deutschland in der EU, in Werner Weidenfeld and Wolfgang Wessels (eds.), Europa von A-Z: Taschenbuch der europäischen Integration, Baden-Baden, 11th edition, 2009, pp. 108-114; Gunther Hellmann, Deutschland in Europa: Eine symbiotische Beziehung, Aus Politik und Zeitgeschichte, B-48/2002, pp. 24-31. For a recent account of Germany's more pragmatic European approach see speech by Chancellor Angela Merkel's Humboldt speech on Europe delivered on 27 May 2009 (download under: http://www.bundeskanzlerin.de/nn_5296/Content/DE/Rede/2009/05/2009-05-27-rede-merkel-humboldt.html)

See Zsolt Darvas and Jean Pisani-Ferry, Avoiding a new European divide, Bruegel policy brief, issue 2008/10, December 2008.

⁶ Expression used by the Hungarian Prime Minister Ferenc Gyurcsány.

to old *versus* new. It is more complicated than that. One can also witness a strained political atmosphere between older EU members as eurozone countries have challenged each others' trustworthiness and solidarity. In the peak of the current crisis stronger euro countries blamed weaker partners for their meagre economic performance and for the negative repercussions this might have for the overall stability of the common currency. On the other side, weaker countries such as Greece, Ireland, Italy, Spain or Portugal have been critical of their partners' lack of solidarity in times of crisis. And finally, one could even witness a clash between a big and a small founding member of the EC/EU: The severe verbal quarrel between in particular the German Finance Minister Peer Steinbrück and Luxembourg Prime Minister Jean-Claude Juncker over the issue of tax havens opened up deep wounds between two pioneers of European integration.

On the level of EU institutions, the European Commission has in the course of the last decade lost strategic clout. Power and influence have gradually shifted towards the European Council. The Union's overall orientation depends increasingly on the strategic guidelines provided by the heads of state and government, and the Commission and its President are less and less able to provide independent strategic orientation. The position of the Commission was also weakened by the leadership gap on the member state level. The Commission has lost one of its core interlocutors, as the Franco-German axis suffered influence and steam. There is, however, a paradox one should not omit: In contrast to its loss of strategic clout, the Commission has increased its significance and authority in the day-to-day management of European politics following EU enlargement to 27 members. The complexity of the system requires a strong supranational Brussels bureaucracy, able to elaborate joint policy proposals and to run day-to-day business.

The Commission's loss of strategic influence does not only affect the inter-institutional distribution of power. It has also significant effects on the inter-state level, as it impinges on the relationship between smaller and larger EU members. The Commission is (perceived as) the advocate of "genuine European interests" and the guardian of the Treaties. As such, smaller states view the Commission as an interlocutor and as a guarantor of their interests *vis-à-vis* the politically and economically more powerful bigger member states. From the perspective of smaller EU countries, a weakening of the Commission is perceived to be at the expense of their position within the Union. It should thus come as no surprise, that smaller states are increasingly concerned, that the EU is more and more dominated by the interests of big member states. As one consequence of this development, smaller states have become more hesitant to support any further transfer of sovereignty rights to Brussels. This is one, albeit important reason why the majority of Dutch voted against the Constitutional Treaty and the Irish against the Lisbon Treaty, as fears have increased that a loss of national sovereignty would not be compensated by a strengthening of the supranational European Commission.

(5) Reform frustration: The EU's recent history is characterized by successive internal crises related to repeated failures to substantially reform the Union's treaty base. The level of frustration among citizens, national and European policy-makers and other parts of the elites has increased because of the EU's recurring inability to reform its institutional structures and political system. Following the Maastricht Treaty in the early 1990s the EU got stuck in a constant reform crisis. The Treaties of Amsterdam and Nice have not brought the long-awaited

integration leap. And the repeated "nos" to the Constitutional Treaty (France and Dutch referenda) and to the Lisbon Treaty (Irish referendum) have become a source of frustration and incomprehension. As a result, reform fatigue has become an important reason for the EU's legitimacy crisis.

- (6) Enlargement fatigue: Since the early 1990s EU enlargement was a key source of economic and political dynamism. After the fall of the Berlin Wall and the collapse of the Soviet empire, the perspective of countries from Central and Eastern Europe joining the EU became a key motivator behind European integration concerning both widening and deepening. But enlargement has become the victim of its own success. Following the entry of 12 new members in 2004/07, enlargement fatigue has become a widespread phenomenon in many EU countries both among ordinary citizens and elites. The voices of those who call for a period of consolidation in the enlargement process have become more prominent. And these signs of indigestion will rather increase due to the economic and financial crisis. As a consequence, it seems doubtful whether the EU will expand beyond Croatia (and Iceland?) in the years to come. As the concrete perspective of further rounds of enlargement has lost momentum, the "European project" has lost one of its key motivating factors.
- (7) National elites fear "political castration": The pace of European integration has slowed down because a further transfer of competencies would deprive EU members of their national prerogatives in the remaining resorts of state sovereignty. EU countries have in the course of the last 50 years transferred a large portion of their national powers to Brussels. A further increase of EU competencies in areas such as social policy, labour policy, fiscal policy or foreign, security and defence policy would not only limit the remaining powers of member states, but also deprive national policy-makers of their residual privileges. This is one reason why national elites governments, parliaments, national parties and constitutional courts resist a further pooling of sovereignty rights on the European level in order to avoid their own "political castration".
- (8) Apolitical Europe: The EU lacks legitimacy because citizens perceive "Brussels" as a distant apolitical apparatus, which lacks resilient debates about the future of European integration and about the objectives and content of EU policies. As a result, citizens feel that they are unable to influence the European decision-making process. The EU is perceived as an alienated bureaucratic Moloch, as an artificial sideshow, but not as a centre of political activity, where citizens are not the objects but the sovereign subjects of European politics. This perception springs above all from the fact that the principle of opposition, the dialectics of political discourse, and the personalization of conflicts play a minimal role in the EU's political system. European political life lacks the lifeblood of a thriving democracy: A political system lives from the clash of colliding arguments, which is the essence of politics. In contrast, the EU is structurally oriented toward consensus. Competing ideas and concepts are not sufficiently presented and discussed on either the European or the national level. As a result there is neither a public nor a media-driven opinion-forming process about European issues. In addition, national policy-makers still abuse the EU as a scapegoat, which is to blame for

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See Eurobarometer 69: 5. The European Union Today and Tomorrow, November 2008, pp. 28-34; (download: http://ec.europa.eu/public_opinion/archives/eb/eb69/eb69_en.htm)

failures, whereas successes are booked as national accomplishments. As an overall consequence, citizens do not identify themselves with the EU. To enhance the Union's legitimacy, the EU would have to ensure that citizens enjoy greater democratic participation. The key to this lies in a progressive *sui generis* politicization of European policymaking as a decisive step toward a more mature political system.

As a consequence of the absence of a future-oriented narrative, the crisis of political elites, the conceptual schism between and within EU countries, the structural leadership gap, reform frustration, enlargement fatigue, the national elites' fear of "political castration" and the knock-on effects of an apolitical Europe, the European project currently suffers from a lack of internal dynamism and a loss of strategic orientation. Now, one could argue that this is not the first time that European integration enters a period of internal exhaustion. After all, most of the 1970s till the early 1980s were characterized by an extensive phase of *eurosclerosis* only to be superseded by a highly dynamic period of European integration in the 1980s, which laid the foundations for the Single Market, the establishment of the European Union, the euro and Schengen. So, why not grant also today's EU a period of internal consolidation to digest 20 years of treaty reform and enlargement? The answer: The EU and its members do not exist in a vacuum. On the contrary, Europeans are under severe pressure to keep up the pace in a very dynamic global environment.

State of the World: Facing the Danger of Gradual Marginalization

Global affairs are in a state of flux. Those who predicted the "end of history" were wrong. History is still very much in the making – even if we as spectators from the inside at times do not seem to grasp the speed of developments and the gravity of change. As a consequence, the EU and its member states need to proactively respond to the structural changes "out there". But what are the main challenges and trends – many of which are supported and intensified by the current global crisis? One can identify at least four major developments:

(1) Relative decline of the US and the West: The hegemonic power of the United States (US) and the overall influence of the "West" are in relative decline. The confidence in American leadership and the respect for the US had already suffered severely after eight years of President George W. Bush and his administration, who were not able to live up to the challenges they were confronted with after the tragic events of 9/11. The financial and economic crisis, which originated in the US, has further damaged the reputation and the unique power position of the United States – financially, economically and politically. Not to be misunderstood: The US will remain a leading superpower and the election of President Obama has certainly provided Washington the opportunity for a fresh start. However, the relative power and influence of the United States is in decline. The world is witnessing a tectonic shift and the global crisis speeds up this shift from a hegemonic to a multi-polar world order in which the US and its closest allies are loosing their previous power position. Emerging old and new powers such as China, India, Brazil and Russia, or even South Africa, Mexico and Indonesia have (re-)gained and will gain even more economic, political, cultural and/or ideological significance and influence. Especially China and India are emerging as economic

See: Francis Fukuyama, The End of History?, National Interest, vol. 16, Summer 1988, pp. 3-18; Francis Fukuyama, The End of History and the Last Man, New York, 1992.

and political heavyweights. China holds over a trillion dollars in hard currency reserves, India's high-tech sector is growing by leaps and bounds, both countries are constantly increasing their share of the world economy, and both China and India are nuclear powers, who are in the process of developing blue-water navies. The changing global order has two major consequences for Europe:

Orientation towards new geopolitical centres: The emergence of new powers especially in Asia and the relative decline of the West will shift geopolitical attention away from the transatlantic region towards the Asian-Pacific. One can already witness that the focus of US foreign policy is increasingly turning towards Asia. In this context, the relationship between Washington and Beijing (G-2)9 is becoming particularly important, as the economic, financial and political interdependence and the (potential) rivalry between both countries are rising. As a consequence of the geopolitical shift of power and attention, Europeans will be compelled to focus their attention even more than in the past on the emerging powers especially in Asia but also in South America. However, Europeans need to intensify their strategic partnership with (re-)emerging powers without jeopardizing the transatlantic relationship. The US will remain Europe's key "natural" partner and vice versa, as both sides are economically and financially highly linked and interdependent, (still) share a belief in the advantages of a free-market economy, share the same basic values, have common historical and cultural roots, and have guaranteed to protect each others territorial integrity and security within the framework of NATO. Europeans and Americans should cherish the high value of transatlantic relations in a new polypolar environment in which their collective influence is diminishing.

However, Europeans will have to intensify their ties with and gain political respect by bundling their activities in Beijing, New Delhi, Moscow and Brasilia, if they want to avoid the risk of being sidelined in a world co-dominated by these new centres of gravity. In the economic sphere the EU is undoubtedly a strong player to be reckoned with. In the foreign policy sphere proper, however, powers such as China or India (increasingly) perceive Europe as a political dwarf. Beijing and New Delhi have become highly self-confident as they see themselves as rising powers and the old continent as a declining entity, which depends more on them than *vice versa*. EU members on the other hand reduce their own leverage as they compete to become China's or India's partner of choice in Europe – and Beijing and New Delhi have figured out how to exploit the divisions among EU member states.¹⁰

New transatlantic burden-sharing: A decline of US dominance and a weakening of the
relative weight of the "West" will increase the pressure on Europe to rise to the challenges
of global affairs. In the future, Europeans will be less able to rely or even "hide" behind the
Americans as they have conveniently and repeatedly done in the past. On the contrary:

Concerning the EU-China relations see: John Fox and François Godement, A Power Audit of EU-China Relations, ECFR Policy Report, April 2009 (download: http://www.ecfr.eu/content/entry/china_power_audit_ecfr_fox_godement_eu).

See Zbigniew Brzezinski, The Group of Two that could change the world, Financial Times, 13 January 2009 (download: http://www.ft.com/cms/s/0/d99369b8-e178-11dd-afa0-0000779fd2ac.html?nclick_check=1). For a different position see e.g. Elizabeth C. Economy and Adam Segal, The G-2 Mirage: Why the United States and China Are Not Ready to Upgrade Ties, Foreign Affairs, May/June 2009, pp. 14-23.

Europeans will be asked by their partners – especially by the US and within NATO – to increase their share in transatlantic burden sharing. The fact that the new Obama administration asked Europeans for more support in such unfriendly places like Afghanistan or Pakistan is merely a first example, others will follow, as the US will be less and less able and willing to manage crises around the globe on its own.

(2) Necessity to redesign global governance: The system of global economic, financial and political governance needs to be adapted to the new realities of international relations. The tectonic shift to multipolarity poses a challenge to global institutions originally initiated and still dominated by the US and Europe. The structures of institutions like the World Bank, the International Monetary Fund (IMF), the G7/8 or the UN Security Council are out-dated. The overall systems still reflects the geopolitical and economic realities o the second half of the 20th century. This insight is not new. However, the current global crisis has increased the pressure to redesign the system and the institutional regimes of global governance. The emerging powers were asked to stand up to the challenge and take up their share of responsibility in the management of the financial and economic crisis - their readiness to cooperate along with their economic performance are decisive for the stability of the financial system and the pace of economic recovery. As the (re-)emerging powers rise to the challenge, they are even more vigorously and self-confidently asking for an equal and fair share of power in the future system of global governance. The fact that the G-20, which includes all major emerging powers¹¹, was assigned the task to work out ideas and implement proposals on how to reform the global financial system, is just one indicator that the "old Western powers" are unable to solve global challenges on their own. The necessity to redesign the system of global governance is not limited to the economic and financial sphere. There is also a pressing need to adjust the distribution of power for example within the UN Security Council, and institutions like NATO will be to compelled to intensify cooperation with (re-)emerging powers like e.g. Russia. The future of international institutions created after the 1940s will be very uncertain, if the system of global governance is not adapted to the rise of powers like China and India. The chances to implement a reform of global multilateral structures have not been better in years. But despite its own rhetoric, which highlights the goal of "effective multilateralism", the EU has not been leading attempts to adapt global institutions to new political and economic realities. Most importantly, Europeans have not been ready to reduce Europe's over-representation in international institutions, which has become an outmoded legacy of the past. For example, in the International Monetary Fund (IMF) the system of quotas and voting rights accords to the European countries a preponderance no longer justified by their weight in the world economy. Despite the limited voting rights reform carried out in March 2008, the Benelux countries - just to mention one example - continue to have a higher quota than China. 12 The major emerging powers in particular are no longer willing to put up with this lack of representation. They are

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The G-20 includes Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, United Kingdom, United States and the European Union, which is represented by the rotating Council presidency and the European Central Bank. At the latest G-20 *Leaders' Summit on Financial Markets and the World Economy*, which was held in London on 2 April 2009, Spain and the Netherlands were also represented although they are officially not included in the G-20.

The London G20 Summit (April 2009) determined to postpone a far-reaching reform of the IMF system of quotas and voting rights in order to acknowledge the economic strength of emerging powers to January 2011. Accordingly, the reform of the World Bank's representation was postponed to the Spring Meeting 2010.

proving better and better at applying their increased weight into the balance outside some of the established multilateral structures. And if the emerging powers are not made to feel welcome inside existing international institutions, they might create new ones - leaving especially Europe and maybe even the US outside. Particularly China has already begun to create new institutional structures outside the reach of the US and Europe such as the Shanghai Cooperation Organization (SCO), which includes China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan (with India, Iran, Mongolia, and Pakistan as observers). China is also assertively courting resource-rich countries, particularly in Africa, in order to ensure continued access to energy and scarce materials. Asian and Latin American countries are working to establish financial governance structures of their own in order to limit the dominance of Western-dominated institutions like the IMF or the World Bank. Indeed, the legitimacy crisis of the current system of global governance runs the risk that the established regulatory structures could become (even more) ineffective and even be replaced by new regional arrangements. As a consequence, Europeans - together with the US - should do whatever they can to support a reform of global governance structures before the balance has tipped any further to their disadvantage.

- (3) Global risk society: The most severe current and future challenges to human security are related to transnational or rather global risks the effects of which can be as devastating as wars or even more destructive. The negative effects of global warming, nuclear proliferation, financial and economic turmoil, the risk of global pandemics, demographic change, or the effects of an increase of poverty and social injustice (mass migration, drug trafficking, transnational terrorism) are not limited by national frontiers. As the vast majority of risks are transnational or global, the response to these challenges must be transnational or global. However, the elaboration and implementation of adequate responses is impeded by a number of factors: (i) The current systems of national and international governance seem insufficient to face the new quality of risks because of insufficient structures, rules and instruments on both the national and international level. The old international system is too cumbersome, too slow, and too narrowly crafted to solve cross-border problems. (ii) Risk perceptions vary from country to country or from region to region - as one could witness in the case of climate change, where different risk assessments in Europe, the US, Brazil, China or India are impeding effective policy responses. In other words, there is still a lack of appreciation that we all operate and live in a global risk society. 13 (iii) The various transnational and global challenges are complex and interlinked. One example: climate change provokes mass migration, migration leads to brain drain, brain drain hampers development perspectives, underdevelopment leads to poverty and inequalities, poverty and inequalities are breeding grounds for terrorism etc. The inter-linkage and interaction of risks requires comprehensive and holistic policy responses.
- (4) Europe's vulnerability: Europe is a very exposed actor. Contrary to the expectations of many Europeans after 1989, and in contrast to their intuition that the end of the Cold War confrontation would free them from insecurity, world affairs are experiencing a period of disorder, risks, crises and unprecedented dangers. Global (in-)security is characterized by a

¹³ See Ulrich Beck, World at Risk, Cambridge, 2009

novel quality of challenges that range from the professionalization of international terror and asymmetrical warfare via the proliferation of weapons of mass destruction to regional crises and the negative consequences of state failure. These risks and threats combined with a high dependence on energy and raw materials, growing migration pressure, the geographic proximity to (future) crisis regions, and the vital significance of unimpeded world trade for the export-oriented EU economies, make Europe a particularly vulnerable continent.

The relative decline of the US and the "West", the pressing need to redesign the system of global governance, the fact that human kind faces a new quality of potentially devastating risks, and the circumstance that the old continent is particularly vulnerable, put pressure on the EU and its members to collectively and proactively respond to the major challenges in their regional and global environment. If the old continent is unable to formulate a comprehensive and effective response to the challenges "out there", it runs the risk of being politically marginalized on the global scene.

Europe's Response: Modernized Narrative and Global Europe 2025

Today's EU is challenged to answer the following key question: How can the EU develop new dynamism and how can it defy the danger of a gradual political marginalization of the old continent? Europe's response needs to link both parts of the question, as the revitalization of the integration project and the EU's ability to co-influence future developments are two sides of the same coin.

In order to inject dynamism, the EU needs to unfold a new rationale explaining the necessity to further enhance cooperation between its members. European integration is still a project in the making. Therefore, the EU needs to offer an autonomous reason legitimizing its future existence. Far more than its constituent nation-states, the European Union must offer its citizens a persuasive and attractive *raison d'être*. If it proves impossible to inspire a new European self-assurance, Europe will not be able to surmount its current crisis of orientation and legitimacy.

The European Union does not have to be reinvented. It was built on a solid foundation: the peaceful unification of the continent, economic prosperity in a single market with a common currency, solidarity among member states or the abolition of internal borders. All these achievements remain important.

However, the old motivating factors are not sufficient to convince citizens – especially the youth – of the future added value of EU integration. The European project needs to be reinterpreted – not (re-)invented! – in the light of current challenges. What is needed is an innovative and future-oriented understanding of the European idea that combines the past and the future, stability and change, and the old and the new in equal terms.

In order to unleash new dynamism it is not necessary to arrive at a common understanding of the ultimate finality of the European integration process. On the contrary, a debate about Europe's *finalité* would be counter-productive due to the conceptual schism among and within EU member states. Mutual distrust between those who want "more Europe" and those who reject the idea of a "united federal Europe" would increase. One would witness endless and pointless debates leading in the end to paralysis instead of enthusiasm. In addition, it is impossible to reach agreement about a single concept of Europe's finality considering the continuous change and pace of developments inside and outside the old continent. In view of the many uncertainties surrounding

Europe, it is impossible and would also be politically unwise to determine the ultimate limits of integration concerning both widening and deepening.

A Modernized Narrative

What Europe needs more than debates about its political finalité is a convincing and comprehensible formula to explain the ongoing need for European integration in the future. European integration should continue to follow a functional approach, but on the basis of a modernized narrative, which provides an answer to a simple question: What is the EU's future added value - beyond the preservation of what has already been achieved in the past?

The answer: The European Union must enable Europe to maximise its global impact, so that Europeans will be able to manage and co-determine global and regional developments in a highly dynamic international environment on the grounds of their common values, their historical experience and last but not least their interests.

The above answer describes in effect the core of the EU's "new story". However, in order to operationalise this further, two specifications should be added: Europeans need to (i) feel and act as a regional risk community and (ii) be less Eurocentric and ready to shoulder more global responsibility.

Regional risk community¹⁴: The countries and citizens of the EU should perceive themselves as members of a regional risk community, who (should) have four things in common: First, the countries and citizens of the EU need to share the conviction that they are part of a highly vulnerable continent, which faces inseparable geopolitical challenges irrespective of whether one lives in the north, south, west or east. Second, the countries and citizens of the EU need to share a common perception about transnational or rather global risks (global warming, nuclear proliferation, mass igration etc.), because only then will they jointly look for adequate collective responses on the European level and in the framework of the global risk society. Third, the countries and citizens of the EU need to be convinced that no single European state - not even the larger ones (Germany, France the UK, Italy, Spain and Poland) - will be able to exert substantial influence in a multipolar world dominated by a handful of (more) powerful players. Fourth, the countries and citizens of the EU need to share the conviction that the major challenges to human security can only be addressed within the framework of effective multilateral institutions, which reflect the new distribution of influence and power in world affairs.

In spite of more than 50 years of integration, Europeans do not sufficiently perceive themselves and act as parts of a regional risk community. Not to be misunderstood: The EC/EU members have over time developed a coordination 15 and cooperation reflex in the realm of external relations and the Union is very active in many places around the globe. 16

See Ulrich Beck and Edgar Grande, Das kosmopolitische Europa - Gesellschaft und Politik in der Zweiten Moderne, Frankfurt am Main, 2004.

See Elfriede Regelsberger, Die Gemeinsame Außen- und Sicherheitspolitik der EU, Baden-Baden, 2004.

The EU has in the framework of CFSP/ESDP employed more than 20 civilian and military missions worldwide. The list of EU ongoing and completed engagements separated by regions includes: Western Balkans: EU Military Operation in Bosnia and Herzegovina (EUFOR-Althea) (ongoing); EU Police Mission in Bosnia-Herzegovina (EUPM) (ongoing); European Union rule of law mission in Kosovo (EULEX KOSOVO) (ongoing); EU Police Advisory Team in the Former Yugoslav Republic of Macedonia (EUPAT) (completed); EU Military Operation in former Yugoslav Republic of Macedonia (Concordia) (completed); EU Police Mission in the former Yugoslav

However, the European cacophony concerning the Iraq war, the diverging positions and/or inconsistent policies regarding Russia, China, Turkey, Afghanistan or Pakistan, or the inability to define a common European approach as regards for example the reform of the UN Security Council or the distribution of voting rights in the IMF or World Bank reveal one thing: the EU has not been able to close the "capability-expectations gap"¹⁷, as members states and citizens still cherish national prerogatives. Europe's ability to play a global role commensurate to its size – 500 million people! – and economic strength – around 30 per cent of global GDP¹⁸ and more than 17 per cent of global trade – is still limited by different foreign policy traditions and cultures and by diverging interests defined predominantly in the national framework. As long as Europeans do not perceive themselves and act as a coherent *regional risk community*, the European Union will continue to lack a common strategic culture and consequently punch below its weight.

• Less Eurocentric and more responsible. Europeans need to stop being preoccupied with themselves. The time for autistic navel-gazing is over. Since the early 1990s Europe has concentrated on building and renovating its own house and on stabilizing its direct neighbourhood. Following the fall of the Berlin Wall deepening and widening became the main foci of European politics. On the deepening side, the Union and its members invested most of their political energy on reforming the EU's politico-institutional system. Maastricht, Amsterdam, Nice, the Constitutional and the Lisbon Treaty were cumbersome efforts to improve the EU's institutional architecture. On the widening side, big bang enlargement from 15 to 27 member states extended peace, stability and prosperity to most parts of the continent. Both processes have not been concluded: The Treaty of Lisbon – if it ever enters into force – brings a qualitative leap compared to current Nice Treaty, but it is by no means perfect. The re-unification of the continent has not been completed, as other neighbouring European countries aspire also to join the club – sooner or later. But due to reform frustration

Republic of Macedonia (Proxima) (completed); **Southern Caucasus**: European Union Monitoring Mission (EUMM) in Georgia (ongoing); EU Rule of Law Mission in Georgia (Eujust Themis) (completed); **Middle East**: EU Police Mission in the Palestinian Territories (EUPOL COPPS) (ongoing); EU Border Assistance Mission at Rafah Crossing Point in the Palestinian Territories (EU BAM Rafah) (ongoing); EU Integrated Rule of Law Mission for Iraq (Eujust Lex) (ongoing); **Asia**: EU Police Mission in Afghanistan (EUPOL AFGHANISTAN) (ongoing); South East Asia: Aceh Monitoring Mission (AMM) (completed); **Africa**: EU military operation to contribute to the deterrence, prevention and repression of acts of piracy and armed robbery off the Somali coast (EU NAVFOR Somalia) (ongoing); EU mission in support of Security Sector Reform in Guinea-Bissau (EU SSR Guinea-Bissau) (ongoing); EUPOL RD CONGO (ongoing); EU security sector reform mission in the Democratic Republic of the Congo (EUSEC RD Congo) (ongoing); EUFOR TCHAD/RCA (completed); EU Support to AMIS (Darfur) (completed); EU Police Mission in Kinshasa (DRC) (EUPOL Kinshasa) (completed); EUFOR RD Congo (completed); EU Military Operation in Democratic Republic of Congo (Artemis) (completed);

See Christopher Hill, The Capability-Expectation Gap, or Conceptualising Europe's International Role, Journal of Common Market Studies, 31:3, 1993, pp. 305-328.

See International Monetary Fund, World Economic Outlook Database, April 2009; data for 2008; download under: http://www.imf.org/external/pubs/ft/weo/2009/01/weodata/index.aspx

The Treaty of Lisbon is a typical European compromise between those who support a more integrationist political Europe and those who are not ready to go far beyond the current state of affairs. As such the Lisbon Treaty suffers from a number of deficiencies related mainly to its legal complexity, its lack of transparency and readability, its institutional ambiguity, and its vagueness concerning the division of competencies between the EU and its member states. For a more detailed analysis see: Janis A. Emmanouilidis, Die institutionellen Reformen in der Verfassung – die neue Machtarchitektur der Europäischen Union, in Werner Weidenfeld (ed.), Die Europäische Verfassung in der Analyse, Guetersloh 2005, pp. 70-104; The Treaty of Lisbon: Implementing the Institutional Innovations, Joint Study of CEPS, EGMONT and EPC, November 2007.

and enlargement fatigue both processes have run out of steam and will no longer preoccupy European politics as they did in the last 20 years. In the future, the EU and its members will have to focus their attention on developments taking place in far away corners of the world, if Europe wants to avoid political marginalization. But in order to make its voice heard, the EU must be prepared to shoulder a larger share of global responsibility. In the past, Europe has on many occasions preferred the United States to take the lead. In the future, Europeans can no longer "hide" behind the benevolent hegemon, as the US is loosing power and influence and as Washington is increasingly shifting its attention to other regions and strategic partners.

Adding the above specifications, one can sum up Europe's modernized narrative as follows: The European Union must enable Europe to maximise its global impact, so that Europeans will be able to manage and co-determine global and regional developments in a highly dynamic international environment on the grounds of their common values, their historical experience and last but not least their interests. For this, *Global Europe* must perceive itself and act as a *regional risk community* facing the same set of challenges and risks, and sharing the conviction that no single European state is able, alone, to exert substantial influence in a multipolar world dominated by a handful of (more) powerful players.

New Grand Project: Global Europe 2025

But how can the above narrative be translated into reality? It will not be enough to proclaim the "story" of a *Global Europe* in the form of a solemn declaration replete with a group photo of the EU heads of state and government. Citizens and elites will only begin to sense a new fascination and identification with the European project, if the latter provides convincing evidence in everyday reality. If the Union's future-oriented *raison d'être* is not linked to concrete objectives and measures, it will end up like the *Declaration on the occasion of the 50th anniversary of the signature of the Treaties of Rome* (2007), which at the end of the day produced no tangible results.

In recent years, national governments and parliaments, the European Parliament and the European Commission have increasingly become aware of the necessity to convey the added value of the EU to its citizens. Attempts to intensify interaction with citizens²⁰ and to increase the Union's attractiveness through concrete achievements²¹ testify the fact that the actors involved increasingly acknowledge the need to inspire citizens – and also the elites – for the European project. However, the efforts undergone so far are insufficient.

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See Aktionsplan für eine Verbesserung der europäischen Kommunikation, SEK (2005) 985; Michael Bauer, Almut Metz and Sarah Seeger, "Der Plan-D der Europäischen Kommission und die Reflexionsphase zur Verfassung und Zukunft der Europäischen Union", C•A•P Aktuell 3/2005, November 2005; Katharina Gröber and Sabine Riedel, "Die neue Kommunikationspolitik der EU: Nach dem Scheitern des Verfassungsvertrages nun Plan D?", SWP-Aktuell 54, December 2005; Informationsvermerk von Vizepräsidentin Wallström an die Kommission: Plan D – Eine erweiterte und intensivierte Diskussion über Europa, SEC (2006) 1553, 24 November 2006, Plan D, KOM (2005) 494; Sarah Seeger, "Das Weißbuch der Kommission über eine europäische Kommunikationspolitik – ein Neuanfang europäischer Kommunikation?", C•A•P Aktuell 1/2006, February 2006; Weißbuch über eine europäische Kommunikationspolitik, KOM (2006) 35, 1 February 2006.

See José Manuel Barroso, *A Citizen's Agenda – Delivering results for Europe*, speech held on 10 May 2006; speech of the British Prime Minister Tony Blair in the European Parliament held on 23 June 2005; Jacques Chirac, "Für ein starkes und solidarisches Europa", in *Frankfurter Allgemeine Zeitung*, 26 October 2005; speech by Chancellor Angela Merkel in the German Bundestag held on 11 May 2006.

In order to revitalize the integration project there is a need to go beyond a "Europe of small projects". Limited projects in different policy areas, which are not linked by a common theme and overall objective, will not suffice to increase the EU's output legitimacy. Such projects fall short of the mark, because they are either not visible enough or resemble a patchwork of unrelated activities.

The European Union requires a grand project from which it can derive legitimacy. European policymaking has always been particularly dynamic and successful whenever it sets its sight on a large-scale and ambitious goal. The most impressive example was the single market project, *Europe '92*.

Today, the art of European politics will be to link the new *raison d'être* with an ambitious yet realistic and concrete grand project that reflects the modernized narrative of a *global Europe*. In other words: The EU needs to develop and implement a project, which aims to strengthen the ability of Europeans to manage and co-determine global and regional developments on the grounds of their common values, their historical experience and their interests.

If the European Union wants to develop a new sense of dynamism and defy the risk of political marginalization on the global scene, the EU and its member states need to develop and implement a *Global Europe 2025* project, which addresses and provides Europe's response to the core challenges of globalisation. Not to be misunderstood: The EU countries are already – individually and collectively – trying to meet the diverse challenges of globalisation. But European efforts to manage the "dark sides of globalisation" seem insufficient for a number of core reasons:

- National egoisms: Faced with the challenges of globalisation, EU members on many occasions prefer to follow a national approach, as governments (still) believe that their country has more to gain from a national policy rather than from an integrated EU approach. Overall, the biggest responsibility for the failure to develop a coherent and effective EU approach lies with the largest countries including Germany, France, the UK, Italy, Spain and Poland, who (still) seem most confident to run policies of their own. By following a "me-first strategy" EU countries do not only undermine each other but the (potential) role of the Union in general. The negative effects of national egoisms are aggravated by the circumstance that Europe's partners (China, India, Russia etc.) have figured out ways how to exploit the divisions among EU members, and have become increasingly more confident and thus less receptive to pressure as they hold that the "old continent" needs them more than they need them.
- Lack of political communication: The EU and its member states have been not been able to communicate to citizens that European integration is the adequate response to the negative effects of globalisation. On the contrary, in the eyes of many citizens the European Union is still perceived as a catalyst of unfettered globalization. However, public opinion polls indicate that there is an increased wish of citizens to see the EU as a "protective force" that can counter the negative effects of globalisation. But up till now, the EU has not been able to live up to these expectations.

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For more details see Eurobarometer 70, first results, December 2008 (fieldwork: October-November 2008); see particularly pp. 73-74.

- Highly dispersed activities: There is no holistic strategy linking activities, which respond to the core challenges of globalisation, such as the European plan on climate change²³, the migration pact or the Stockholm Agenda, the European blue card²⁴, the Lisbon Strategy for Growth and Jobs, the European Globalisation Adjustment Fund²⁵, the EU's energy policy, the European Economic Recovery Plan²⁶, or the European Neighbourhood Policy²⁷ or EU enlargement policy. All these initiatives and policies are in one way or the other a response to diverse forces of globalisation, but they are not presented and linked as individual elements of a coherent and comprehensive strategy.
- Lack of consistency: One can observe that the EU and its members are unable to focus
 sufficient political energy on concrete policy responses to specific challenges over a longer
 period of time. One can rather increasingly witness a "beauty contest" between different
 projects. As a result, political attention switches from one policy area to the other and the
 concrete implementation of certain policy objectives suffers from this volatility. In recent years,
 this could be observed in the case of climate change, energy security and the financial and
 economic crisis.
- Unfulfilled expectations might lead to frustration: The EU runs the risk of setting objectives and targets, which it is not able to fulfil. There are two principle reasons for this: (i) The EU itself lacks the competencies and instruments to translate policies and initiatives into concrete

The European plan on climate change consists of a range of measures adopted by the members of the European Union to fight climate change. The plan was launched in March 2007 under German EU Presidency and adopted by the European Parliament in December 2008. The plan includes the so-called "three 20 targets", but in reality included four proposals. These aims include (i) the reduction of emissions of greenhouse gases by 20 per cent by 2020; (ii) an increase of energy efficiency to save 20 per cent of EU energy consumption by 2020; (iii) an increase to 20 per cent of renewable energy in the total energy consumption in the EU by 2020; (iv) an increase to reach 10 per cent of biofuels in the total consumption of vehicles by 2020.

The European Blue Card aims to improve the EU's ability to attract highly qualified workers from non-EU countries. It is a EU-wide work permit allowing high-skilled non-EU citizens to work and live in any country within the EU, excluding Denmark, Ireland and the United Kingdom, which are not subject to the proposal. The Blue Card is designed to (i) facilitate the admission of these persons by harmonising entry and residence conditions throughout the EU; (ii) to simplify admission procedures; and (iii) to improve the legal status of those already in the EU. The Blue Card is valid for an initial period of 2 years and renewable for at least 2 more years. With this card, Non-EU country nationals and their families can (i) enter, re-enter and stay in the member state and pass through other member states; (ii) work in the sector concerned; (iii) enjoy equal treatment with nationals as regards, for example, social assistance, tax benefits, recognition of diplomas, education and vocational training.

The European Globalisation Adjustment Fund (EGF) aims to support workers, mainly in regions and sectors which have been disadvantaged by exposure to the globalised economy. It has a maximum annual budget of 500 million € to facilitate the reintegration into employment of 35000 to 50000 workers. More specifically, the EGF will finance: job-search assistance; tailor-made retraining; entrepreneurship promotion; aid for self-employment; special temporary "income supplements" (job-search allowances, mobility allowances, training allowances, measures to stimulate disadvantaged or older workers to remain in or return to the labour market, etc.). Since 2007 the EGF has spent almost 68 million € to help over 15000 workers in eight member states to find new jobs.

On 26 November 2008, the European Commission proposed a European stimulus plan amounting to 200 billion € to cope with the effects of the global financial crisis on the economies of the members countries. It aims at limiting the economic slowdown of the economies through national economic policies, with measures extended over a period of two years.

The European Neighbourhood Policy (ENP) was introduced in 2003/04. ENP aspires to avert the emergence of new dividing lines between the enlarged EU and its eastern and southern neighbours. The ENP includes six eastern European neighbours (Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine) and 10 southern neighbours (Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestinian Authority, Syria, Tunisia). The ENP aims to go beyond existing relationships by offering a deeper political relationship and economic integration. The ENP remains distinct from the process of enlargement, although it does not prejudge how the relationship between the EU and its European neighbours may develop.

action. This could be witnessed e.g. in the case of the *Lisbon Strategy for Jobs and Growth*, where the Union was insufficiently equipped to pressure the member states to take actions necessary to reach the ambitious goals set. (ii) Policy success depends on the readiness of third parties to actively collaborate. The EU's policy on climate change is the most obvious example, as its ultimate success – i.e. the slowdown of global warning – depends on the willingness of other major partners such as the US, China, India or Brazil to negotiate, ratify and implement a new climate treaty. This is not to say, that the EU should refrain from setting ambitious targets, which is a prerequisite if the Europe wants to take the lead. However, by setting ambitious goals there is always the risk of creating expectations among citizens, which can lead to a sense of frustration, if the EU is not able to "deliver" at the end of the day.

Reactive rather than proactive: The EU is not proactive enough, but rather finds consensus
and reacts only after a crisis has broken out (e.g. financial crisis) or after certain developments
can no longer be denied (e.g. climate change; energy security). As a matter of fairness: In the
case of climate change the EU and its members reacted quicker and more decisive than any
other global player – and being quicker than others has enabled Europeans to play a leading
role on the way to Copenhagen. However, even in this prominent case the EU lagged behind,
as the recognition that global warming is a real threat is some decades old.

Taking into account the above deficits and dangers, the EU and its members should jointly define a *Global Europe 2025* project, which is comprehensive and coherent, proactive and innovative, ambitious and at the same time concrete and realistic.

The Global Europe 2025 project cannot afford to be eclectic. Concentrating "merely" on one specific challenge – e.g. on climate change and energy, demographic change, international terrorism or mass migration – would be insufficient and inadequate, as these challenges are equally demanding and closely interconnected. The Global Europe 2025 project needs to be holistic and address the effects of global interdependence in four core areas: (1) the globalization of the economy, the effects of which became most obvious in the framework of the current global financial and economic crisis; (2) the globalization of security, which became all too evident following the tragic events of 9/11 and its aftermath (i.a. in Afghanistan, Iraq or Pakistan); (3) the globalisation of the environment, which requires global responses to risks related to global warming or the increased scarcity of water, food and raw materials; (4) the globalisation of society, as the negative effects of poverty and the increasingly unequal distribution of wealth within and among countries and regions foster social unrest, mass migration, transnational organized crime and terrorism etc.

In every one of these four dimensions of globalisation the EU and its members should define the core objectives and elaborate priority projects the Union wants to implement in the course of a certain period of time. For this, the Union needs to set specific aims and priorities in those policy fields, which are most affected by globalisation and which are most decisive when it comes to strengthening the EU's ability to effectively (co-)manage global interdependence. In more concrete terms, the policy fields addressed might include and link the EU's climate and energy policy, foreign, security and defence policy, development policy, enlargement and neighbourhood policy, trade policy, economic and monetary policy, industrial policy, and/or migration policy. However, the *Global Europe 2025* project should not address individual policy fields, but rather link them according to the four major fields of globalization.

In all four dimensions of globalization the EU is already in one way or the other engaged in concrete policies. The existing initiatives should be scrutinized and if need be re-adjusted according to the overall objective of strengthening the EU's global impact. In some cases the Union will be able to build upon already existing priorities and projects. This is for example the case concerning climate change, where the EU and its member states have already defined and are currently in the process of (slowly) implementing an ambitious policy plan. However, even in such cases the Union might add additional and even more innovative and farsighted policy objectives. In the specific case of climate change the Union could e.g. add a long-term objective accompanied by a set of concrete measures aiming to gradually prepare the least developed countries for a situation in which attempts to avert an increase of global temperature beyond 2° Celsius have not been successful. In other globalization fields the EU has not been able to lay down equally convincing policy objectives. Concerning for example the globalisation of security the EU and its member states could for example agree to build up integrated civilian and military forces with the appropriate organizational and command structures on the European level. The creation of integrated crisis-management forces would enhance Europe's capabilities and tie EU countries closer together than at any time in their history, which would increase the pressure on member states to overcome the current deficit in strategic thinking, which is a prerequisite if Europe wants and to speak with one voice regarding even the most sensitive foreign policy issues. Finally, the EU member states could work out a joint initiative concerning the adaptation of the structures and institutions of global governance to the new realities of international relations. The Union should be leading attempts to adapt global institutions like the UN, the IMF, the World Bank, the WTO and others to the new political and economic realities. Up till now, Europeans are not ready to surrender their historic prerogatives, in spite their own rhetoric to strengthen "effective multilateralism". However, those calling for a single representation of EU countries, or perhaps more realistically the eurozone, in for example the IMF or the World Bank, coupled with a substantial reduction of the overall European weight of votes, have been growing in numbers. Such a move would have a strong symbolic value, while also providing a powerful lever for the reform of international institutions.²⁸ Only if the EU itself is able to compromise on a common position can Europe ask other partners to join their efforts to strengthen the effectiveness of global governance structures.

The above proposals are by no means conclusive and can only be regarded as indicative examples. The elaboration of the objectives and the content of a *Global Europe 2025* project must be the outcome of a broad and inclusive process involving large parts of European society. In a first step, the European Parliament, as the only elected representation of European citizens, the *Reflection Group* chaired by former Spanish Prime Minister Felipe González Márquez²⁹, the European Economic and Social Committee, the Committee of Regions as well as non-governmental organizations including trade unions, employer associations, universities, think

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See Olaf Cramme, Roger Liddle and Loukas Tsoukalis, An EU 'Fit for Purpose' in the Global Age, London/Athens, March 2009 (first draft of synthesis report); download under: http://www.policynetwork.net/publications/publications.aspx?id=2918 or under http://www.eliamep.gr/en/an-eu-%E2%80%9Cfit-for-purpose%E2%80%9D-in-a-global-age/

The *Reflection Group* was asked by the European Council in December 2007 to "identify the key issues and developments which the Union is likely to face and to analyse how this might be addressed" (time horizon: 2020-2030).

tanks and other NGOs should be asked to submit their ideas and proposals. The overall guidelines for the *Global Europe 2025* project should be agreed and laid down by the heads of state and government under the auspices of the President of the European Council in cooperation with the Commission President. The details of the globalization project should be elaborated and proposed by the European Commission under the auspices of a Vice-President responsible for the *Global Europe 2025* project or a group of Vice-Presidents responsible for the four dimensions of globalization. A group of independent experts should be asked to work out a report equivalent to the *Cecchini Report*³⁰, which portrays the costs and benefits of the *Global Europe 2025* project. The final plan for the *Global Europe 2025* project should include detailed policy measures and a concrete timetable for the implementation of the agreed measures varying from globalization field to globalization field. The member states should develop national globalization strategies linked to the implementation of the *Global Europe 2025* project including national action plans especially in those areas in which the EU does not enjoy sufficient competencies.

Final Arguments...and the Need to Bridge the Leadership Gap

By defining and implementing a Global Europe 2025 project on the grounds of a future-oriented narrative the EU and its members could achieve three major things: First, the formulation and realization of a grand project would provide a new sense of orientation, as it would make citizens aware of the future added value of European integration. Second, the Global Europe 2025 project would insert new dynamism into the integration project, as it would set concrete objectives and policy priorities, which the EU and its members would have to translate into reality in a given period of time. Third, by laying down a European response to the manifold challenges of globalization and by committing itself to concrete objectives and targets the EU would become a more attractive and thus influential global partner. By elaborating and realizing a proactive and comprehensive Global Europe 2025 project the European Union would (i) prove its ability to take the lead and thus enhance Europe's ability to (co-)determine the global agenda; (ii) spread the awareness for certain global risks, which still vary from country to country or region to region; (iii) demonstrate that multilateral responses to transnational challenges are feasible (role model function); (iv) pressure other players to lay down their responses to global challenges; and (v) provide a starting point for working out common projects with other global partners like for example the US ("transatlantic agenda for globalization").

The proposal of a *Global Europe 2025* project is certainly ambitious. One can easily argue the case that the EU27 will not be able to reach an agreement on such a complex and bold venture. After all, the member states have not even been capable to (smoothly) ratify a new treaty! So why should the EU countries be able to strike a compromise on such a large-scale new project, when the spirit of the day rather is exhaustion, frustration and fatigue? Besides the overriding necessity to provide orientation, to insert new dynamism and to avert the danger of global marginalization, there are a number of additional, more specific arguments and reasons in support of a *Global Europe 2025* project:

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The Cecchini Report was produced by a group of experts, chaired by Paolo Cecchini, which examined the benefits and costs of creating a single market in Europe.

- (1) The severity of the global financial and economic crisis and the wide spread awareness concerning other major challenges (climate change, energy security, international terrorism etc.) have created a ripe political atmosphere to define a comprehensive Global Europe 2025 project. Citizens want the EU to become a "protective force" against the negative consequences of globalisation. Thus, European political elites are challenged to present and to implement a comprehensive and adequate transnational response to the major challenges "out there", which cannot be answered adequately on the national, regional or local level. Or to formulate it more positively: The new quality of global risks provides national and European policy-makers a chance, a chance to formulate joint policy responses within the framework of the EU, which are better suited to address transnational challenges than policies defined merely on the national level. The circumstance that national policy-makers often still prefer to formulate national policy responses, even if these are less adequate to solve or to cope with complex transnational problems, is probably one reason why citizens hold that political elites are not able to efficiently manage the challenges of a more complex globalised world. So, in order to regain the trust of citizens, it might be wiser to reach a more ambitious compromise on the European level, even if this means that national elites - governments, parliaments and national parties – will have to give up some of their beloved prerogatives.
- (2) The process of elaborating a *Global Europe 2025* project would provide "real reasons" to engage in national and Europe-wide debates about the European Union's future orientation something no EU or national communication strategy will ever be able to achieve through mere information campaigns or artificially organized debates about Europe. National and Europe-wide debates about the objectives and the content of a *Global Europe 2025* project would provide opportunities to strengthen European political space. National and European politicians would be compelled to conduct (controversial) debates about European policies with their electorates. This would lead to a higher level of politicization in the European Union and reduce the citizens' perception that "Brussels" is a distant apolitical apparatus, which lacks resilient debates about the objectives and content of EU policies.
- (3) The formulation and implementation of a comprehensive globalisation project would have positive effects concerning both the EU's inter-institutional balance and the relationship between EU members. First, the elaboration and realization of a *Global Europe 2025* project would provide the European Commission the opportunity to regain political influence. The Commission would be strengthened by the circumstance that the management of a complex *Global Europe 2025* project, which covers and links different policy areas, would require a strong Brussels authority able to effectively steer and monitor the overall undertaking. A strengthening of the Commission would have a significant side-effect: Smaller EU countries would be less fearful that the European Union is increasingly dominated by bigger member states, if the Commission, which is perceived as the advocate of "genuine European interests", regains some of its political clout lost in the course of the last decade. Second, the formulation and implementation of an ambitious globalisation project could trigger a new sense of unity among EU countries and thereby counter the increasing division and growing distrust between old and new, larger and smaller, or economically stronger and weaker Union countries.
- (4) The Global Europe 2025 project would be concrete and output oriented and thus (more) attractive from the perspective of EU citizens, who after two decades of cumbersome attempts

to improve the Union's treaty base from Maastricht to Lisbon are "sick and tired" of detached and incomprehensible politico-institutional reforms. However, paradoxically enough, the implementation of a new grand project might provide new arguments for future treaty reforms. If it becomes clear over time that the EU's political-institutional system does not suffice to fulfil the objectives of an ambitious *Global Europe 2025* project, this might provide evidence that the EU needs to reform its primary law once more. The Lisbon Treaty is by no means perfect and it does not mark the end of the Union's constitutionalization process. The next step will be to elaborate, to adopt and to ratify a less voluminous text that contains only the principal constitutional provisions while relegating the detailed non-constitutional parts to a text below the constitutional level.

- (5) The definition and implementation of a new grand project would provide the opportunity for functional-pragmatic differentiation within the EU and diminish the need for intergovernmental cooperation outside the Union's framework.³¹ The implementation of a comprehensive Global Europe 2025 project should not always require the participation of all EU countries. Some member states, which are able and willing to go ahead in one or the other field, should be allowed to do so, and other EU countries could follow at a later stage. The circumstance that the EU members will have collectively adopted and supported the Global Europe 2025 project increases the chances that differentiated cooperation would be organized inside the EU framework, by applying either general instruments of differentiation (enhanced cooperation³²) or predetermined procedures for specific policy areas (e.g. permanent structured cooperation in ESDP), which are laid down in the Union's primary law. The circumstance that EU countries would be less inclined to cooperate outside the Union's framework is positive, as cooperation outside the EU can (i) lead to the creation of parallel institutional structures, which can weaken the EU's supranational institutional architecture, (ii) exacerbate the problem of coordination between different policy areas and damage the overall coherence of the Union, (iii) lead to a fragmentation of legislation within and outside the EU framework, (iv) decrease the level of transparency and democratic accountability, and (v) in the worst case even carry the seed of creating new dividing lines in Europe. These risks are particularly high, if cooperation is implemented without clear procedures and norms and without the involvement of supranational institutions - which is the case, if differentiated cooperation is organized outside the EU.
- (6) Finally, there are two final more practical, albeit important reasons speaking in favour of a new grand project. First, the elaboration and implementation of a new grand project would provide a rational, policy-oriented basis for determining the Union's budgetary priorities. A compromise between EU members concerning the objectives and content of a comprehensive globalization project would pre-determine the main budget lines of the multi-year financial framework on the grounds of sound arguments and strategic planning and not solely on the principle of juste

For more details about these and other forms of differentiated integration see: Janis A. Emmanouilidis, Conceptualizing a Differentiated Europe, ELIAMEP Policy Paper No. 10, Athens, June 2008 (download under: http://www.emmanouilidis.eu/publications/2008/conceptualizing_2008.php).

See Janis A. Emmanouilidis, Der Weg zu einer neuen Integrationslogik – Elemente flexibler Integration in der Europäischen Verfassung, in Werner Weidenfeld (ed.), Die Europäische Verfassung in der Analyse, Guetersloh, 2005, pp. 149-182, here pp. 150-162; Enhanced Cooperation: From Theory to Practice, in The Treaty of Lisbon: Implementing the Institutional Innovations, Joint Study of CEPS, EGMONT and EPC, November 2007, pp. 97-119.

retour. Second, a *Global Europe 2025* project would allow EU members to work out package deals across different policy areas. The elaboration of a comprehensive project covering various dimensions of globalisation would allow the EU27 to reach cross-policy compromises beyond the lowest common denominator as every member state would be able to "claim victory" in one or the other area.

All the above arguments provide good reasons for a new grand project. However, one final question remains answered: The implementation of the Global Europe 2025 project will require someone inside the EU to take the lead - but where should leadership come from? The quest for leadership is not new. It is with us at least since the 1990s, when calls to bridge the leadership gap within the EU became more and more prominent.³³ In the last years one explanation for the lack of leadership has become more and more popular: The EU27 got stuck in an almost permanent state of crisis, because it has become too big and because the number of "eurosceptics" both among and within member states has grown. There might be some truth to this argument, but it does not tell the whole story. Putting the blame on the "no camp" and proposing that the most critical countries should (voluntarily) leave the EU is too simple. Those who support "more Europe" (deepening) are co-responsible for the Union's current malaise. The "yes camp" - including policy-makers, economic leaders, academics, intellectuals, think tankers and representatives of organised civil society - has not been able to propose and implement a "positive narrative", attractive and persuasive enough to revitalize the support of citizens for the European project. The current global crisis and the more widespread perception for global risks provide the "yes camp" an opportunity to define their functional vision of Europe's future global role. If they fail to deliver, they should not accuse populists and nationalists for exploiting their lack of creativity and assertiveness.

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See for example: Thinking Enlarged Group, Bridging the Leadership Gap – A Strategy for Improving Political Leadership in the EU, Munich/Guetersloh 2002; download under: http://www.emmanouilidis.eu/publications/2002/2002_bridging_leadership_gap.php