

Democracy in Europe, look to the future¹

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Too many barriers stand in the way of any real thinking about Europe: prejudice, institutional rivalries and nationalism skew judgement. Hence the idea for this co-authored book, transcending national borders; combining the analysis of a former European Commissioner, who later became a head of government and member of the European Council, with a Member of the European Parliament.

The aim of this book is to think about Europe in a genuine European perspective, embracing a wider horizon in the longer term, whilst always keeping the future of the next generations at the forefront.

Far from being a unifying element, the Euro has become a cause for discord. The time has come for Europeans to ask themselves if they would be ready to witness the end of a united Europe.

We do not believe that for European countries today a national path still exists: globalisation and the IT revolution are irreversible. If we wish to keep the Euro, co-ordination of national policies is not sufficient. Sharing the same currency not only requires each nation to act responsibly in its own country, but also that common policies are put in place which favour growth and innovation, and with a greater focus on fairness.

If common policies are required, the key question becomes that of democracy: Europe cannot be reformed without the implication of its people.

In order to think more deeply about a new democratic regime, it is worth returning to the books of Tocqueville, notably *Democracy in America*, as well as the writings of the American founding fathers. As Tocqueville explained, the movement supporting 'equal conditions' has existed for centuries, and shows no signs of slowing down. The reform of Europe cannot ignore such a long established and vast movement. Equality of conditions is primarily a political claim, of democracy *by the people* that has been achieved at the local and national levels but not at the European level. Europeans do not feel that they are driving the policies which concern them, they do not collectively choose those who rule Europe.

It is also a call for democracy *for the people*: over the last few years, due to the retreat from fiscal policies which redistribute wealth and the absence of measures which promote growth, disparities have grown significantly. To do 'everything necessary to save the Euro' raises wider questions regarding the Euro zone budget and the revival of the Internal Market, by moving beyond simple budgetary discipline.

Withdrawal to the Member State level, to national parliaments or national supreme courts risks fuelling confrontations between nations. Europe, on the contrary, needs debates which bring the various interests together and which allow for a dialogue between all the Europeans concerned.

¹ Flammarion in French, RCS in Italian, 2012

In general terms, Europe has been overly focused on procedures, and insufficiently on the people who populate it.

Following Tocqueville's example, there is no need to idealise democracy, which has too often, at the national level, sacrificed the interests of future generations, which explains in part the gravity of the current crisis.

Europeans are now facing a choice: either to keep to the original idea of the "European Community", differing from the classical view of a parliamentary democracy, which gives the Member States a stronger role than that of the citizens, or to move towards a greater sharing of sovereignty in a parliamentary democracy. The worst option lies somewhere between the two, with permanent criticism of the Community in the name of 'democracy', without any willingness to establish it at the European level.

What harms Europe and the Euro zone most, is the systematic belittlement of common projects, or in other words, a 'negative mindset'; it is equally the illusion that we could benefit from all the advantages of being united while retaining national sovereignty as if we were not.

This book does not shy away from the sensitive subjects, such as, for example, the need to find a balance between self-determination of the Euro zone (for 17 Member States currently and soon more) and the imperative of unity (for all 27), the role of national parliaments, European weakness in the world and her responsibility to contribute to the development of a supranational form of governance, much needed globally.

It is not a circumstantial book, but a deepening of convictions explained by both authors in a number of articles and essays.

Drafted without phraseology, not claiming to be partisan, or to provide "the solution", this book aims to clarify the main questions which all European citizens should be asking themselves. It also delivers a message of hope: whatever the future for Europe and the Euro zone as we know them, whatever the trials and tribulations, the need for unity will continue.

The difficulties, when considered without complacency, without nationalism, are not insurmountable. In general terms, it will be the Europeans themselves who will create or maintain them, through a lack of imagination and a lack of confidence in themselves.

In order to exit the crisis, we need to embrace 'the long-term perspective': to look to the future.

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Summary

Chapter 1: False ideas

Before being able to look to the future a certain number of myths must be laid to rest, such as those concerning European “bureaucracy”. At the national level, as well as at the European level, independent bodies and agencies make up part of the institutional framework. In complex societies expertise is needed. The main problem of Europe is often considered to be the role of its “bureaucracy”; whereas actually the real question is rather how best to combine the work of experts and/or independent bodies with that of elected politicians? It is also important to be aware of the fact that often politicians do not behave in the most appropriate way. Democracy, as represented in the Member States, is far from perfect: fear of upcoming elections for example lead to short term thinking and a focus on personal gain rather than on the greater good of society. This has been seen time and again in Member States when making difficult decisions related to the crisis. We are facing a gap between the national level, where democracy is lively but not always able to shape the future, and the European/global level where democracy does not exist yet.

National governments should also take responsibility for explaining, in a fair and balanced way, the role of the EU, the decisions taken and their added value. Few politicians demonstrate ownership for the European decisions that they have taken. For example, the “aid package” for some states in difficulty should be presented not as a matter of “solidarity” but of “self-enlightened interest” because all the countries of the Euro zone are interdependent. The Members States sharing the same currency are no longer “sovereign” in the way some governments pretend.

The continued desire for what the European Treaties call “subsidiarity”, to maintain national perspectives, means that the EU cannot be directly compared to the USA, the Euro to the Dollar. The steps taken by the USA to become a federal system have not been undertaken in Europe. Nevertheless, many people compare the records of the EU with those of the US.

Chapter 2: Democracy by the people

Citizens want to directly influence the decisions taken. As the most important decision-making body of the EU has become the European Council, consisting of 27 heads of states and governments, citizens never jointly select those taking the most important decisions (for example, deciding how far austerity measures should go). They can not control and, if necessary, sack them.

By being directly elected by European citizens, MEPs have a certain legitimacy compared to other EU institutions, but national delegations in the European Parliament, succumbing to lobbying from national governments, still play a role in influencing votes. With genuine “European” elections, rather than electing national representatives, Europe’s citizens would surely feel the increased European legitimacy of their votes and the increased awareness of a common interest. In contrast, citizens are only able to vote for their national representative in the European Council at a national level, and European questions are rarely the centre point of national election manifestos. The EU’s democratic accountability is contested, yet establishing democracy at the appropriate, supranational level is not envisaged. These taboos must be lifted: representatives taking decisions at the EU level need to be held accountable at that same level, as the German philosopher Habermas has underlined.

The argument that there is not a single European demos, making the establishment of democracy impossible, is distorting the facts of history. In Athens, in the 6th Century BC, it was by exercising their democratic rights that the Athenians formed 'the demos', unfettered by family or tribal ties, under Clisthenes. There was no pre-existing demos, which allowed for the creation of democracy.

Chapter 3: Democracy for the people

The purpose of the European Community was to defend a model of society, and even, according to the founding fathers, a certain "civilisation". This goal was perfectly reflected in the preamble of the Treaty of Rome aiming at "the constant improvement of the living and working conditions of their peoples". However, Europe's citizens do not currently feel that Europe is governed by the people, nor is it perceived to be doing enough for the people. It is this disappointment by Europe's citizens which needs to be rectified.

Since 2009 the crisis has clearly illustrated that the balance between stability and growth, efficiency and redistribution has shifted, and it is Europe's most vulnerable who have paid the price. The differences between Member States has been highlighted; some are much better equipped than others to deal with the consequences. Where the social contract has been destroyed, it has particularly been to the detriment of the young. This reality of rising social inequalities and increasingly protectionist national thinking, as denounced by several reports of the OECD, requires the EU to urgently react.

However, studies have shown that the "European model" has better resisted the crisis than some other social models. Europe's fate is dependent on its own self-belief. Reforms are doubtlessly needed: Europe's economies are competing with rising powers. It is essential to look at the long-term and to move to making decisions at a higher, European level, by making short-term sacrifices, in order to ensure that the EU is able to respond to a globalised world. But it is also important to reflect, at a moment when the weaknesses of capitalism have been highlighted, and for the EU to decide what price it places on ensuring a fair society in a globalised world?

The Single Market is an important tool to enable the EU to reform and to maintain its place in the global arena. It needs not just to be maintained, given its importance for ensuring future prosperity and even stability for the continent, but also to be completed: the services market needs to be liberated, the digital economy and green growth developed. However, Europeans need to be reconciled with the Market, a certain degree of compromise is needed, and everyone must see the benefits: a dose of liberalisation, alongside an increase in competition on the one hand, and increased tax harmonisation to avoid excessive competition within the Single Market along with the establishment of certain social safe-guards to ensure a reduction in inequalities on the other. All Member States' economies must be able to recover and grow, so that the EU can once again offer hope for future generations.

A stable Euro is an essential part of this long-term strategy. The decision has clearly been taken to keep the single currency, which requires more action at a supranational level in fields such as the economy and social and tax policies. As long as the EU does not have its own budget and instead

depends on national "contributions", then the Euro will be deprived of an essential pillar of stability. Greater stability could also be achieved through own resources i.e. some direct taxation at the European level. Member States claim to be ready to do anything to save the Euro yet refuse to discuss these essential issues.

Chapter 4: The public spirit

Europe has some remarkable achievements: a consolidated market, a single currency, its territory has expanded to the size of a continent. Yet is there a desire to exist as "Europeans"? This essential question must be addressed, as it is counter-productive to continue cultivating the European project if it is only supported because no other solution is foreseen. Europe must implicate Europeans; remind them of their responsibilities, give them new horizons. Before a revision of the Treaties, which will soon be necessary, what is most needed is the respect of the European spirit. In order to bring Europe closer to its citizens it must express itself better; by avoiding jargon, responding to citizens' legitimate questions, not maintaining the status quo, nor pretending that one perfect federal solution exists. The struggle is not in "the construction of Europe", as if it does not already exist, but rather in the deconstruction of myths and prejudices which prevail. In this the media's role and responsibilities should not be underestimated.

Chapter 5: The political regime

Although essential not to forget the bloody past which has united Europe, one must also look to the globalised future. The Union has continued to claim that national sovereignty has remained intact, while also promising that the EU would be efficient. The result is a defective regime which does not bring the expected results. It is essential to be truthful to citizens: sovereignty is already shared. Thus a new political regime needs to be constructed. Multi-layer governance could be conceived in order to ensure the appropriate democratic control with good cooperation but no illusion: national parliaments are not elected to be accountable and to make decisions at the EU level, neither can Member States keep a final veto right on decisions taken at an EU level if we want Europe to deliver. It would be better to take the shared sovereignty of the Euro as the departure point towards the future instead of dreaming of preserving sovereignty.

These reinforcements must be accompanied by accountability before an assembly. The Euro zone at least needs to be able to move forward, dotted with the necessary powers, be that in the form of its own finance minister, a sub-parliament within the European Parliament, voting rights exclusively for Euro zone members on Euro zone issues for example. All these progressions concerning the Euro zone should be open to the Member States which have committed to joining the Euro (25 out of 27).

A balance is required between ensuring that the political system is based on law, but also that it is not so rigid that it has no room for manoeuvre for a rapid reaction in the event of a crisis. The move away from voting with unanimity in Council but rather with a qualified majority is an important step forward in this respect.

Reform will take time, there is not one method, but it is essential to focus on the short, medium and long-term goals. Many elements can be achieved without Treaty change. Before embarking on a modification of the Treaties the legitimacy of that process must be defined; a common system of how changes will be ratified must be developed. It is a focus on ensuring a future for the next generation which will permit decision makers to move forward, with the required consent and legitimation from Europe's citizens.

Ideas dear to us

1. The crisis which we are currently experiencing is not simply, as is often stated, a crisis of the European Union, and a supposed lack of *legitimacy*. It is also a crisis of Member States' *authority*, who no longer have the means, at their level, to take effective action.
2. As explained by Tocqueville, the movement supporting political '*equality of conditions*' which abolished castes and allowed universal suffrage, has existed for centuries, and shows no signs of slowing down. European construction cannot ignore such a long established and vast movement.
3. It is first and foremost a political claim, of democracy *by the people*: Europeans should be able to collectively choose those who rule them and to collectively shape the policies which concern them.
4. The development of the internet (which offers interactive access to knowledge and to information and relativises traditional borders and affiliations) also increases the demand for *participation* in political life.
5. It is also an economic and social call, for democracy *for the people*: Europe and the Member States have tolerated a worrying increase in inequalities, notably linked to the lack of competitiveness and growth, as well as a retreat from fiscal policies which redistribute wealth.
6. Reinforcing democracy exclusively at the national level will not provide a sufficient solution: it does not allow decisions to be legitimised at the level at which they must be taken; withdrawing to Member State level, to national parliaments, carries with it serious risks of *division*.
7. Decisions need to be taken together because the sharing of a common currency does not just need actions taken at a national level but also *common policies*, supported by an accompanying budget. The disintegration of the Single Market, which is partly responsible for the economic slowdown, must be fought against.
8. The most damaging thing for Europe, for the Euro zone, is *the spirit of negation*, the systematic denigration of the common project; it is the illusion that we can be as strong as if we were united, while conserving the same level of national sovereignty as if we were not.
9. The European Council of June 2012 recognised the interdependence and the need for common action, and launched an opportune reflection on the future of Europe. The process of reflection is important but subject to serious risks, notably in the context of rising populism and nationalism.
10. Overhauling Europe is dependant on *making a choice*: either maintaining the original model of Europe, different from a classic parliamentary democracy, which does however imply understanding

and defending it, or creating a European parliamentary democracy, even a presidential system. The worst option is something between the two, the permanent criticism of the system in the name of "democracy" without being prepared to effectively establish it.

11. Before negotiating new Treaties, it is necessary *to clearly define the modalities of their eventual ratification*, in order to avoid the majority of Europeans being taken prisoner by the views expressed by a minority who do not even have to take responsibility for the consequences of their choices.

12. National democracy, the hostage of short-termism, has too often sacrificed the interest of future generations; political life is contentious and is not sufficiently concerned with the general interest. Instigating a more lively democracy at the European level should not result in reproducing these issues but rather on the contrary aim *at reconciling different generations*.

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