ESSAY

L'EUROPE QUI PROTÈGE:
CONCEIVING THE NEXT EUROPEAN UNION

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SUMMARY

- Against the odds, Brexit and Trump have inspired a new mood of unity among Europeans. Rather than defending the world of yesterday, Europe's leaders need to reinvent the EU's relationships with the outside world and with its own citizens to give meaning to the idea Europe can protect its own.

- Europe has to abandon its hopes of creating the world in its image. Instead of continuing to live the dream of universalism, the way forward for the EU is to embrace and secure its exceptionalism, preserving the dream of a strong liberal order internally while accepting a return to a weaker liberal order in the rest of the world.

- The EU also needs to restore the permissive consensus which allows it to function, both between the EU and its citizens and between its member states. Instead of promoting interdependence, the EU needs to make it less risky by dealing with negative consequences connected with migration, free trade, and monetary union.

- Franco-German leadership will be essential but the new Europe is more likely to succeed if it mobilises a Europe of flexible coalitions rather than one of concentric circles.

Hope has returned to European chancelleries. After the elections in Austria, the Netherlands, and France, there is a feeling that the wave of populism may have broken. After several years where the European Union's vision was being resisted internationally and its cohesion at home was collapsing, leaders are developing new initiatives rather than simply trying to survive. Instead of killing off the European idea, some people are beginning to ask if Brexit and Donald Trump have given it a new lease of life.

This essay – published on the 10th anniversary of the founding of the European Council on Foreign Relations – is an attempt to map out an agenda for the next Europe, looking at how to use the new momentum to create a European project that can enjoy the support of its citizens. The genius of the founders of the EU came from the fact that their projects, policies, and methods were rooted in the circumstances of the moment. ECFR was first launched during a more optimistic moment, when the EU was coming together and held the ambition to transform its neighbourhood and eventually the wider world in its image. The starting point for this enterprise now must be a sense of realism about the nature of the next European project, adapted to the circumstances of a very different age.

Exciting though it is to talk of Angela Merkel as 'leader of the free world' and to watch the vigour of Emmanuel Macron's handshake with the American president, there are limits to the power of Europeans to shape the global order. Xi Jinping in China, Narendra Modi in India, Vladimir Putin in Russia, and Recep Tayyip Erdogan in Turkey can be tactical partners for the EU but they are not allies for the defence of

a liberal world order. At the same time, divisions between Europe's member states are wider than they have been for a generation, and the ethic of solidarity between nations is ebbing. Within each European member state the trinity of economic uncertainty, cultural anxiety, and political alienation that powered the populist wave in Europe has not disappeared. And if even a fraction of the predictions of technologists about robots taking jobs and of demographers about population flows from the global south are correct, things could get much worse. And when it comes to relations between states, whereas in the 1980s and 1990s countries would compete to be in the inner core of integration, many today see their isolation as a badge of pride.

Rather than defending the world of yesterday, Europe's leaders will need to reinvent the EU's relationships with the world outside and with its own citizens and states at home. Conceptually that will mean shifting from seeing the EU as a revolutionary project that will remake the world, to seeing it as a protective one that can make people feel safe in an interdependent world. This essay attempts to give some conceptual foundations to the idea of a Europe that can protect, and to lay out some tracks for a new politics that could give it meaning.

Because this is an anniversary essay, it looks backwards in order to look forwards, blending the personal with the strategic. It argues that we are at a genuine inflection point. If leaders are able to reconceive the European project rather than trying to cling to the status quo, the *annus horribilis* of 2016 could give way to an *annus innovationis* in 2017.

From universalism to exceptionalism

Many people fear that we are living through the collapse of the liberal world order – and that Europeans should now come together to defend it. It is a dramatic phrase, but there is not much precision about what it actually means, and even less clarity among Europeans about what their role could be.

In reality, there has been never been one liberal order, but at least two. The thin liberal order – let us call it liberal order 1.0 – was an American project, born in 1945 after the second world war. It was about protecting states from subjugation and invasion by imperial powers. It was given institutional form in the American alliance system as well as the institutions built in Bretton Woods. This liberal order only went to the borders of sovereign states. There was a second, much thicker, liberal order that was a European project – let us call it liberal order 2.0 – built inside the shell of the American security order by Europeans. This really took off after the end of the cold war in 1989. This order went behind the borders of states – and looked at the rights of individuals that lived within them. The EU first pioneered a revolution in political organisation within its own borders – and then it sought to export it by changing the nature of borders themselves, to open them for capital, people, goods, and ideas. EU member states rejected the balance of power in a system of Westphalian sovereignty in favour

of a highly developed system of mutual interference in each other's domestic affairs and security based on the rule of law, openness, and transparency.

If the first decade after the end of the cold war was America's 'unipolar moment', the decade after that – from 1999 to 2009 – was Europe's 'universalist decade' when Europeans thought they were inventing the future and the world was cheering them on. In my book on Europe running the 21st century, I thought that the 'European model' of pooling sovereignty would spread through enlargement, through the colour revolutions that were changing the European neighbourhood, through the creation of supranational global institutions – such as the International Criminal Court and World Trade Organization – that embodied European approaches to sovereignty.[1] I also hoped that the creation of the EU would set off a regional domino effect whereby other parts of the world would seek to come together like the EU did in order to prosper economically and regain control of their affairs. In my imagination, if America was the global policeman of the liberal order, Europe was its supreme court and its global aid worker.

But the liberal order 2.0 started to run into trouble in 2008, when Russia provoked a war in Georgia in order to halt that country's westward drift. After the collapse of Lehman Brothers, Russia and China formed an assertive axis of sovereignty that pushed back against the post-Westphalian global order. But this rejection of European norms took place within the continent of Europe itself, five years later when Russia also annexed part of Ukraine.

Russia's annexation of Crimea made Europeans suddenly realise that, although the EU's political model might be the best in the world, it is unlikely to become universal or even spread to everyone in its immediate neighbourhood. Moscow made it clear that it will not accept a unipolar European order centred around the EU and NATO. It was a shock to many European policymakers that free countries, making a rational decision, could opt for a less conceptually perfect system than the EU. Ivan Krastev and I likened this to the situation of Japanese mobile phones that had become so developed that their development had diverged from the rest of the world. The Japanese labelled this the 'Galapagos syndrome', because they had gone down a separate evolutionary path. We argued that Europe was facing its own 'Galapagos moment': it suddenly realised that it was not a model for the world, but that its postmodern order was an endangered species that had evolved in a protective ecosystem shielded from the more muscular, 'modern' world where most people live.[2]

The question is: What is happening to the liberal order following Trump's election as president of the United States? An optimistic interpretation is that the guardians of the world order overreached and ended up undermining

1 Mark Leonard, *Why Europe Will Run the 21st Century* (London: HarperCollins, 2006)
2 Ivan Krastev and Mark Leonard, "The New European Disorder", ECFR, November 2014, available at http://www.ecfr.eu/page/-/ECFR117_TheNewEuropeanDisorder_ESSAY.pdf.

democratic governments in a way that destroys the legitimacy of the system. And after the calamity of the Iraq war, Lehman Brothers, and the travails of the euro, the utopian project of building a liberal order 2.0 is collapsing. In its place will not be chaos but a return to liberal order 1.0 – with bilateral trade deals, with no ICC. Under this account, Trump does not even represent a big break with past US administrations. Very few of them actually believed in constraining American sovereignty – they were just better at faking it. But there is a darker reading of our situation. This would be that the march of liberal order 2.0 was halted by the rise of sovereigntist powers like Russia and China after 2008. But what is happening now is a rollback even of the thinner liberal order 1.0, driven not by revisionist external powers but by a political counterrevolution within the West itself. The worry is that we will see a new kind of globalisation – world order 0.5 – that combines the technologies of the future with the enmities if the past. In the new world, military interventions will continue – but not the postmodern form that saw Western powers oppose genocide in Kosovo and Sierra Leone. The development of technology could spur a series of connectivity wars, as trade, the internet, and even migration are weaponised. In this world, multilateral institutions and regimes could become battlegrounds rather than a brake on conflict. International conflict will be spurred on by domestic politics that increasingly revolve around identity politics, distrust of institutions, and nationalism.

The most frightening periods in history have often been interregnums – moments between the death of one king and the rise of the next. Disorder, war, and even disease can flood into the vacuum when, as Antonio Gramsci put it in his *Prison Notebooks*, "the old is dying and the new cannot be born."[3] The dislocation and confusion of 2016 do not rival the turmoil of the interwar period, when Gramsci wrote, but they are certainly symptoms of a new interregnum. The challenge is not just the decline of the American-policed security order and the European-inspired legal order, but the fact that there are no candidates to replace them. Indeed, unlike in 1989, this is not a crisis of a single type of system. Countries as different as Brazil, China, Russia, and Turkey are coming under heightened political and economic pressure.

Today, Europeans need to spend more time thinking about how to defend their fragile system from internal implosion and external aggression rather than imagining it taking over the rest of the world. This calls for a difficult, deliberate, shift from the 'universalist decade' with which they began the 21st century, to an 'exceptionalist decade' where the goal is protection rather than expansion. Our goal should be to survive as a Kantian fortress in a Hobbesian world. In other words, Europe needs to reach out to others to underpin, at the very least, a thin liberal order 1.0 for the world, while aiming to strengthen liberal order 2.0 within the EU. We should start to think about order not as a universal project but as a Russian doll, where the closer that countries are to the core of the EU, the thicker our conception of liberal order should be. It will require a mix of détente with powers that can help us stabilise difficult situations, deterrence of actions that can undermine order and our security, and decontamination of the EU itself – in order to preserve its exceptional values.

Global order

Some of the battles at a global level have already begun: the decision by Trump to withdraw from the Paris climate agreement, the attack on WTO dispute resolution rules, and a soft erosion of the Iran nuclear deal. What they all show is that the biggest challenge for Europe will be rethinking transatlantic relations and the nature of the international system. It is very hard for Europeans to make the mental leap from seeing America as a constituent part of global order to being the biggest source of global disorder because of questions around the reliability of American security guarantees, the attack on global institutions, and the unpredictability of Trump. The EU should not give up on Atlanticism in the long term, but in the short term it needs to try to deal with the American president in a different way. Firstly, it need to increase leverage. Where Europeans have worked together – on privacy, competition policy, and taxation – they have dealt with the US from a position of strength. Secondly, Europeans should hedge their bets and build alliances with others. The EU must reach out to other powers to help shore up global institutions against Trumpian revisionism. It should have no illusions about the motives of Xi Jinping or the other great powers, but the very process of Europe diversifying its foreign policy relationships is likely to have a positive impact on the conduct of the US.

Thirdly, Europeans need to have a revolution in how they think about security cooperation. It is not just that 500 million Europeans cannot expect 300 million Americans to defend them indefinitely, but also that successful terror attacks could drive voters towards nationalist parties across Europe. European law enforcement and intelligence agencies have relied until now mainly on their US counterparts for fruitful cooperation and intra-European intelligence coordination has been slower. Confronting the new reality around Europe and the need to stabilise its immediate periphery, especially the western Balkans, the neighbours to the east, and north Africa, requires a shared way of security thinking and action. It is not about a 'European army', although cooperation on complementing military capabilities, synchronisation of technologies and defence systems, and nuclear deterrence should be a midterm goal. The rationale for EU action must be grounded in the diverse domestic politics of its key member states, allowing for flexible arrangement, and addressing vulnerabilities closer to the citizens. Talks about such arrangements can start quickly and also bind in non-EU countries like Norway (or Turkey and the United Kingdom further down the line).

3 Antonio Gramsci, "Prison Notebooks", available at https://cup.columbia.edu/book/prison-notebooks-volume-2/9780231105927.

A new wider European security order

Regionally, the rise – and rapprochement – of illiberal forces in Russia and Turkey mean that the EU is no longer the only pole of attraction in the region. This is happening at a time when the EU's hope of institutionalising a security order around NATO and the EU is receding further. The US is seeking to reduce its investment in NATO, the EU is de-emphasising enlargement, and the chaos in the Middle East and Ukraine is making a mockery of the European Neighbourhood Policy.

The fact that the EU has a dysfunctional relationship with Russia and Turkey, two indispensable powers in the European security space, will become increasingly problematic.

The EU's relationship with Russia has long exposed differences of history, geography, and economics among EU members. True, all EU countries came together to impose tough sanctions after Putin's annexation of Crimea. But this temporary unity of purpose conceals fundamentally different views about the kind of relationship member states want for the long-term.

Turkey is obviously in a different category to Russia as a NATO member and an EU candidate. But Erdogan is almost as divisive in some member states as Putin. In the past, Turkey has been seen as a future EU member state and a model for the synthesis of Islam and liberal democracy. But today it is mainly seen as a buffer. For countries such as Germany and Greece, Turkey offers protection from the chaos of the Middle East as well as the millions of refugees fleeing it. And, for political leaders – from Austria to the Netherlands – attacks on Erdogan are used to draw support away from parties of the far right. In the months ahead the EU's fragile unity on Russia and Turkey will be tested. Europeans find it particularly hard to combine an interest-based relationship with speaking out on questions such as human rights and international law. In fact, they have no mental map for dealing with neighbouring countries that are not on the verge of joining the EU or actively importing its norms and regulations.

But the problem with Turkey and Russia goes deeper than the policy or personality – it goes to the heart of the question of European order. After the end of the cold war, the EU and NATO sat at the heart of an expanding unipolar order that they thought would define the rules for European security. Six years ago, Ivan Krastev and I wrote a paper warning of the 'spectre' of a multipolar Europe, where the rules, institutions and key decisions were not taken by the EU. That spectre has become a living reality.

Today the EU is just one of three projects for the European order. Russia is now as hostile to the European Neighbourhood Policy as it is to NATO. It has created the Eurasian Economic Union as the heart of an alternative unification project, while doing its best to hollow out the OSCE and Council of Europe from within. Turkey no longer feels that its role as an EU candidate and a NATO member do justice to its regional aspirations. Its own neighbourhood policy has gone through different phases: from "zero problems with neighbours" to zero neighbours without problems. But its reach covers many countries that both the EU and Russia are engaged with – from the Balkans and central Asia to the Middle East. With the accession process stalled and the conflict in Ukraine still raging, the EU is beholden to countries with which it has increasingly complex political relations. The nightmare scenario is of Ankara and Moscow forming an alliance against the EU. Although much debated in Europe, the recent warming of relations between Moscow and Ankara in not yet that. They are still divided on lots of issues, from the future of Bashar al-Assad and security in the Black Sea to the annexation of Crimea. But the EU needs to develop fresh thinking – and find a new unity on how to handle both of these relationships. If not, it could find itself increasingly isolated and alone in a neighbourhood whose order is defined by other powers.

In addition to preventing an alliance between Russia and Turkey, the EU should rethink its goals in its neighbourhood. In the troubled Middle East, the EU cannot hope to be the central actor. But EU countries cannot protect their populations from instability if they are only spectators. Particularly in Syria and Libya, the EU needs to playing a more concerted role with regional powers – as well as with the US and Russia – to advance political processes that could help reduce violence, provide humanitarian aid, and stem the flow of refugees. Neither regional powers nor the US and Russia share Europe's concerns about stabilisation, so the biggest challenge for Europe will be to create the space for this. This will involve some very tough decisions. Rather than going for the empty moral posturing of saying that 'Assad must go' without putting real resources into securing that goal or being willing to live with the consequences, the EU should focus its money and limited power on advancing political processes that could reduce the loss of life and suffering. This does not mean embracing the illusion that strongmen can be the solution – as they have largely proved to be a source of the problem – but it does mean being willing to work with regimes that are in place, no matter how distasteful. In the absence of potential breakthroughs on political processes in Syria and Libya, Europe should work on pushing for a decentralisation of power and de-escalation through local ceasefires. This would involve working with the authorities and being willing to use the lever of development aid in regime as well as rebel-controlled territories.

In the eastern neighbourhood, for Georgia, Ukraine, and Moldova, the goal should be to promote stable and predictable governments. For the next few years, the EU should view them as independent nation states rather than as member-states-in-waiting. It will be particularly important not to set red lines that the EU is not willing to defend.

Although the Balkan countries that are outside the EU will remain there for many years, they are in the European

security space already and Europeans should be prepared to intervene militarily if outbreaks of violence recur. Moreover, EU leaders should pursue a broader definition of peace than the absence of war, including political and social stability and preventing radicalisation in Bosnia and Kosovo. There is a growing consensus that the Russians will test NATO and the EU in the Balkans rather than the Baltic. Unfortunately, beyond talk about accession which lacks credibility, the West has little with which to counter Russian activism. It is time to invest in a new set of policies and approaches that can help to channel Balkan nationalism at a time when enlargement seems unattainable.

But the most challenging question is how to defend the EU's fundamental values internally. On the one hand, the EU needs to be wary of acting in a way which fuels nationalism and populism by empty and heavy-handed interventions. It is also difficult to avoid charges of double standards and arbitrary responses when dealing with different regimes in different ways (many central Europeans have contrasted the EU's approach to Silvio Berlusconi and Viktor Orbán). However, these values are constitutive of the EU, and it fundamentally threatens the EU project if leaders such as Orbán are able on the one hand to systematically undermine EU cohesion and norms on the one hand while benefiting from huge financial subsidies on the other. There is now talk of stripping Hungary of its voting rights in ministerial discussions, of suspending its membership of the European People's Party (EPP), and of using upcoming budget negotiations to step up political pressure (more than 95 percent of public investment projects in Hungary are co-financed by the EU), as well as insisting that it join the European Public Prosecutor's Office. The EU could also adapt some of the mechanisms it has developed into instruments to support its own fundamental values and norms for accession countries and ENP countries within the EU. For example, a new paper by the Stefan Batory Foundation, notes that the civil society sector in Poland and Hungary has been severely hit by cuts in funding from the government. They recommend setting up a body like the European Endowment for Democracy to work within the EU in support of the values enshrined in Article 2 of the Treaty on European Union.

In summary, Europe has to abandon its hopes of creating the world in its image. Instead of continuing to live the dream of universalism, the only way for the EU is to embrace, and secure, its exceptionalism, preserving the dream of a strong liberal order internally while accepting a return to a weaker liberal order in the rest of the world. The EU will defend a Kantian Fortress in a Hobbesian World, with a value-driven approach inside that takes on a more realpolitik coating the further it moves away from the EU.

From interdependence to protection

The real power of Macron's election is that his governing method provides the EU with an opportunity to move past the internal conflicts that have hastened its fragmentation. Over the past decade, the EU has been gridlocked by tensions between north and south, east and west. Underlying these geographical divisions were some fundamental intellectual divisions: a divide between an open and a closed Europe, and a battle between technocracy and populism. The tension between these positions has defined some of the big debates about the euro crisis, refugees, Russia, and the enlargement of the EU.

One of the most difficult things for those in power is that Eurosceptics have not been training their fire on the traditional failings of the EU, like the waste in the Common Agricultural Policy or corruption in distributing structural funds. The most powerful arguments against the EU have been made against the very things that leaders see as its greatest achievements: free movement of people, the euro, the idea of free trade, and enlargement. The Eurosceptics' project has been to turn Europe's biggest successes into its biggest weaknesses.

Because many European societies are now defined by a bifurcated economy and political system, there is a huge cultural difficulty in understanding that European projects which have been a source of so much pride to European leaders should be so hated by European citizens. It is, in fact, the very same phenomena, which to some bring opportunity and security, that to many others signify insecurity and vulnerability.

And because of these fears the people who feel they are at the sharp end of European integration have not felt their voices were heard by mainstream parties and governments. This has allowed insurgent political parties to play on these anxieties – reframing politics into a contest between cosmopolitan elites intent on more globalisation and liberalisation and nationalist parties determined to protect the common man. As the political insurgents have set the agenda, the tide of internationalism has ebbed. The challenge, therefore, is to take these lessons on board before it is too late – to try to capture the energy of the counterrevolution, to rethink the European project so that it can regain its legitimacy.

In order to reach out to those who feel they have been left behind as well as those empowered by European integration, EU leaders will need to develop a new political project. Rather than following the 'civilising mission' of the 1990s and early years of this century, EU leaders will need to show how the EU can protect citizens from the world. But they will also need to show how citizens can be protected from some of the dislocations unleashed by the EU itself. Macron's slogan of a 'Europe qui protège' provides a banner under which EU governments could try to reach out to citizens who fear the economic and political instability of today's world.

The EU was based on a mechanical idea that interdependence would reduce conflict. By linking European means of production together – first through the European Coal and Steel Community, and later through the common market and the euro – the EU hoped to bind Europe's states together so closely that war between them would no longer be an option. War in Europe indeed became mostly unthinkable and much wealth was created. But the reality is that it is this very interdependence – whether through the euro, free movement, or terrorism – that is leading to feelings of powerlessness and vulnerability. We have become so good at pulling down walls and barriers between peoples, markets and capital that we have become oblivious to the fears that this frictionless world can engender. Over the last few decades the EU proved that it could be a force for globalisation, but today its survival depends on showing that it can protect citizens from the very forces it has promoted. Whereas European integration in the past was about finding new ways of binding people and nations together, future leaders will need to devote all their energy to making people feel safe with interdependence.

Maintaining the four freedoms at the heart of the European project – the free movement of people, goods, capital, and services within Europe – will be possible only if EU governments have credible policies to protect the most vulnerable in their societies. That will mean finding ways of reaching out to citizens by improving protection of the EU's external borders, compensating domestic losers from migration and free trade, and soothing public fears about terrorism.

The new economic agenda is based around a more critical position on globalisation. Macron has talked about the need to push for reciprocity, suggesting a 'Buy European Act' on public procurement and the need to enforce social and environmental conditions. But there is also a big internal dimension within the EU – how to ensure that EU integration and openness to the world do not undercut the social contracts and fiscal viability of EU member states – as the Apple case against Ireland has shown.

An important element of this is also around free movement. In France and Belgium there is an active debate about the posted workers' directive, as fears grow that wages and jobs in some sectors are being undercut by temporary contractors. This mirrors – to an extent – fears within the UK about the impacts of intra-EU migration. Although such migration had a positive effect on the British economy as a whole, large movements of people did put pressure on public services and wages in certain regions and sectors. The EU should therefore explore how to protect its citizens from the negative impacts of migration, specifically through the introduction of migration adjustment funds that give money to regions and cities particularly touched by migration so they can invest in building more schools and hospitals and provide more social services.

But the bigger debate about EU migration is not about EU migrants but rather how to manage flows from outside the EU

and improve integration and security. As my ECFR colleague Mattia Toaldo has argued, the real alternative is not between open and closed borders but between unmanaged and managed borders.[4] There is much that Europeans can do to try to manage the flows – including working upstream on the causes of migration, and assembling a common EU border force. However, most migration experts believe that in order to close the borders to illegal migrants we need to open them to legal migrants. To do that we need to create safe channels for refugees in order to manage the phenomenon and save lives. And while cooperation on terrorism and intelligence-sharing is essential, the integration of migrants is Europe's biggest challenge but also our best response to security fears. The greatest of the challenges in migration has been the future of the 'Dublin arrangements' and sharing the burden of refugees between member states. However, there is much more that can be done if the agenda is expanded to cover the functions of managing migration beyond the question of accepting people, with each country choosing either to settle refugees or contributing to some essential EU functions on border control and migration management.

A grand bargain between member states

This question shows it is not just a challenge of reaching out to citizens who have been left behind, but also that creating a 'grand bargain' will be needed to rebuild a sense of common purpose between member states. For most of the history of the EU project, the most powerful mechanism for doing this has been through institutional change. A series of treaties named after European cities mark the milestones for the integration of Europe. Their goal was to create what the Schumann Declaration called a 'de facto solidarity'. But the last decade has been more marked by disintegration and a widespread loss of solidarity. This lack of solidarity is leading to a new debate about 'flexible Europe' or differentiated integration. While this is not a new idea – some member states are not in the euro or Schengen or have opt-outs from policies such as European defence – there is talk about taking it much further now. There are two main competing visions.

One vision sees a refoundation of Europe around tighter institutions. There is talk of a Europe of concentric circles with a unified eurozone – led by France and Germany that make up half of its GDP – at its core. It is clear that the eurozone will need to integrate further and that many of the ideas in the five presidents' reports are necessary for the euro to survive in the long term – and to prevent the deep social dislocations and democratic deficit that the EU's attempts to deal with the crisis so far have caused. However, the idea of a Europe of concentric circles will not end the lack of solidarity because many of the divisions are within the eurozone and Schengen rather than between different circles. Northern European countries feel betrayed by the fiscal policies and corruption of southern European member

4 Mattia Toaldo, "Don't close borders, manage them: how to improve EU policy on migration through Libya", ECFR, June 2017, available at http://www.ecfr.eu/publications/summary/dont_close_borders_manage_them_7297.

states. Southern countries – such as Greece, Spain, and Italy – are not only bruised by austerity but also feel like they have been allowed to face mass migration on their own. Eastern European countries, for their part, fear that they do not have full support dealing with their big Russian neighbour and complain about double standards on governance issues.
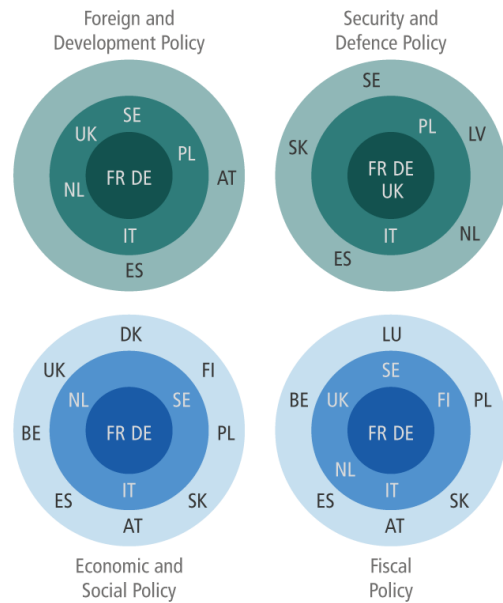
While many member states can agree on a protection agenda, there are profound differences between states about what they want to be protected from. I asked the heads of ECFR's seven offices to map out the concerns of their member state using opinion polls and questions to political leaders. In Germany, the political elite is extremely concerned about the disintegration of the EU as a result of populism. And public opinion polls list terrorism, migration and refugees, and fear about eurozone debt crises. One striking thing is that, while Germans are very concerned with terrorism (73 percent), a large number are also scared that Germany will do something about it militarily. In Italy and Spain, on the other hand, people are very worried about German-led austerity, job losses, and being abandoned to deal with migration from the periphery. In Poland, the public is very split. On the one hand most Poles are worries about Russia and assaults on the single market and labour mobility. But roughly half of the country want a tough government that will resist migration in order to defend Poland's ethnic and religious homogeneity while the other half fear the erosion of liberal democracy.

There is an alternative view of how flexibility can work, which looks at an 'EU of coalitions'. My colleague Josef Janning has conducted a major study of coalition-building in the EU.[5] He shows how forming coalitions has become a tool of governance in a largely intergovernmental EU as well as offering a chance to counter veto power in formal meetings. However, there is now a possibility of looking at coalitions as a more formal building block of integration. As ECFR has already observed elsewhere:

> "'Differentiation' and 'flexibility' have increasingly become code-words for finding a way forward for an EU whose members appear deeply divided. The classic approach to 'more Europe' is no longer an option given the likely rejection of any significant treaty change in the ratification process. Instead, using the treaty clauses of "enhanced cooperation", first introduced by the Treaty of Amsterdam, or of "permanent structured cooperation", established for the area of security and defence by the Lisbon Treaty, groups of member states have the option of moving ahead on their own and thus overcome any lack of EU-wide consensus. Another avenue of differentiation could be to follow the example of the Schengen agreement, a treaty concluded between a group of member states outside of the legal framework of the EU."[6]

Coalition Geometry

Foreign and Development Policy

Security and Defence Policy

Economic and Social Policy

Fiscal Policy

Source: ECFR's EU28 Survey 2018
www.ecfr.eu/**eucoalitionexplorer**

Janning's survey shows that the best hope of deeper integration will be a series of slightly different groupings on different topics rather than an EU of concentric circles. The Franco-German core is at the heart of this but other countries are also key in these areas.

In many ways, Emmanuel Macron has set himself up as a figure that could help transcend some of these divisions. Macron's security policies try to square tough anti-terrorism measures with a more humanitarian approach to refugees. On economic policy, he has offered reform in exchange for investment. And, given his tough stance on Russia and support for action in Africa and the Mediterranean, he might even be able to rally the EU's southern and eastern members around a common foreign policy cause.

He has built a career around combining, rather than accepting, today's false choices. He has laid out a promise to bridge the EU's geographical divides by positioning himself as pro-European *and* patriotic, establishment *and* anti-establishment, open *and* protectionist, pro-growth *and* fiscally restrained. Many observers have poked fun at Macron for refusing to commit himself to one side in any debate. They have pointed out that he starts almost every sentence with "*en même temps*" (at the same time). But for an EU that has been gridlocked by disagreements, these grand *en-même-temps* bargains that Macron proposes could offer a desperately needed way forward.

5 Josef Janning and Christel Zunneberg "The invisible web – from interaction to coalition-building in the EU", ECFR, May 2017, available at http://www.ecfr.eu/publications/summary/the_invisible_web_from_interaction_to_coalition_building_in_the_eu_7289. (hereafter, Josef Janning and Christel Zunneberg, "The invisible web").
6 Josef Janning and Christel Zunneberg, "The invisible web".

If these changes are to work, they will rely not only on Macron, but on the ability of the core of the EU to reach out to the east and west, north and south, and offer coherent trade-offs. Germany has a crucial role to play in all of this. For decades, Berlin has successfully leveraged its two most important relationships to avoid being a normal state: the relationship with the US and within the EU. Measured against its economic power, Germany spends a pitifully small sum on defence and security. This was only possible thanks to the transatlantic relationship and NATO that allowed Germany not to invest in its security. And the EU gave Germany institutions to hide behind – the largest and economically most powerful state on the European continent did not need to do power politics. Germany does not have national interests, Germans like to say; European interests are German interests.

But Germany must change its action and mindset. An exceptional Germany was key to European universalism. A more normal Germany will be key to safeguarding European exceptionalism. Germans have started to understand their crucial role and have begun to change accordingly, vouching to spend 8 percent more on defence this year and to reach the 2 percent NATO spending goal by 2024. But what is more important than capabilities is a change in mindset. Germany does not so much need to be the paymaster, but it needs to be more flexible. It needs to be willing to work inside, but also outside, EU institutions. As well as showing a less rigid approach to economic principles and the interpretation of rules, Germany needs to acknowledge that EU institutions and rules are indeed political, and that essentially it is about shaping majorities within them, or, if need be, outside, to then tie things back into the EU's institutional environment. Germany needs to start talking politics in Europe.

This process is already well under way. In its approach to the euro crisis, Germany has relied more on the union method than the community method and has pioneered institutional innovations. In the Ukraine crisis, Germany was willing to work within the Normandy format to de-escalate the situation around Ukraine. And, with its deal with Turkey, on the refugee crisis Berlin broke free from the strait-jacket of the enlargement process to craft a new framework for European relations with Turkey. But these moves were often tentative – and were too often done unilaterally rather than as part of a process of coalition-building within the EU.

Embracing change

The process of rethinking European integration will be very difficult. It involves disrupting a world and framework that we have become accustomed to. In a way, Europe as an organisation is experiencing what many of us know on a personal level.
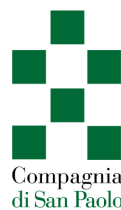
When I was 23 years old, I regarded all change as good. I celebrated disruptions that would sweep away old-fashioned hierarchies and open up space for new people and new ideas. Because I was not attached to the status quo I was able to grasp some opportunities that older people saw as threats. Today, I find it more challenging to embrace change. I have been around for the last two decades and many of my generation are in positions of power. This is why in recent months I have been trying to force myself to think like my 23-year-old self think would if looking at today's world. This made me realise that too often we have been trying to defend the indefensible. The system we created for the EU internally has created more conflict than cooperation. The system that we hoped to bring to the world has become enemy number one for Russia, Turkey, and the US under Trump. We need a new politics designed for this world. 2016 was the *annus horribilis*; Europe, and Germany, need to make sure that 2017 becomes the *annus innovationis* – the year in which the EU embraces the change necessary to secure the advances it has made.

About the author

Mark Leonard is co-founder and director of the European Council on Foreign Relations, the first pan-European think-tank. As well as writing and commenting frequently in the media on global affairs, Mark is author of two best-selling books. He is the author of *Why Europe will Run the 21ˢᵗ Century* (2005) and *What Does China Think?* (2008), and editor of *Connectivity Wars* (2016). He presents ECFR's weekly *World in 30 Minutes* podcast.

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