Whither the 27?

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Introduction

What effect will the prospective departure of the UK from the EU have on the remaining 27 Member States? Will it release them from the handicap that British exceptionalism imposed and enable them to pursue a clearer political agenda? Or will it reveal a continuing inability to overcome their heterogeneity in the face of a populist storm, with the potential for the whole structure to come crashing down? This chapter is not designed to give a direct answer to this dichotomy but rather invites the reader to consider the choices that the EU will face in the post-Brexit world. The 27 will not have the luxury, even if they had the desire, to stand still. Rather, it will be suggested that they will be obliged to enter into a renewed phase in which they seek to identify what it means to use the phrase ‘we Europeans’ and, in so doing, find fresh ways to create the sense that EU citizens are bound together as part of a common political project.

The chapter is organised around the three strategies that van Middelaar (2013) identifies as a means of lending credibility to the sense of the words ‘we Europeans’: a German strategy as the search for a common identity to create ‘our people’, a Roman strategy as the production of tangible benefits for people in the EU ‘to our advantage’, and a Greek (or perhaps better, Athenian) strategy as enabling European citizens to participate in the political process so that we make ‘our own decisions’ in determining the direction of the Union. All three of these strategies are visible throughout the history of the Union and none has enjoyed anything like undiluted success. Nevertheless, they offer criteria against which the progress of the Union can be measured in the years ahead.
From a British perspective, the further development of the three strategies may seem irrelevant: even before the referendum, in February 2016, David Cameron had persuaded the European Council to accept that the UK ‘is not committed to further political integration’ and that ‘the references to ever closer union do not apply to the UK’ (European Council 2016). However, it will be suggested here that no matter how far changes in the EU extend, they will only serve to underline the growing gap between the political discourse on the two sides of the Channel and the increasing difficulty and indeed unlikelihood of the UK’s ever being able to rejoin the EU, should it wish to change its mind.

Identity politics

The search for a common European identity has been hugely problematic throughout the history of the EU. It is widely interpreted as a kind of nation-building that both conflicts with and challenges the interests of nation-states, who wish to guard the exclusivity of their links with their own citizens. The argument over the design of the euro notes and coins was a clear indicator of a determination to avoid any attempt at the creation of a historical narrative behind the establishment of the new currency (van Middelaar 2013, 238–44).

And yet it is an issue that keeps re-emerging and that has never been removed from the agenda. No other state has indicated its wish to follow Britain in removing the reference in the Treaty to ‘ever closer union’, whatever their reticence about elevating the status of European identity. Indeed, even after the Constitutional Treaty was rejected in 2005, 16 of the then 27 states expressly declared that the flag with a circle of 12 golden stars on a blue background, the anthem based on the ‘Ode to Joy’ from the Ninth Symphony by Beethoven, the motto ‘United in Diversity’, the euro as the currency of the EU, and Europe Day on 9 May, ‘will for them continue as symbols to express the sense of community of the people in the EU and their allegiance to it’ (Declaration 52, Lisbon Treaty). Such a declaration makes it impossible to return to a world where European citizens are not obliged to ask what it is that distinguishes them from others outside the Union. Invisibility is no longer an option, as opponents of the EU rightly recognise.

The nature of the debate evolves in the light of political developments. In recent times, there has been less talk of symbols of unity and more a sense of the EU as a beleaguered actor in an ever more dangerous external environment, in severe need of a reinforced sense of common
purpose. Donald Tusk, as president of the European Council, wrote a remarkably frank letter to the 27 heads of state or government (excluding the UK) in advance of the Malta summit in February 2017. The letter illustrated this mood of future uncertainty well. He pointed to a new geopolitical situation in the world, starting with an assertive China, an aggressive Russian foreign policy and radical Islamist movements in the Middle East and Africa, going on to include the challenge posed by the new American president, stating that ‘particularly the change in Washington puts the EU in a difficult situation, with the new administration seeming to put into question the last 70 years of American foreign policy’ (European Council 2017b). He called for greater determination and solidarity as essential prerequisites for the EU to survive. As he put it, ‘If we do not believe in ourselves, in the deeper purpose of integration, why should anyone else?’

The perceived need for unity in the face of external threat puts the rest of the EU in a very different place from the UK. One of the central planks of government policy in Britain has been to look for a new trade agreement with America as part of the post-Brexit settlement, without any wish to suggest publicly at least that there is any clash of values between the two countries. UK policy is that the country is perfectly able to act effectively on the world stage post-Brexit, whereas the discourse at EU level is that those outside will be, in the phrase of the Declaration prepared for the 60th anniversary of the signing of the Rome Treaty, ‘sidelined by global dynamics’.

A central issue for the EU27 is the extent to which the rhetoric of the European Council filters down into the attitudes of the European public. Will European citizens be willing to share this notion of common values and to accept the kind of policies that might express that sense of community, not least by a reinforcement of the borders between the outside and inside of the EU? There is some limited evidence that attitudes towards the EU have become more positive since the UK referendum (Bertelsmann Foundation 2016), but it is much too soon to claim that we are witnessing the creation of a European public under the pressure of external threat. What we have is a yardstick against which to measure future developments.

**Policy structure**

What, then, of the ‘tangible benefits’ that the EU generates? There is much discussion in the UK about the loss of access to funding, for example,
for research for universities, for structural support in poorer areas or for
the agricultural sector. The question that these sectors ask is: will the UK
government be ready to match that funding once the UK is outside the
EU? From the perspective of the 27, however, the issue is quite differ-
ent: it is how to deal with the loss of revenue arising from the UK’s depar-
ture. It is estimated that the ‘Brexit gap’ in the budget could amount to
around €10 billion (Notre Europe 2017). Whatever solution is found for
this shortfall, it is almost certain to have an impact on the shape of EU
policies designed to generate public goods.

At present the funding of EU policies is organised through a
multi-annual financial framework (MFF), which covers the seven years
from 2014 to 2020. With UK withdrawal due to take place in 2019,
there is going to be a considerable argument about the extent of its
financial commitments beyond that date. However, the ‘divorce bill’,
as it is known, remains a short-term issue, even if it is certain to gen-
erate considerable political heat. The more long-term issue is how to
respond to the loss of UK revenue in the next MFF for the years after
2020. As Notre Europe comments, ‘if the EU wanted to keep its budget
at the current level and use the money currently spent in the UK on
other projects, the gap would amount to €17 billion per year or €119
billion over the course of an MFF’.

The options for the 27 are all very difficult, politically speaking. To
keep spending at its present level would mean the Member States would
have to increase their contributions. The biggest increases would fall on
the four states (Netherlands, Sweden, Germany and Austria) who at pre-
sent receive a reduction in their contribution to the UK rebate, negotiated
at Fontainebleau over 30 years ago. To reduce spending so that no one’s
contribution increased would require a major overhaul of EU policies, as
the cut would correspond to the equivalent of a 20 per cent reduction in
the Common Agricultural Policy (CAP) or the entire EU research frame-
work budget (Horizon 2020) plus the Fund for Asylum, Migration and
Integration. Even a combination of increased contributions and policy
cuts would fall unequally across the Member States and generate a major
split between net payers and net recipients, which would be difficult to
implement, since any agreement will require unanimous consent.

One way of addressing these difficulties is to look again at the
whole way that the EU is financed. In January 2017, a High Level Group
chaired by the former Italian prime minister, Mario Monti, presented
a report which argued in favour of new forms of EU revenue designed
to support specific EU policy objectives, such as targeted levies to fight
climate change or to promote energy efficiency (High Level Group on
Own Resources 2017). The more cynical may dismiss such ideas as unlikely to survive the struggle of competing national interests, but the departure of the UK may be precisely the kind of shock that enables the EU to ask questions about its revenue that have been considered taboo for over 40 years.

However, even if the discussion remains concentrated on expenditure, a new balance will have to be found. Since the 1980s a fundamental trade-off within the EU budget has been between the development of the Single Market and support for economic and social cohesion through the structural funds. The creation of the Single Market was the product of a bargain whereby countries with weaker economies were willing to open up their markets in exchange for structural support. Hence it was accepted that, when the EU was enlarged in 2004 and 2007 to include the poorer states of Central and Eastern Europe, part of the deal would involve substantial cohesion funding. As a result, Poland is today the largest beneficiary of the structural funds, receiving over €9 billion a year.

Now we are witnessing the start of a different discussion about the balance between different policy priorities as expressed through the EU budget. The new emphasis on improving the security of European citizens rather than stressing the freedom of the market is changing the budgetary debate. Thus we see a link emerging between cohesion spending and solidarity in dealing with the refugee crisis and mass migration into the EU. Austria, for example, has warned that net payers will refuse to continue paying into cohesion funds if the Eastern Europeans take no refugees. Chancellor Kern has explicitly said: ‘If countries continue to avoid resolving the issue of migration, or tax dumping at the expense of their neighbours, they will not be able to receive net payments of billions from Brussels … . Solidarity is not a one-way street’ (Wintour 2017). In other words, the argument about the EU budget is moving on, reflecting the change in the policy agenda.

The difficulty for the EU as a whole remains the question of how to make the public goods it provides visible to its citizens. The revenue structure of the budget is completely opaque to the non-initiated, and the expenditure is as much the result of bartering between states as it is the product of public debate about priorities. Curiously, the UK leaving the EU will create an opportunity for the 27 to see how far they want to go in revising the way budgetary politics works. No longer will they have the excuse that their hands are tied by a country that has been obsessed by ‘getting its money back’ and unable to discuss the EU budget in terms of the provision of European public goods.
Political participation

One immediate effect of the UK's departure will be a reduction in the number of MEPs by 73. As the Treaty states that the European Parliament is composed of 751 members, the 27 will have to decide, on the basis of a proposal from the Parliament, whether to keep that figure and, if so, how to reallocate them. Redistribution amongst existing Member States is one possibility, as is the creation of a list for European candidates not linked to any national constituency but chosen by all European electors.

More important than the precise number of MEPs is the nature of the relationship between the Parliament and the electorate. The decline in participation in European elections (62 per cent in 1979, 43 per cent in 2014) has underlined the difficulty of making that relationship meaningful in the eyes of voters. Many ask why they should vote for a Parliament whose members they do not know, and whose impact they cannot see. Hence the constant efforts made to make Europeans feel the Parliament is ‘our Parliament’ or ‘a channel for a European vox populi’ (van Middelaar 2013, 283).

The 2019 European Parliament elections will offer another opportunity to assess the progress of these efforts because it will witness a repeat of the experiment that was tried for the first time in 2014. Before the last European elections, five of the European political parties (European People’s Party, Party of European Socialists, European Liberals, Greens and European Left) put forward candidates for Commission president in advance, obliged those candidates to come forward with a political programme, and organised a set of debates between them. After the elections, the political groups in the Parliament indicated to the European Council that they would not accept as a Commission president nominee anyone who had not been a candidate in advance of the elections. Hence they invited the heads of state and government to propose as Commission President Jean Claude Juncker, candidate of the European People’s Party which had won the most seats (though not the most votes) in the elections. The European Council reluctantly accepted this logic and proposed Juncker, despite the opposition of the British and Hungarian prime ministers, promising to review the nomination process before 2019.

As I have suggested elsewhere (Shackleton 2017), this was a transformative moment in the development of representative government at EU level. For the first time European elections were presented not simply as a way of selecting MEPs, but also as a means to link a parliamentary election with the holder of an executive office. As a result, the Commission
president was seen as depending as much on having a majority in the European Parliament as having the support of the European Council, and indeed was obliged to establish a programme for five years which took explicit account of the wishes of the majority of political groups in the Parliament. ‘One can now imagine a Commission that is not beyond democratic electoral reach and a European Parliament that can offer the possibility of policy change through executive renewal, a system where the ‘rascals can be thrown out’ (Shackleton 2017).

In Britain the overwhelming balance of political opinion was against this so-called Spitzenkandidaten (top candidate) experiment. It was regarded as a power grab by the European Parliament, one that would necessarily weaken the role of the European Council. None of the candidates for Commission president had the opportunity to campaign in the UK, not even those from the European socialist and liberal parties (Martin Schulz and Guy Verhofstadt) whose national parties had been involved in their selection. By contrast, whatever the reticence of national leaders in other countries, a majority were reluctant to deny the appropriateness of the logic behind the process: indeed, Angela Merkel was expressly challenged to accept that it was a more democratic way of selecting a Commission president (García & Priestley 2015, 160–3).

The absence of the UK from the 2019 elections makes it much more likely that the process for selecting a Commission president will be similar to that which prevailed in 2014. It may witness drama in the form of a stand-off between the institutions, but such drama may be precisely what the EU requires as it seeks to create a historical narrative and to make Europe a matter of direct public concern where voters can see the impact of their choices.

Conclusions

There can be no underestimating the continuing difficulty of developing the three strategies outlined above. Persuading national citizens to define themselves at least in part as Europeans, in accordance with the German strategy, is a task that requires overcoming widespread distrust of Brussels as well as the divergences of interest among Member States. Devising a trade-off between the policy priorities of the members of such a heterogeneous entity as the EU presents a major challenge for the Roman strategy. Giving EU citizens a more direct role in the choice of their leaders will require a reassessment at national as much as European level as to the scope of the Greek
strategy. Nonetheless, as this chapter has sought to show, the 27 are condemned to continue their search for a common identity, to define and pursue European public goods, and to offer means for citizens to contribute to the political direction of the EU.

There can be no certainty as to the outcome, but at the very least we possess a set of common criteria against which success and failure can be measured. We will be able to observe the extent to which Europeans feel more aware of their common values, assess the popular success of a redefinition of the policy structure of the EU, and judge whether citizens feel more engaged by European elections in 2019 and thus more inclined to participate.

In Britain there will no doubt be a wish to dismiss such developments as illusory, to suggest that the divisions that they will no doubt provoke make a mockery of the notion of a common European destiny. The result of such a discourse will be to create an even wider gap between the 27 and the UK. Britain will be exempted from any need to identify what it means to use the phrase ‘we Europeans’, raising ever higher the barriers to rejoining at a future date. For the rest of the EU, however, the search for the meaning behind the phrase will continue.