

Some simple questions for a complicated future

Are we witnessing the end of American leadership?

The American leadership, as was gradually built after the end of the Second World War, rested upon four elements. The first of such pillars was the will of the United States to guide the destiny of the “free world” and its ability to do so; this will underpinned the idea that the United States had a prominent role to play in history, the essence of “American exceptionalism”. The second element was a strong network of alliances, both economic and military, woven around America. The third was constituted of a national order whose objectives were multilateralism, liberalism, and the respect of civil rights. Finally, the fourth element was the full disappearance of systemic rivals since the collapse of the USSR. Since the turn of the 20th century, these four elements have been strongly eroded.

The end of “American exceptionalism”

The incentives offered by the United States to the rest of the world were made up of a mix of *hard power* and *soft power*, and rested upon three components. The first, economic by nature, encompassed the universality of their currency and the privilege it gave them of indebtedness at will, the dynamism of their enterprises, their scientific potential and their seemingly limitless ability to innovate. The second component was the force of their armies, victorious outcome from the Second World War, and their ability to deploy forces on any battlefield in the world. The third and final component, and maybe the most important, is the cultural component. This rested upon the progressive spread of the English language, Hollywood’s ability to spread the idea of the “American dream” across the globe, promoting democratic values and pushing the boundaries of both the known and unknown universe in the collective imagination of humanity. All of this, of course, was made possible through the existence of institutions whose solidity seemed fool-proof and which prevented, via a subtle balance of powers, a government of one man.

These three components are mutually beneficial, reinforcing and strengthening one another. Thus, the wealth created by the American economy enabled the financing of a powerful armament effort, which in itself generated innumerable technological innovations that benefitted all Western society, all heavily praised by the Hollywood machine. What could be more effective in showing the way forward for other nations than to put a man on the moon. The cold war was probably won on that day. Whatever the qualities and flaws the American leaders possessed, they were largely forgiven due to their ability to coordinate the efforts of democracies, reassure their allies, intimidate their enemies and to pave the way for scientific progress, whether that be in the conquest of space or the internet.

America was not only powerful, but she was loved and admired. This admiration drew the most entrepreneurial individuals from all countries, convinced that there, anything was possible. America was the new Athens, *the place to be*, an exceptional nation. This “exceptionalism” of freedom, equality before the law and personal responsibility formed the essence of the American strength.

This “American exceptionalism” has been challenged since the turn of the 20th century. The attacks on September 11th 2001 in their incredible brutality forced George W. Bush to react, and it was this reaction which led to a greater concentration of power in the office of the President, disrupting the subtle game of balances and counterweights. The Presidency of Barack Obama was marked by the

start of a withdrawal from Europe – the famous “pivot” towards Asia – and the desire of the United States to no longer be on the front line, and instead adopt the approach of *leadership from behind*.

However, it was largely Donald Trump who, from the day of his inauguration, declared that the policy of the United States would henceforth only be concerned with protecting American interests. With this he threw the existence of a Western camp into disarray. True to his word, he has shown no willingness to coordinate the efforts in the West in the fight against Covid-19 and, in the midst of the pandemic and, in the midst of the pandemic, the only coherent aspect of his foreign policy was the continue the withdrawal of the United States from the international community. As the former French ambassador to Washington said, “his vision of the world is the conviction that only nation states count and that their relationships can only be based on power struggles.”¹

The result is that today America is no longer envied, at least much less than it was before. Even if the relevance of the dollar persists, and the superiority of its armed forces is indisputable, in the eyes of world America appears as a terribly unequal nation in which sexism, racism and violence are rampant. Now less attached to defending the values that united the Western Camp, America seems to be preoccupied with its own interests, seemingly tired of the role it has occupied since 1941, as the leader of the “free world”.

The disintegration of alliances

Of all the Presidents of the United States, Donald Trump is the one who, with apparently no other plan than to follow his impulses, weakened each of the alliances that formed the strength of the Western camp. He paid greater respect to dictators and pseudo-strong men than to his Western counterparts. His slogan “America First” in practice becomes “America All Alone” and “Trump First”.

The alliance with Europe, its most longstanding, has been affected in both commercial and military dimensions. On trade, not only have negotiations surrounding transatlantic trade and investment partnership been frozen, but Donald Trump has declared the European Union an “enemy” of the United States. As for NATO, if its description as “brain-dead” by the French President was shocking to many, no one can deny that politically it is in poor condition. The consequence of all of this is that the security guarantee of the US against the Russian threat is being questioned. Even Germany, who were amongst the most pro-American European nations, is now doubting the reliability of their ally.²

In South-East Asia, Donald Trump threw away, in January 2017, the draft treaty of the trans-Pacific partnership, for which negotiations had begun in 2008. However, this did not prevent all the other parties from signing it, namely: Australia, Canada, Japan, Mexico, New Zealand, Singapore and Vietnam. In addition, his “friendship” vis-à-vis the North Korean leader Kim Jong-Un has not led to the nuclear disarmament of this country. Simultaneously, it damaged the relationship of the United States with South Korea and Japan, and so much emphasis had to be placed on these two countries and on the importance of financial compensation. As for America’s alliance with the Philippines, that is now a thing of the past.

In the Middle East, US policy seems to be solely determined by two factors: domestic policy and money. Donald Trump has given multiple gifts to his ally Benjamin Netanyahu by transferring the American Embassy to Jerusalem, in proposing the “deal of the century”, and finally in accepting the

¹ Gérard Araud – Why we must stop despising Donald Trump – Interview for Le Point journal, 31st May 2020

² Survey conducted for the Körber Stiftung – [The Berlin Pulse - German foreign policy in times of covid-19](#), May 2020

idea of an annexation of large swathes of occupied territory, the reason for which seem to be exclusively to satisfy the American Evangelical electorate, which is very much in favour of the restoration of the State of Israel within its biblical boundaries. As for his abandonment of the campaign of America's Kurdish allies in Syria, it only serves to devalue the word of the United States. With regards to Saudi Arabia, the President maintains his support for Mohammed Ben Salmane, irrespective of his actions, without attempting to conceal the fact that American jobs in the arms sector are at risk. This was demonstrated by the Jamal Khashoggi case. Whilst the American President cannot be blamed for hypocrisy, any semblance of moral consideration seems to have disappeared from his foreign policy. Especially following Trump's threat to withdraw missile protection for the country if oil output isn't reduced, in an attempt to save part of the American shale gas industry, staying true to his policy of "America first". In short, this is the question posed by great American political scientist, Joseph S. Nye: *Do morals matter?*³ As for the policy pursued in Iraq and Afghanistan, whether it be the execution of Iranian General Qassem Soleimani or the "peace agreement" with the Taliban, it is unclear where this policy would lead except to a hasty withdrawal.

Only the alliance forged in the so-called *five-eyes* intelligence community (Australia, New Zealand, Canada and the United Kingdom) has so far managed to resist the American President's ramblings. Nevertheless, it comes at a heavy price to these countries; their unconditional alignment to the policy of the United States.

The erosion of multilateralism

The idea of multilateralism was developed by the United States and implemented following the Second World War. Their objective was to stabilise international relationships by weaving a web of interdependency between the constituent states. It founded upon respect for the rule of law and ensures a relatively democratic system, functioning to allow each sovereign state's voice to be heard. It is based on multilateral institutions, both international and regional, which are defined by certain principles such as non-interference, non-discrimination and respect for human rights. The countries adhering to this international system are bound by mutual interest, or reciprocity, in order to achieve "order above chaos" on a ternary bases: peace and security, prosperity and well-being."⁴

The first true break in multilateralism occurred in 2003 with the invasion of Iraq by the United States, without mandate from the UN, at the instruction of then President George W. Bush. This invasion showed the Western camp could be exempted from respecting the rule of law should it be too inconvenient. Barack Obama was also persuaded by his French and British Allies in 2011 to intervene in Libya and remove Muammar Gaddafi from power, well beyond what the 1973 resolution allowed for.

Indeed, the breaches of international law do not come from the United States alone. The actions of Russia in Georgia in 2008, in Ukraine in 2014, as well as its unflinching support for the Syrian dictator demonstrated that the most basic human rights could be violated with impunity, with the Security Council powerless in response. China has also played a role in the erosion of multilateralism, if only in its refusal to abide by the decision of the International Court of Arbitration of the Hague in 2016, when the court ruled against China in its litigation with the Philippines. The daily official *Renmin Ribao* even dared to publish the headline: "The abuse of International law will be a blow to

³ Joseph S. Nye – Do morals matter – Presidents and Foreign Policy from Ford to Trump – Oxford University Press 2020

⁴ Régine Perron - [The end of multilateralism - A victory for Donald Trump?](#) - Diploweb.com November 4th 2018

international order.” Since then, China has notably militarised the *Spratly Islands* and has just dealt a fatal blow to the special status of Hong Kong, in defiance of its international commitments.

It must also be said that Barack Obama also failed to show significant respect for international rules, in particular those pertaining trade, by pushing as far as possible the extraterritoriality of American jurisdiction. One should remember the fine of \$9 million imposed on BNP Paribas for braving the financial embargo on Iran and that of a \$772 million imposed on Alstom in relation to matters of corruption of non-American officials outside of American territory.

Donald Trump will therefore have had no trouble driving the last nails into the coffin of multilateralism. In September 2017 he proposed a reform of the UN, officially to render it “more efficient and effective”, but in reality, the sole aim was to reduce the financial contribution of the United States. In September 2018, before the General Assembly of the United Nations, he denounced “the ideology of globalism” and declared bluntly that: “America will always choose independence and cooperation over global governance”. Thus withdrawing the United States from the council of human rights, stating it “will not return there for lack of reform”, and will “only pay for the aid programs intended for countries that respect us [the United States]”, reiterating that, in his eyes, the International Criminal Court has no legitimacy. Trump will not hesitate to impose sanctions against the judges in The Hague, should they question the responsibilities of American citizens.

The list of treaties and organizations from which Trump has unilaterally withdrawn the United States is long: UNESCO and the Paris climate agreement in 2017; the Iran nuclear agreement in Vienna in 2018; the Intermediate-Range Nuclear Force Treaty in 2019 and the so-called *Open-Skies* in 2020. He also came close to withdrawing the United States from NATO in 2018. He succeeded in impeding the functionality of the World Trade Organization (WTO) by preventing, since March 2017, the renewal of judges within the Dispute Settlement Body which plays a central role in the action of the institution. The IMF and the World Bank are not spared from Trump's obsessed opposition to multilateralism. He publicly stated he was opposed to the financial regulation imposed by the IMF, and urged it to abandon aid programs for countries experiencing currency crises. Last but not least, he has just withdrawn the United States from the World Health Organization (WHO).

The emergence of China as a “strategic rival”

Leadership is a relative issue: one can lose it on their own, but one may also lose it due to the emergence of a more powerful rival. However, from the point of view that concerns us, the two scenarios combine. Not only has the United States deliberately undermined the foundations of its leadership, but China has developed itself considerably under the influence of its own dynamism. There have been a series of indicators that show China passed the US in 2014. According to the IMF, China's GDP that year, measured in purchasing power parity (PPP), was \$18,205 billion compared to \$17,527 billion for the US. Since then this gap has grown steadily. Also, according to the IMF, China's GDP measured in PPP is expected to reach \$30,956 billion in 2021, compared to the predicted \$21,665 billion for the United States. Certainly, economic power is not all the power, but it constitutes a large part. In the domain of education, whilst the American universities are still in the lead, Chinese universities such as Peking University (Beida), Tsinghua, Fudan or Hong Kong advance each year in the world rankings. In the domain of Science, technology, engineering and mathematics, China produces 1.3 million graduates per year, compared to only 300,000 from the United States.

In the game of multilateralism, China has also played skilfully. Already, in the aftermath of the 2008 crisis, it established the BRICS group (Brazil, Russia, India, China and South Africa), a sort of economic forum, competing with the G7. Though this organization was hardly more successful than

its western counterpart, it demonstrated the capacity of emerging powers to organize. Likewise in 2013, whilst the United States had for years refused a new distribution of voting rights at the World Bank, Beijing created a rival institution: The Asian Infrastructure Investment Bank (AIIB) which succeeded in bringing together fifty-seven participants, including the United Kingdom, despite intense lobbying from Washington to dissuade states from joining this organization. However, the most noticed initiative is obviously that launched by Xi-Jinping in September 2013 of new silk routes or OBOR ('one belt, one road'), now renamed BRI (Belt and Road Initiative). It was also the most spectacular as it started with sixty-five countries, and today brings together one hundred and forty, including almost all of the African and Middle Eastern countries, as well as a few South American and, in Europe, in particular Greece, Portugal, Malta, Cyprus, Croatia. Today, it has nine hundred projects worth an estimated \$1.4 trillion, the discounted equivalent of twelve Marshall Plans.

As nature abhors a vacuum, the withdrawal of the United States leaves the field open to China. So much so that during the Davos summit of 2017 Xi-Jinping did not hesitate to present himself as a defender of free trade! China strives, not without difficulty and not without failure, to build a network of accountable customers that it can influence. The very existence of this network has altered the balance of power between countries by weakening American leadership.

The world is now multipolar, with not real leader

To the initial question – are we heading towards the end of American leadership – the answer is, without hesitation, yes. Is it reversible? Perhaps. One can indeed imagine that a new President of the United States could repair the damage. This would be long and difficult, but nevertheless still possible. After all, only American *soft power* was affected by the Trump presidency⁵. Its *hard power* remains intact and the Western allies are only asking to reconnect with the America they have always known.

However, there is one thing that will not change: the formidable place taken by China in international relations. China will not stop growing in order to please Westerners. Neither it, nor India, Russia or even Brazil should it emerge from its difficulties in a competitive state. The unipolar world in which the West, through America, held first place is disappearing before our eyes and the Covid-19 Crisis, like lightning in a summer sky, has only brought light to the darker corners of this transformation. The question, then, is not so much that of the end of Western leadership, as that of whether the declining power of the West can peacefully exist with the rising power of China.

⁵ Gilles Paris and Marie Bourreau – The United States: “Soft Power”, game over? – Le Monde 23rd May 2020

Are we heading towards a new cold war, and if yes, will the European Union have to pick a side?

The war with China won't occur

On the 15th of May 2020 on the channel *Fox News* Republican senator Martha McSally declared, after a report from the FBI disclosed new actions of Chinese cyber espionage: “We are entering a Cold War with China”; a statement enthusiastically supported by several other authorized members of the Republican Party and former advisors to Donald Trump. As a response to this statement, on the 24th May 2020, the Chinese Minister of Foreign Affairs Wang Yi issued a warning to the world that China and the United States are “on the brink of a new Cold War.” “Cold War”; these words that are on everyone’s lips. They refer to a past believed to be over; that of a fight between two blocs by any means possible, except direct military confrontation.

In reality China has worried the United States for more than ten years. It has been eight years since Barack Obama pivoted American foreign policy towards Asia and four years, since the election of Donald Trump, that tensions have been building. So much so that for many political commentators the question no longer seems to be whether we have entered a new Cold War or not, but rather how the one we are in will develop: Is this an inescapable path, which will push the two countries towards all out war, or is there still time to return to the *status quo* before the US elections of November 2020?

This question has been the subject of many reflections, books and conferences for several years and yet it seems that with every day that passes there is a new article published on the subject. The work to reference on the subject is that American political scientist Graham Allison: “Destined for War: Can America and China Escape Thucydides’ Trap?” Published in 2017⁶. Based on the principle that “it was the rise of Athens and the fear that this instilled in Sparta that made war inevitable.” Graham Allison led an applied history project at Harvard which revealed that over the past five centuries, the confrontation between an ascending power and a reigning power has occurred sixteen times and has ended in war twelve. Given this, the idea that “the United States and China are heading straight for war”⁷ is not a huge leap to make, though nevertheless it is one Graham Allison refuses to take, positing that an open war between China and the US is not inevitable. It is simply a question, he tells us, of recognizing the structural trends which guide the relationship of these two great powers, and which cause a “tectonic” stress that the two capitals must control to avoid a simple spark off the coast of Taiwan, between the two Koreas, or on the Senkaku/Diaoyutai islands, triggering an armed conflict.

Let us note, moreover, that this fear of armed conflict did not begin with the arrival of Donald Trump to power. The fictional novel entitled: “The Ghost Fleet”⁸, published in 2015, and which would have greatly inspired the American military, tells the story of a future war in which China, assisted by Russia, would launch an offensive against the United States, leading to the occupation of the Hawaiian Islands. It is interesting to note that the ‘offensive’ was made possible by the fact that the electronic chips sold by China to the United States, which are present in all American weapons systems, in particular in drones and missiles, would allow the military Chinese to gain the upper hand. Any connection between this novel and American concerns about the Chinese firm Huawei would undoubtedly be purely fortuitous...

⁶ Graham Allison – Destined for war – Can America and China escape Thucyde’s trap? – First Mariner Books New York 2017

⁷ Title of an interview of Graham Allison by Figaro Magazine, 3rd May 2019

⁸ P. W. Singer and August Cole – Ghost fleet – Houghton Mifflin Harcourt – US – June 2015

In reality, this developing “cold war” is very different from its predecessor. Firstly, because China does not wish to claim ideological domination and is not an expansionist power. In any case, this is what the former Singaporean Ambassador to the United Nations, Kishore Mahbubani, claims in a well-argued work entitled: “Has China Won?”⁹, a title that resonates as an answer to the question posed by Graham Allison. Moreover, despite its economic and technological strength, China does not currently have a military tool that gives it global reach. Above all else, it does not constitute a cultural model that could be exported past Asia, and does not claim to be so. Its soft power is weak, at least in Europe, where it is seen as a “partner, a competitor, but also a systemic rival.”¹⁰ Finally, because the economic and financial ties forged between the US and China and between Europe and China are of such great magnitude that a conflict, even limited to its commercial dimension, would lead to “mutually assured economic destruction”.

Certainly, a military incident can quickly occur as passions on both sides have been heightened since Donald Trump came to power. However, even if such an event did ever occur, it is unlikely it would descend into open war. The reason is simple: China’s rulers, as staunch followers of Sun Tzu, will not deviate from the strategy of winning without fighting. They will avoid a military confrontation at all costs and will seek, through long-term policy, to isolate the United States. This would continue what Donald Trump has been doing so well so far on his own. If there were to be a war, it is therefore reasonable to assume it would remain “cold.” The problem is that nations behave as irrationally as the men and women who lead them. This makes predictions in matters of international relations a difficult and therefore interesting art.

Does the Union have to choose a side, and if yes, who?

It is evident that, from the point of view of the European Union, there is no symmetry between its relationships with, on the one hand, the United States and, on the other hand, China. History, culture, language, economy, technology and above all else, the political system, bring Europeans infinitely closer to the Americans than to the Chinese. Especially since, through the European lens, China is a counter-model in terms of human rights and public freedoms and maintains a policy that is difficult to accept both within its borders vis-à-vis Muslim minorities (Uyghurs), and outside, in places such as Tibet. The recent events in Hong Kong have not improved China’s image in Europe.

China’s behaviour in international trade must also be taken into account. Its government has, in fact, imposed restrictions on access to its market which, in the long run, prove unbearable for European companies. It is, for example, an obligation to partner with Chinese firms who benefit from forced technology transfers, and then become fierce competitors of European companies. Finally, China’s bad reputation in Europe comes also from a great number of instances of industrial espionage. Given all this, it follows that China has a significant handicap vis-à-vis the United States, in winning the hearts of Europeans. China has succeeded in its economic and military take off, but she has failed to be admired, let alone loved, at least by the West.

However, one must admit that on the other hand, the behaviour of Donald Trump’s America towards the European Union has been, quite frankly, hostile. Instead of uniting to form a common front, the President hinted that he would deal with the European Union before he had ‘finished’ with China¹¹.

⁹ Kishore Mahbubani – Has China won? The Chinese Challenge to American Primacy – Public Affairs New York, April 2020

¹⁰ European Commission and HR/VP contribution to the European Council – EU-China – A strategic outlook – 12th March 2019

¹¹ Comments made to the CNBC channel on January 21st, 2020, in relation to the Davos Economic Forum – “Europe has been very, very tough to deal with. They’ve taken advantage of our country, the European Union, for many, many years... I wanted to wait till I finished China. I didn’t want to go with China and Europe at the

In this context, the Union has no choice other than that of a balanced policy based on its own interests, maintaining its values without lecturing other nations. What could the formative principles of such a policy be?

Firstly, we must abandon the idea at the heart of the so-called American “engagement” with China, that this country could be made to evolve towards democracy by the sole virtue of openness. China is a power that has 1.5bn people and its history is notably different to ours. In this story, democracy is neither a value nor a model. With regards to the history of the Soviet Union’s transition to democracy which turned into the virtual disappearance of Russia, China would tend to frame democracy as a counter-model. If, therefore, there should ever be radical changes in the governance of China, these changes will be the result of internal developments rather than external pressures. Following a pattern proven many times throughout history, increases in external pressure only serve as a pretext to harden domestic politics.

The second idea is that the policy of the Union must be driven by its own interest. That doesn’t mean it has to give up its values, but rather that it can only promote them if it uses its power wisely. There is little point in lecturing China or imposing sanctions on it. Did the sanctions imposed on Russia allow Crimea to return to Ukraine or end the war in Donbass? Did it change the regime in North Korea or Iran? Moreover, does the European Union show itself to be vigilant on the issue of human rights? Did it take action against Saudi Arabia after the heinous murder of Jamal Khashoggi? Will it take sanctions similar to those it has taken on Russia if the government of Benjamin Netanyahu annexed part of the West Bank? With the current state of its power, the only possible position for the European Union vis-à-vis authoritarian regimes which infringe human rights is that stated in the “global strategy” of 2016, that of “pragmatism with principles”. As Sven Biscop¹² aptly explains, this means cooperating with China whenever it is in our best interests, as long as we do not become complicit in human rights abuses, which must be our absolute limit. This cooperation must take place whilst maintaining a critical dialogue, which is not limited to incantations, lessons, or sanctions. Authoritarian regimes are also notably sensitive about their image.

The European Union has leverage over China, if only in terms of trade and technology. It has the means and the right to demand – within the World Trade Organization – that China changes its behaviour in regards to public procurement, respect for intellectual property and protection of investments. The case of fifth generation mobile networks and the possibility of using the infrastructure of the Chinese firm Huawei provides a good example. From this point of view, the European Union must not allow itself to be pushing around by the United States, which did not wait until the election of Donald Trump to eavesdrop on the mobile phone calls of European leaders. Another important area of cooperation between the European Union and China but be climate, where the two powers need to align. Moreover, in the development of African countries, the interests of China and those of European Union should also converge. It is well understood to be in the Unions interests for Africa to develop as much as possible, if only to secure the most fragile populations in place and reduce, if not avoid, new waves of migration. From this perspective, consultation with China would be more advantageous for everyone than the current, knives drawn, competition. Finally, the European Union and China has every interest in the defence of multilateralism, all the more necessary following the withdrawal of the United States from important international organizations such as the World Health Organization. Yet the Union must make sure it isn’t “naïve” and should not put up with the entryism often practiced by China.

same time. Now China’s done, and I met with the new head of the European Commission, who’s terrific... But I said, look, if we don’t get something, I’m going to have to take action, and the action will be a very high tariff’s on their cars and other things that come into our country.”

¹² Sven Biscop: European Strategy in the 21st century – new future for old power – Routledge 2019

Finally, the third idea which should guide the European Union's policy towards China is, put simply, to remain united. The European member states are facing China, but also Russia and the United States, the same situation as the Gallic tribes were in facing Julius Caesar. Given the requirement of a unanimous vote on foreign policy, any of these three powers need only have control over one member states to block any policy. It is an immense fragility that we will have to dispense with one day, and the sooner the better. The European Union therefore has no interest in getting caught up in the Sino-US quarrel. No matter how close we are to the United States, the end of the Cold War demonstrated that their interests and ours no longer automatically align. The Union too must act in accordance with its own interests. Yet it is not enough to say that we will go our own way. We still have to describe this path, and give it substance, which in the current state of European governance is our greatest challenge.

Will the Union be able to do this or is it doomed to disappear into the strategic vacuum?

Towards the end of the European Union or its renewal?

The union is an ambiguous, incomplete and fragile construction

The ambiguity of the project

A political union or simply a market? The European project has always been more or less ambiguous about the desired objective. The famous Schuman Declaration of May 9, 1950, considered to be the origin of the European project, is undoubtedly the clearest of the founding texts. It assigned the objective of the six signatory states to achieve, through the European Coal and Steel Community, “the first concrete foundations of a European Federation essential to the preservation of peace.” Federation, so that was what it was about.

Yet, a few years later, in 1957, the heads of state and government signatories to the Treaties of Rome omitted the reference to the “Federation” and affirmed, not without lyricism but in a vaguer manner, their determination to establish: “the foundations of an ever-closer union between the peoples of Europe.” Nothing was said, deliberately, about the formation of this “union” without a capital letter: simple “economic community”, political association of nation-states, confederation or even federation as initially planned?

The Treaty of Maastricht in 1992, the third hypostasis of the founding trinity in that it establishes the “European Union”, is hardly more explicit. Its preamble affirms that it is a question of “taking a new step in the process of European integration initiated by the creation of European communities.” The European project would therefore be a process that one day could lead to a union. Its legal order is therefore inherently unstable. It does not result from a constitution drawn up in one stroke by a convention agreeing on a comprehensive plan, like the Philadelphia convention which gave birth to the American constitution. On the contrary, it results from a series of treaties which have been superimposed and modified one another at the end of bitter negotiations and which form a framework which is sometimes obscure and of such length that it has become illegible to the overwhelming majority of European citizens.

The problem is that this ambiguity, which for a long time played a role described as “constructive” because it made it possible to move forward without actually developing by pretending to believe that we understood each other and by slipping disagreements under the carpet this ambiguity has, in the long-term, become “destructive”. As the Union grew, the peoples of Europe felt that a handful of “technocrats” were confronting them with a *fait accompli* and robbing them of both their sovereignty and their identity.

It was a British Prime Minister, Margaret Thatcher who first capitalized on this original ambiguity and introduced the market worm into the fruit of political union. It is the disastrous 1979 formula “I want my money back” which enshrines the transactional approach of the union, incompatible with the very idea of a general European interest. Unfortunately, it is likely that today some, including citizens of Denmark, Sweden, Austria and the Netherlands, do not wish to see the Union become anything more than a market. It is undoubtedly for fear of this political dimension that Norway and Switzerland

have never joined. As for Ireland, although it reaped immense economic benefits from its accession to the European Union, its citizens still voted against the ratification of the Treaty of Nice in 2001 and then against the constitutional amendment made necessary by the signing of the Lisbon Treaty in 2008.

Finally, by joining the European Union, it is not certain that the majority of citizens of the Baltic States, Eastern Europe, Central Europe and the Balkans wanted to join a political Union. It is not even certain that the peoples of the Member States at the origin of the Union have not also developed a certain ambivalence, perhaps even a frank aversion, to the construction of Europe. An interesting joint report by Sciences Po Cevipof, the Jacques Delors and Kantar Institute showed that the French had become some of the most Eurosceptic people in Europe, just behind the Greeks and barely ahead of the British¹³. As for the Italians, who for a long time were among the peoples most in favour of European construction, they are now at the same level of mistrust as the Greeks and the French. In the end, the ambiguity will only have produced bitter fruit.

The method's shortcomings

If the objectives were ambiguous, then with regards to the method, things were clear from the beginning. In his aforementioned declaration on May 9th, Robert Schuman affirms in fact that: "Europe will not be made all at once, or according to a single plan. It will be built through concrete achievements which first create a *de facto* solidarity." It is the so-called "small steps" method that has become an absolute dogma, the Alpha and Omega of European "construction". Which condemns it to be a project still under construction where we move forward by stacking brick on brick with "pragmatism", yet without resorting to any architectural plan.

In fact, the idea of moving forward step by step materialized in a series of advances, each of which contained the next seed, and by a ricochet effect, supposedly to make it impossible to go back. Thus, the creation of a free trade area organized around the dismantling of customs, a common commercial policy and four freedoms of movement has led directly to the "Single European market" of the "Single European Act" of 1986. This large market in turn called for a single currency, and if we add the beginning of defence and judicial policy then we have the Maastricht Treaty of 1992. Finally, for the single currency to function optimally it would have been necessary to implement a common fiscal policy. Once this was done, the federal state would have imposed itself as obvious.

This gear method, which worked until the creation of the common currency in 2001, stopped at the threshold of fiscal harmonization and integrated fiscal policy. It has also failed to put in place a truly common defence policy. Seventy year after the Schuman declaration, sixty-three years after the signing of the Treaty of Rome, the European Union has become a wider and deeper community than that from which it originated. However, the goal of the federation now appears to be an unattainable dream, a utopia. Every little extra step comes in the form of crises that are only overcome with enormous effort.

Above all, the UK's exit from the Union defeated the supposedly irreversible nature of the process. The British people have shown themselves to be insensitive to all the economic arguments put forward to show the exorbitant cost of Brexit and have been convinced by irrational arguments

¹³ Bruno Cautrès, Thierry Chopin, Emmanuel Rivière - [The French and Europe - between mistrust and ambivalence - the essential "return of Europe to France"](#) – Sciences Po Cevipof, Notre Europe Institut Jacques Delors et Kantar – May 2020

relating to their “sovereignty”. This is because, above all else, politics is a matter of passion. People are subject to it, and history is full of examples of how they got carried away by their impulses.

It is therefore time to question the merits of the small-steps method. This method is based on the premise that there is a continuum between the starting state – sovereign nation states - and the desired end state – the federal state. However, this postulate is questionable, because there is a difference in nature and not in degree between a merchant club where one can choose the options à la carte, as in a sports club, and a political Union whose solidarity is the reason to exist, and where we must take together the good and the bad. The difference is reflected in particular by the fact that, in a political union, one may be led to endorse decisions that one does not approve of. It is the same as in a condominium. You can be liable to finance the repair of the roof, even if you live on the ground floor. However, we do not go from club-type management, where everyone stays as long as they get “value for their money” to joint ownership, without a change in statutes and without distribution of thousands. The Union is nothing other than the common home of the peoples of Europe. It’s up to us to organize it properly.

The problem is that today such a change of statutes, i.e. a revision of the treaties, seems politically out of reach. This is because the flag of federalism has been hoisted low and its cause deserted. In front of the cries and howls of populist demagogues, the clerics betrayed. Instead of bringing the debate to life, out of conformism, they are silent. The bravest sing the old tune of small steps and pragmatism. They want action, always action, but don’t know where they are going. Let’s walk! Let’s walk! Exclaims the pro-European choir. The truth is that, like in the opera, the choir stalls.

The weaknesses of the institutions

The first weakness of the European institutions is their lack of efficiency. Member states have taken great care to strictly limit the powers of the Union. This is the parable of Gulliver in chains. It follows that the Union is only effective when it has exclusive powers, for example in international trade negotiations, and that it is ineffective when it only has supporting powers, as in matters of public health, or makes decisions unanimously as in matters of common security and defence policy. In this case, the Union becomes the hostage of a single Member State that can use its veto to block anything. This gives too much influence to domestic policy considerations on Union policy. This is currently shown by the blocking exercised by the frugal club – the Netherlands, Austria, Denmark and Sweden – to prevent any increase in European budget, despite it representing only 10% of the European Union’s population and half of Germany’s GDP. Is this democracy?

The second weakness of the Union’s institutions is their lack of accessibility for citizens. The European Commission is not a real government, but nevertheless has certain attributes of executive power. The Council, in a Byzantine subdivision which is impenetrable for ordinary people, is a two-level structure: the “European Council”, which brings together the head of state and government and the “Council of the European Union” which brings together the ministers of Member states in various forms. This Council is the executor of the interests of the Member States and as such is capable of blocking anything. It is both a senate and a government. Its meetings are very opaque unlike those of the European Parliament, and this seriously undermines democracy. The European Parliament is the best guarantor of the general European interest, but those who drafted the treaties were careful not to give it the power to levy taxes and vote on expenditure. It does not even have legislative initiative. On the other hand, it has given itself a power of control over appointments of European commissioners, which no national parliament has with regards to ministers. One must add to this, since the Lisbon Treaty, the existence of the “High Representative/Vice-President of the Commission” who is supposed to play an important role in the matters of foreign affairs and defence, but whose mission is impossible to achieve. All this architecture of horrendous complexity repels the citizens of the Union from their own institutions, which have suddenly become foreign to them.

Finally, the third weakness is the so-called lack of legitimacy. That it is a mock trial. The European Parliament, elected by direct universal suffrage, provides no lesson in representativeness to be learned from any national parliament. The European Council brings together heads of state and government who all come, directly or indirectly, from universal suffrage. As for the European Commissioners, they are designated by their Member State, and appointed – or not - by the European Parliament, and this designation give them full legitimacy. Only the processes for appointing the President of the European Commission and the President of the Council are open to criticism. It has indeed happened in the past that the heads of state and government agree on bland characters, with the ulterior motive that they do not overshadow them. The Lisbon Treaty sought to correct this shortcoming by requiring heads of state and government to take into account the results of the elections to the European Parliament. This new provision led to the so-called *spitzenkandidat* system consisting of appointing President or President of the Commission, the candidate approached by the parliamentary group who won the European elections. However, in the absence of transnational political lists, the democratic nature of this process is hardly convincing. It did not convince President Macron, who publicly opposed it, causing a minor political crisis. Only the development of political parties represented in the majority of Member States would be likely, without changing the Treaties, to remedy this lack of legitimacy.

The Union is going through an existential crisis which could either lead to a setback, or a step forward

A cyclical crisis that touches the heart of the European project: solidarity

The current crisis, as a result of the Covid-19 pandemic, has three major characteristics. The first is that it comes after all the others: Iraq 2003, Negative French and Dutch referendums of 2005, the 2008 economic crisis, the Greek crisis between 2009 and 2012, Libya 2011, Ukraine 2014, the terrorism and refugee crisis 2015, Brexit 2016-2020, Atlantic Alliance crisis 2018-2020. It can certainly be argued that anything that does not kill the Union strengthens it and that the construction of Europe is the sum of the solutions provided to all these crises. This is true. However, it is just as true that each crisis destroys a little bit more of the *affectio societatis* of Europe and that by through these scars the project is disfigured.

The second characteristic of the crisis is that it is multidimensional – health, economic and cultural – and that its repercussions are unprecedented in our societies. It is, in the words of Jean-Claude Juncker, a “polycrisis” and, according to the OECD, the worst peacetime recession in the last hundred years.

Yet the third and most important characteristic of the crisis is that it touches the heart of the European project: solidarity amongst its members. The lack of initial solidarity laid bare the European project. It is true that since then new and significant steps have been taken, such as Germany’s acceptance of a common debt of the Union. The Union has reacted massively, both the European Central Bank with a plan to buy debts of 1,350 billion euros, and the Commission, which has endorsed a set of measured totalling more than 1,000 billion euros: 750 billion for the recovery plan, 100 billion for the SURE device concerning partial unemployment and another 250 billion euros for the European Solidary Mechanism. Contrary to the Greek crisis, we cannot say this time that the Union has done too little, too late. The response was massive and swift. However, these are only small steps on the long road of the European project: nothing definitive can be achieved in the area of budgetary union, nor in the area of fiscal union. It is not sure at this stage if we can go further.

Make no mistake, the current crisis in the European Union is above all political: it once again raises the question of the nature of the Union: market or political union, it is in that this is its existential and that it places the Union in “mortal danger”, as Jacques Delors must have recalled when breaking his silence.

A market, without a minimum of solidarity, is just a vulgar market, a place where one does business. Yet for a long time the Union has been much more than that. The markets have no flag, no anthem, let alone a passport. Even embryonic, a European identity exists. Beyond the symbols, the structural funds made it possible to catch up all the countries which were lagging behind and the single currency helped the poorer countries, which previously devalued their currency regularly to compensate for their losses of competitiveness. The Euro remains incomplete and fragile without an integrated fiscal policy. This is a truth accepted by economists of all political backgrounds and demonstrated by two Nobel Prize winners: Joseph Stiglitz and Milton Friedman. Of course, the euro has survived. Although it has failed to deliver on all of its promises, especially to bring more growth and to become an international reserve currency on par with the dollar. That’s why European companies have had to bow their head to Donald Trump’s determination to halt trade with Iran.

If we really want the Union to be just a market, then we should stick to a purely transactional logic. This would imply removing the discounts enjoyed by Germany, the Netherlands, Austria and Sweden, since these countries only pay a quarter of the contribution that should normally be requested of them. Structural funds should also be abolished, which should not follow this logic. Then we should also put an end to the euro and return to national currencies, so that less competitive countries can regain the freedom to act on their exchange rates and interest rates. The policies of “harmful tax competition” from which Ireland and the Netherlands have derived immense benefits should also be put to an end. Finally, why not re-establish physical borders between the Member States, in order to limit social dumping? Do we really want all of this: a big leap back?

Yet if the Union is more than a market then it must be given the institutions necessary for its proper functioning, starting with security and defence. Because if the Union is unable to protect its citizens, then what is the Union for?

A structural weakness: the inability to protect itself and its citizens

Beyond the cyclical crisis it is going through, the Union is affected by a structural weakness: it is unable to face threats alone and relies on the protection of the United States.

However, this is not inevitable and certainly not a question of budgetary means, as the recurring debate on “burden sharing” within NATO might suggest. Indeed, the sum of the defence spending of the twenty-seven members of the European Union (187 billion euros in 2018) is almost five times greater than what Russia spends (40 billion euros), and higher than what China spends (147 billion euros). This is proof that if the Union considers itself- and rightly – incapable of defending itself against the Russian threat, it is because its defence is fragmented and falls under the sovereignty of the Member State. The problem does not lie in the volume of expenditure, but in its structure. It is the lack of integration of the different national armies that makes the Union militarily powerless. Despite all the aforementioned effects, the common defence policy remains embryonic and common defence does not seem ready to exist.

Defence decisions are made unanimously by twenty-seven governments and implemented by twenty-seven defence ministries, each with their own priorities. Each state sees noon at its door and threats at its window. The countries of northern and eastern Europe, including Germany, are relying on the protection of the United States. Donald Trump could spit in the face of their leaders and they would still continue to worship NATO. Their fear is so great and their recognition so blind that they are willing to pay for protection, as for the countries of the South, they also rely on American protection,

but more for industrial reasons than out of fear of Russia. Only France intends to pursue a policy of national independence. Yet France is isolated and this policy of independence has found its limits, especially in the Sahel where French special forces are too dependent on American resources.

The American protectorate comes at a cost. Until now this cost has been modest. It was just a matter of buying American military equipment. With Donald Trump the code has changed: what is now required is an outright alignment of European diplomacy with American policy. The demand for Europeans to give up the equipment of the Chinese firm Huawei for 5G is revealing this new way of doing things. Failing to align, the UK is running the risk of losing access to US intelligence sources. The final answer will be interesting to watch. Generally speaking, all European states face this dilemma: to align or no longer be protected. Germany has just experienced this, since Chancellor Merkel's refusal to attend the G7 summit that the American President intended to organise resulted in the immediate withdrawal of 9,500 American troops. The message is clear and strong.

The solution calls for drastic choices that no one wants to make

Today the problem of European construction is no longer the choice between the market and political union. The problem is whether we want to end the euro and return to national currencies or adopt a real common budget and harmonize our fiscal policies? The problem is not whether we want European defence or not, it is whether the Union will be able to retain its commercial power if it remains unable to protect itself?

The European construction is stuck in the middle of the ford, the most dangerous place on the river, where the current is strongest and where it is easy to lose your footing. The old baby steps method no longer works and we must move quickly because the world is not waiting. The Europeans must either retreat towards the nationalist banks or advance towards the federalist bank. Of course, they would rather not choose and continue to have the best of both worlds. Any choice is a renunciation and this renunciation is a heartbreak.

However, choosing with knowledge of the causes and effects, in full transparency and involving the citizens as much as possible, presupposes opening a debate on the nature of the European project. This is the reason why a convention on the future of Europe was called. It's also why it has had such a hard time getting into place. Above all else, do not touch anything, and especially not the treaties, say the most cautious. Yet if from the outset any revision of the treaties is ruled out, then we may as well do nothing. Nothing would be better than to make believe, once against, that we are going to move forward when the intention is to stay put.

The difficulty lies in the fact that any rational debate will be extraordinarily difficult to conduct because, let us say it again, politics is about passions and anti-European passions were hot-heated during the Covid-19 crisis.

As Stefan Zweig wrote in 1934, even as the storm was rumbling: "The European idea is not a primary emotion like patriotism or ethnicity; it is not born of primitive instinct, but rather of perception; it is not the product of spontaneous fervour, but the slow-ripened fruit of a more elevated way of thinking. First of all, it lacks the enthusiastic instinct that drives patriotic sentiment. The sacred egoism of nationalism will always remain more accessible to the average person than the sacred altruism of European sentiment because it is always easier to recognize what belongs to you than to understand your neighbour with respect and disinterest."

So how do you get the rational idea of a European federation to win over crowds manipulated by hate traffickers and fear merchants?

It would be necessary, but this is easier said than done, to find the right articulation between the Union and the nations. For that to happen, we need a union that focuses on essential tasks, in

particular defence, and gives freedom to Member States over what is less vital. This is basically the slogan of the previous Commission: to make the Union big on big things and small on small things. Yet what is more essential than defence, foreign policy, international trade and currency? Is it not precisely in these areas that the Member States all have an interest in joining forces, rather than remaining, each in his corner, fragile and helpless?

From this point of view, the dilemma posed when launching permanent structured cooperation – three words not to say “integration” – in the field of defence, remains relevant. Should we have everyone on board, that is to say be “inclusive”, even if it is to go nowhere, or should we build something effective, outside of these treaties? A “Defence Eurogroup”? In this regard, the letters from the Defence Ministers of the Big Four (Germany, France, Italy, Spain) to HR/VP Josep Borrell and their European colleagues insisting that defence is important could, perhaps, mark the beginning of something more ambitious, since the ministers declare themselves ready to “intensify their efforts and advance a more integrated, effective and capable Europe in the international field.” Would it be a question of making a real “vanguard” within the vanguard that permanent structured cooperation was supposed to be and is not?

Yet beyond defence and currency, most will be played out in the field of culture. More than anything, it is vital not to let the peoples of Europe believe that their identity risks disappearing in a political Union. The French will never be the Germans, any more than the Corsicans have become the Bretons, and that’s good. To unite is not to dissolve one’s identity; it is to enrich oneself with an additional identity. To unite the nations of Europe is not to forget where they come from; it’s agreeing on where they want to go.

The European Union is at a crossroads, at a moment of truth when we have to choose one path and abandon another. It has been said many times in the past, often wrongly, but when crying wolf often comes the moment when the wolf is upon your doorstep. Here we are. This time the Union can be reborn. Yet it can also disappear, in the months and years to come.

The Union will be what we make of it.

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