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Conference report

British German Forum

**The future of Europe: relevance and effectiveness in
the 21st century?**

Sunday 14 – Thursday 18 July 2013 | WP1231

In association with:

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The future of Europe: relevance and effectiveness in the 21st century?

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The 2013 British-German Forum brought together around 50 of Britain and Germany's young 'high-fliers' – the policy-makers, innovators and Europe-shapers of the future – to discuss Europe's relevance and effectiveness thus far and going forward in the 21st century.

Key points

- The 28th British-German Forum looked at Europe's place in a changing world order. The discussion involved a broad range of policy including: the impact of emerging nations; the role of the Internet and social media in governance; economic crisis in the Eurozone; new security threats; the structure of the European Union (EU) and its finalité.
- There are a number of issues where future leaders in both Britain and Germany share common concern. Both groups consider youth unemployment, the sovereign debt crisis and competitiveness in the face of emerging powers as some of the most important challenges facing the EU.
- Differences in concern remain, however. While British participants were keen to embrace the opportunities promised by 'Big Data' approaches in business and governance, German participants were more wary of the security challenges these might post. Germans participants did not struggle to understand what a 'European identity' might mean for them, while their British colleagues remained reluctant to endorse such a concept.
- The Forum also showed how opinion can alter through engagement. Over the course of the three day event participant opinions on the EU's relevance and effectiveness shifted. German participants were largely pleased to discover that there remains a core of pro-European voices in the UK and that Euro-scepticism might not be as widespread as is portrayed by the media. Though some participants came with the impression that both nations seemed to be 'muddling through' and lacked strategic vision, a number left cheered by having heard, first hand, from speakers involved in such decisions.
- Three questions underpinned discussion throughout the Forum.
 - **How do emerging powers view the EU?** In a world where the poles of political and economic power are changing, and in which the EU desires a role in shaping global events, it is important to understand the perspective of emerging powers.
 - **How do the citizens of member states view European institutions?** Issues of democratic legitimacy - at both the domestic and European level -

and concerns over lack of representation surfaced frequently. Political leaders need to communicate better the nature of the Union to their constituents.

- **To what ultimate destination is the EU heading?** Whatever the reason each country originally had for joining the EU what is needed now is a new, comprehensive narrative to tie together the 28 member states in order to keep the EU relevant and increase its effectiveness in the 21st Century.

The European project: is it still relevant?

1. The original rationale for the creation of the European Economic Community (EEC) was clear. In the shadow of the Second World War, the EEC was intended to guarantee peace in the European continent. All other positive benefits were of secondary importance to this overriding goal.
2. 60 years on, this peace has been accomplished- at least certainly in the West of Europe. With the original justification for the EU surpassed, it is imperative that member states discover a new narrative to ensure that the EU remains both relevant and effective in the 21st Century.
3. In order to answer the question of what such a new narrative might be, however, a number of other questions need to be answered :
 - How is the EU perceived externally and how can better understanding of these perceptions help the EU reposition itself in the context of a changing world? States outside the EU tend to see the Union as Germany, France, the UK and a selection of other countries, rather than as one collective actor. Not only to remain economically competitive, but also to be taken seriously as a bloc, EU member states need to band together more closely and project the profile of a united body.
 - How can the EU be rendered more relevant to the citizens of member states? Defining 'European-ness' remains a crucial prerequisite to projecting the profile of a united body. Many citizens don't understand the complicated set of institutions that comprise the EU. They are concerned that membership in the EU necessarily entails democratic deficit or loss of sovereignty. The member states of the EU need to address these issues and render European identity a relevant concept for the 500 million inhabitants within the borders of Europe. This needs to occur while valuing national identities and differences.
 - What does the concept of European finalité involve and what do member states want to achieve? With 28 member states, and the potential for more members, it cannot be assumed that the concept of finalité can be unanimously agreed upon. However, it might still be possible to identify a central core of values and aims to help define the EU's onward trajectory.

“...it is imperative that member states discover a new narrative to ensure that the EU remains both relevant and effective in the 21st Century”

Looking to the future: global trends and Europe

4. Europe's place in the 21st century will be, in part, decided by a number of significant trends:
 - A demographic change. While the global population is still growing – a catalyst for a number of changes – the major change that faces many EU members is that of ageing populations. For many countries, retirement ages are rising, pensions and life insurance are constantly up for debate and youth unemployment is relentlessly high.
 - An increased possibility of conflict and insecurity due to resource scarcity. Though it is difficult to define 'scarcity', it is clear that resource supply is being outstripped by demand. Often, it is simply a question of whether market prices are close enough to consumer demands or means. Europe has both a lot to offer and a lot to answer for. European states need to be aware that they cannot necessarily

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continue to live as they have in recent years. It is necessary for the EU to leverage the collective experience and individual strategic relationships of its member states to reduce the chance of economic competition deteriorating into conflict.

- An ever more globalised, inter-connected world. Every state is now a neighbour and, consequently, a potential trading partner. While greater connectivity and interdependence have brought many benefits it also has the tendency to exacerbate crises. For all its faults, the EU has been an incredible smaller-scale experiment in multi-national governance and could be a model for future global governance.
- A surge forwards in technological sophistication. 17 years ago, there was no popular use of the Internet. Today, two thirds of Europeans have regular, unfettered access. New political and social mobilisations – on occasion apparently leaderless – have begun to use this new stage to present their views and put pressure on governments. Equally, the ‘Big Data’ potential of the internet as it relates to governance – i.e., the potential to collect large amounts of data on what citizens actually care about – gives states an opportunity to reconnect governments with their alienated electorate. It is imperative, however, that governments get better at understanding the pace of innovation and do more to be pioneers, not simply followers. At the same time, if Big Data approaches are to be used they must be used properly, within an ethical framework sufficiently respectful of individual rights to privacy and expression.

The EU in a changing global context: the rise of emerging powers

5. The greatest change over recent years has been the rise of new global powers from the developing world. Too often, the EU sees itself as a good example which it expects emerging nations to follow. This perspective only rarely relates to reality. Europe can seem hypocritical to actors from emerging powers.
6. Introspection is not enough: the EU needs to better understand how emerging powers view it. Often, the prevailing attitude is shaped by the experience of colonialism and completely outmoded mechanism of interaction.
7. Countries like China rarely consider the Union as one bloc, but rather as a collection of individual actors. Exacerbating this perspective, China and other significant global actors also find that exerting strong influence bilaterally is frequently the best way to achieve their strategic goals. This is because such influence frequently leads to a multilateral shift in macro European policy.
8. Caution is needed regarding collective foreign policy. Extant and poor policy is not preferable to the absence of policy. The less coherent and united the EU appears, the less seriously it is viewed. If a common policy is too complicated to achieve in the context of different national interests then it would be preferable to leave policy unarticulated. Instead, a series of very specifically defined outward-looking projects could fill this role.
9. European diplomacy with exterior powers must always be a ‘two way street’. Europe must interact with emerging powers with the respect and significance they merit. Drawing on European core expertise (for instance: creating the right balance of regulation; the existence and regulation of free media; democratic values and principles) there are many fronts on which Europe can remain proactive and relevant in the face of this shifting division of power and influence.

“Introspection is not enough: the EU needs to better understand how emerging powers view it”

Europe’s economic challenges and their political implications

10. The main economic challenge facing Europe today is that of the sovereign debt crisis. Questions remain as to how best to balance the debt burden of certain member states whilst also ensuring that the central European values of solidarity and mutualisation are maintained. There are no easy answers to these questions.

11. The Eurozone crisis affects Britain and Germany in different ways. Germany appears much more concerned with maintaining the Euro as one of the core reasons for the creation of the EU.
12. Outside the Eurozone, but still highly dependent on it for its banking and financial sectors, the UK is also very interested in making sure the Euro survives. The question of the extent of British involvement in any mutualisation process, however, is a difficult one.
13. While other European nations agree in principle there are different opinions as to how issues like the debt overhang should be dealt with. Whilst some European Union institutions would push for a European fund, to which all countries would contribute and from where Brussels would deal with bailing banks out, Germany would look for a more individual mutualisation of the debt, ultimately putting the responsibility on the national governments who took risks in the first place.
14. The crisis may have put the necessary pressure on the EU to address certain long-needed, structural reforms. The questions of treaty change and referendum tie directly into the current British debate on EU membership, and this may well also serve as a catalyst for positive change. Through cheaper supply chains and free trade agreements, the EU still maintains the potential for a stronger, more competitive Union. What it needs is a new engine, in the form of a new European narrative, to get it moving forwards once again.

European security: threats and concepts

15. Opinions varied quite dramatically between British and German participants regarding the nature of European security. Britain has always had a strong defence policy and still maintains relatively large defence spending. Germany is much more reluctant to project military force and, when it does (such as in Afghanistan), such action is usually domestically unpopular.
16. The trend away from the primacy of 'classical' security concerns (i.e. the dominance of the state and the necessity for conventional militaries) towards focus on asymmetric engagement (i.e. with non-military and non-state actors) complicates attempts to define 'security' succinctly.
17. The EU has a lot to offer in the security field: especially in terms of the breadth of experience of its members. The EU's toolkit includes: a strong ethos of development aid and spending; institutional and consulting expertise on justice and the rule of law; the being a major potential trade partner for many states; and the capacity to exert influence through its hard power resources.
18. The EU's capacity to act, however, is limited by: the complicated nature of its structure; its very young foreign service; and a lack of resource and political will whilst dealing with economic crisis.
19. The extent of future European military cooperation is an open question. Involvement in Afghanistan and Libya, for example, illustrate that such cooperation can be effective. Occasionally, countries feel required to participate in action that they do not feel is theirs to participate in.
20. The way forward might involve a clearer division of labour between the EU and organisations like NATO and individual member states. The levers of soft power could remain the primary preserve of the EU, whilst organisations such as NATO and individual member states might primary control over hard power levers.

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External Perceptions of the EU

21. Understanding how the EU is perceived by states outside continental Europe is crucial. Such understanding is a prerequisite to determine the policies necessary to increase the relevance and effectiveness of the Union.

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22. Europe has a long and distinguished history, though it is very complex. The creation of the EEC in 1951 is one particular moment that stands out as an historic step. There is a great amount of respect in nations outside the EU for what it has achieved in building peace and economic prosperity. However, that respect is tinged both with worry at the stability of the current situation and with wariness at what might appear ‘neo-colonialist’ attitudes.
23. Russia, for example, sees Europe as a reticent business partner. Though Russia may at one stage have wanted to join the EU (and notwithstanding a number of close, personal relationships between Vladimir Putin and some European leaders) it no longer wishes to be part of the EU’s neighbourhood policy. Russia wants to be seen as an equal partner.
24. Brazil sees the EU as an organisation divided where it should be united. Brazil sees the EU as a model to emulate and wants to be involved with one of the biggest trading partners in the world. However Brazil also finds it difficult to understand why some member states might want to leave the Union.
25. Despite these worries, the EU has been the model for two major unions in recent years: the Eurasian Union and the African Union. The latter, created in 2002, is explicitly modelled on the EU’s attempts at promoting peace through integration. The EU is also seen as a strong counterweight to the US’s polarising power.

European identity: what does it involve?

26. A key part of the new European narrative is the question of European identity. Almost no one has ‘Europe’ as their primary locus of identification: national and regional identities are still primary. There is not a single, overarching identity the cements the citizens of European member states together in spite of our differences (unlike the US).
27. Since it is both impossible and undesirable to dispose of national identity the debate should be reframed away from being, primarily, concerned with a competition of identities. Rather, it should consist in an examination of what principles and factors bind the citizens of European member states together. Such principles and factors include:
 - Political Geography. The creation of the Schengen Zone has had the effect of making the exterior border of Europe more significant than the interior borders between member states.
 - Economics. Europe consists in a series of industrialised, globalised economies. These vastly increase the ease and immediacy of communication among member states and the availability of cheap travel between them.
 - History. Europe is united by a deeply interconnected, deeply complex, shared history.
 - Values. All member states in Europe share to a greater or lesser extent in a set of values influenced by rich cultural and religious heritage which current institutions actively support and practice.
28. In particular, these shared values – such as equality and tolerance, the rule of law, the strength of democracy – set European states apart from many others in terms of economic and political structure. These values can be expressed by institutions and then established in the public in a ‘top-down’ fashion. Alternatively, they can be expressed by citizens who, realising how much they have in common with each other, create an identity in a ‘bottom-up’ motion. While the former relies on EU institutions setting agendas, the latter is encouraged through civil society organisations.
29. The part that religion – and, in particular, Christianity – has played in shared European history is undeniable. While the mistakes of the past cannot be ignored, it should not be forgotten that religious organisations significantly contribute to many Europeans’ sense of self. Churches in Europe have particular knowledge and experience when it comes

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to cross-border conflict (though the borders may be spiritual as well as geographical) as well as being, at best, an example of unity in diversity. A message of hope, and the experience behind it, is desirable when it comes to finding a new narrative for Europe. The crucial challenge for all religious groups, though, will be to remain open and tolerant – as much towards each other as towards secular institutions.

30. Openness and tolerance is also paramount when examining nationalism. When national identity is taken to an extreme and ceases to be cosmopolitan – that is, the appreciation and active seeking out of cultures other than one’s own – states run the risk of descending into xenophobia. The foundations of Europe are built upon the idea of rejoicing in difference and being united in spite of diversity. This striving for openness and tolerance may also be the key to shrugging off some of the ‘dark history’ in Europe’s past.

What does it mean to be a member state of the EU?

31. The original motivation for the creation of the EEC (lasting peace in Europe) is no longer the ultimate end or aim of the EU. It is not clear that the final aim has ever been a matter of consensus for members.
32. The essence of membership can be seen in three different ways. The proponents of each perspective are trying to shape the debate according to their preferences:
- Eurozone members argue that membership of the EU should entail every EU member state joining the single currency. Though not yet having the Euro doesn’t stop a country from being a member, the ‘yet’ is important in that it denotes a definite movement towards eventually having it.
 - Most countries outside the Eurozone consider membership to be about solidarity. Poland, for example, feels like a fully-fledged EU member and maintains strong ties with Eurozone nations, despite not having the Euro itself. Poland also doesn’t see joining the single currency as an economic priority as it continues to grow strongly without it.
 - The UK’s membership of the EU is particularly complicated. It does not readily experience the solidarity shared by other member states. Consequently, from the point of view of other EU states, the UK’s membership is currently the most in question. Whilst wanting to be able to affect change in the EU and be a part of the decision-making process, as well as wanting to benefit from the single market, the UK seems unwilling to change its attitude of ‘us and them’.
33. Concerns about the legitimacy and effectiveness of the EU institutions also inform this discussion. In some places this comes down to European Parliament-bashing; a practice which rarely produces constructive alternatives. The worth and role of treaties has also come under doubt due to the frequency with which such agreements have been violated without sanction. Newer nations find it difficult to understand how founding nations can require so much of them when these same founding nations rarely live up to the standards they have set themselves.
34. Clearly, something needs to change; both in the treaty governing the EU and in the attitudes of those following that treaty. For the UK, a push for treaty change might be a productive process if, through such action, Britain can articulate a narrative of proactive change for all European members and not just about individual ambition or benefit.
35. It is also clear that though individual nations may be disposed one way or another towards their membership of the EU, the difference between their citizens is not always so clear-cut. For many German participants, hearing that there are many pro-European British Conservative MPs was encouraging. For many British participants, the knowledge that political debate in Germany is often marked by strong euroscepticism, served to challenge preconceptions in a similar way.

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Conclusion

Summary of Conclusions

Conclusions surfaced during a final plenary session. Feedback was given on a full spectrum of opinions. The following section highlights some particular concerns from across this spectrum.

Challenges facing the EU as it moves forward

- Internal struggles: these are both damaging to the EU's aims and to the way the Union is seen externally. Three fundamental challenges remain: reducing the complexity of European institutions; reducing the sense of democratic deficit which exists in some member states; and increasing the understanding of member state citizens regarding the function of EU institutions.
- Narratives on the EU at the national level: due to domestic political motivations national governments can sometimes obstruct progress on matters of joint concern.
- Learning to compromise: with 28 individually sovereign members, EU members need to learn to compromise during the process of collective government. This will not be an easy shift for some members: some will need to adapt their notion of national interest whilst avoiding the perception of losing national identity.
- Institutional velocity: processes of change and decision-taking appear to take a very long time. The biggest threat to the EU's efficiency is its propensity for legislation and bureaucracy rather than action.
- Uncertainty about the UK's membership: other member states will view the UK as an unreliable partner as long as it tries to effect change whilst eyeing the possibility of leaving the Union.
- Germany's role: Germany needs to assume a more proactive role in European affairs and work out how best to utilise the strength and influence it has already amassed to lead the EU forward.
- Reform is needed. This will require consensus on the overall direction and goal of the EU. Increased clarity concerning the motivation of member states is a prerequisite for this process.

Reasons for continued hope during the process of change

- A history of successes: the EU has already achieved a great deal. Remembering, and perhaps celebrating, those successes may well give member states the energy and political will they need to progress.
- Turning crisis into opportunity: the present economic and financial crisis should be looked upon as a powerful driver to provide the impetus to complete a project worth finishing. This requires two processes: the resolution of a number of differences between member states; and the reconceptualisation of cultural and political diversity as a positive feature rather than a negative one. Such an approach also requires flexibility in the way the European project is considered and what member states aim to achieve through their involvement.
- Commonality of value and purpose: member states have more things in common than not. If a new European narrative is possible – one that speaks to all member states – a concomitant new European identity should also be possible – one that complements the individual national identities of member states.
- It is clear that the EU will be relevant in the future. It is up to European stakeholders, principally member states and their citizens, to make it effective.

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Nick Kenchington

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