

# The bumpy road from Bratislava to Rome: the results of a (un)spectacular summit

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## Summary

The EU's October Summit was dominated by three main issues: migration, international trade and relations with Russia, with EU leaders being eager to display a certain degree of unity and normality. The Summit was a rather unspectacular meeting in terms of actual results. But it did not pass unnoticed, given that it was overshadowed by the veto of Wallonia to CETA, which questions the Union's credibility as in international trade actor. With respect to migration, the focus was once again on the security aspects and on fire-fighting rather than on the remaining structural deficiencies. The debate on relations with Russia showed major divisions between national capitals. However, the fact that President Putin seems ready to do whatever it takes to re-establish Moscow as a global power increases the chances that the EU front will remain united. In more general terms, the inability to reach concrete decisions and the divides between member states on many core policy issues displayed at the October Summit indicate that the road from Bratislava to Rome, where EU leaders want to give the public a "vision of an attractive EU", will be a bumpy road. This is a worrisome perspective given that what is at stake is much more than the EU itself: it is the danger of the emergence of a regressive and illiberal Europe — a Europe in which key values, orientations, norms and principles are being increasingly undermined.

## **Full report**

The European Council meeting on 20-21 October 2016 dealt with three main issues: migration, international trade and the relationship between the European Union (EU) and Russia. Expectations ahead of the Summit were rather limited. Nobody assumed the announcement of major new initiatives or breakthroughs, but anticipated a rather unspectacular gathering of heads of state and government in times of uncertainty. After a difficult year dominated by the migration and refugee crisis, and following the Brexit vote, which had preoccupied the last ordinary meeting of the European Council in June, EU leaders seemed eager to display a certain degree of unity and normality.

In terms of concrete results, the October Summit was indeed a rather unspectacular meeting. But it did not pass unnoticed. The fact that the discussions among EU leaders were overshadowed by the inability to overcome the veto of the Belgian region of Wallonia to the EU-Canada Comprehensive Economic and Trade Agreement (CETA) left an unforeseen mark. Whatever the final outcome, which was still unclear at the time of writing, it raises some fundamental questions about the Union's credibility as an international trade actor and has inflicted (further) reputational damage to the EU both within and outside Europe. The 'Walloon incident' also raises some pertinent questions, which go far beyond CETA and the realm of international trade.

This analysis summarises and evaluates the three main issues dealt with at the October Summit. In addition, it discusses the state of affairs regarding Brexit, given the first appearance of the new UK Prime Minister, Theresa May, at the European Council. And it ends with a section that draws some general conclusions, aiming to shed some light on the prospects for European integration in the foreseeable future.

## International trade - trade defence instruments & consequences of the 'Walloon incident'

On the occasion of the October Summit, EU leaders wanted to demonstrate their support for international trade, while taking into account the growing public criticism vis-à-vis the negative forces of



globalisation and the conclusion of new international trade deals with major economic partners. Although they agreed on the modernisation of the EU's Trade Defence Instruments (TDIs), the overall objective to underline the significance of international trade was severely undermined by Wallonia raising objections to the signing of CETA.

Public attitudes regarding international trade have turned sour over the past years. The EU is increasingly seen as an 'agent of unfettered globalisation', linked with many negative developments related to globalisation, which overshadow the positive effects of more integrated markets and international free trade. As a consequence, the conclusion of international trade agreements is, in the eyes of an increasing number of citizens, being equated with (i) a social and environmental race to the bottom linked to unfair competition and dumping, (ii) the dominance of the interests of financial markets, and (iii) the ability of globally acting companies to set the rules and exploit the system while undermining democratic principles.

In an attempt to counter (some of) these points of criticism, the Summit Conclusions state that the EU will fully defend and promote "the social, environmental and consumer standards that are central to the European way of life". EU leaders argue that "unfair trade practices need to be tackled efficiently and robustly" and that it is of "crucial importance" that the EU's Trade Defence Instruments are "effective in the face of global challenges". In more concrete terms, but without going into any details, the European Council calls for a modernisation of all TDIs by the end of 2016.

The European Commission has been proposing a reinforcement of TDIs since 2013, but has not found sufficient support among member states. It argues that free trade must be fair, and that unfair trading practices, such as dumping and massive subsidisation by foreign producers and governments, cause serious harm to EU industry and workers, undermining public support for free trade. But despite repeated calls by the European Council in March and June 2016 to take action, the Council has not been able to reach an agreement on the Commission's proposals. A group of countries particularly eager to defend free trade and counter any potential sources of protectionism, which includes Britain, the Netherlands and the Nordic states, has up until now opposed a reinforcement of TDIs.

In the week of the Summit, the Commission announced that it intends to propose amendments to the EU trade defence legislation, aiming to adapt the Union's TDIs to new challenges, as well as to the changing legal and economic realities. It will propose a new anti-dumping methodology to "capture market distortions" linked to state intervention in third countries that mask the true extent of dumping practices. The new methodology shall be "country neutral" and thus applicable to all members of the World Trade Organisation (including China) and it aims to bring EU legislation and practice closer to that of other international partners such as the US and Canada. In the words of Commission President Jean-Claude Juncker: the EU has to step up its defences against dumping in order to "fight against stupid populists".

However, it remains to be seen whether or not and to what degree EU governments will support the Commission's proposals, despite the European Council asking trade ministers to break the deadlock. A big enough group of governments might block a reform of the so-called 'Lesser Duty Rule' (LDR), which has restricted and caped the Commission's ability to impose higher anti-dumping tariffs. Instead, the EU was only able to impose relatively low penalties (much lower than, for example, the US), which do not recoup the full sum by which dumped imports undercut real production prices. The fact that a reference to the LDR included in earlier draft Conclusions was eventually removed indicates the continuous opposition of numerous governments.

If, at the end of the day, member states are not willing to strengthen the Union's ability to defend European trade interests, the EU runs the risk of losing even more public support. The Union and its members must demonstrate that they can help to protect citizens from the excesses of globalisation, by defending social and environmental standards or by countering tax evasion, while at the same time making sure that open international trade does not become subject to protectionism, which is clearly not in Europe's interests given its export dependence.

The attempt of EU leaders to demonstrate their support for free and fair international trade was severely undercut by the inability to unanimously endorse the EU-Canada trade and investment deal. Following strong pressure from a number of EU countries, led by Austria, France and Germany, the European Commission had to declare in July 2016 that CETA was not an 'EU-only' accord but a 'mixed agreement', which requires not merely the assent of the Council and European Parliament, but must also be ratified by parliaments across all member states.



In the run-up to the Summit, three actors raised objections: Bulgaria, Romania and Wallonia, one of five Belgian regions whose consent was necessary for the Federal Government of Belgium to be able to sign CETA at the EU-Canada Summit on 27 October.

Bulgaria and Romania made their signatures conditional on visa reciprocity from Canada and their objections could be overcome in the course of the EU Summit, as both countries received written assurance that from 1 December 2017 Canada would abolish the visas for Bulgarian and Romanian nationals.

But the case of the French-speaking region of Wallonia, with a population of about 3.6 million people, has been much more complicated, although its objections should not have come as a surprise. In the week before the Summit, Wallonia's parliament in Namur adopted a resolution opposing CETA and without its assent the Belgian Federal Government cannot sign the EU-Canada agreement, even though Prime Minister Charles Michel and his government have strongly endorsed the trade and investment deal and despite the fact that all other constituent parts of Belgium do not oppose a signing of CETA.

Wallonia has rejected CETA for a number of reasons, although according to its Minister-President, Paul Magnette, the government has nothing against trade deals in principle, but could "not accept everything" given that the Commission and the Canadian government have, as he argues, not adequately reflected the concerns of his region. Without always being very specific, the government and parliament of Wallonia fear that CETA could undermine social, health, environmental, data protection and labour standards, and harm the region's economy, especially in the agricultural sector through the excessive import of Canadian agricultural products. Like other critical voices throughout Europe, they also suspect that the introduction of a new special dispute settlement tribunal, with members appointed by the EU and Canada, could favour corporations over national regulators and legislators. Despite the fact that the new investment protection system included in CETA has already been amended to reflect (some of) these concerns, critics say that the system could be used by multinationals to negatively affect public policies. Finally, internal Belgian regional and political considerations and power battles, as well as the overall negative economic development of Wallonia, also play a role, motivating and complicating the complex negotiations with the Federal Government, the Commission and Canada.

In an attempt to persuade the government and parliament of Wallonia to accept CETA, the Commission proposed a special declaration aiming to address the region's concerns. Special declarations clarifying the EU-Canada trade deal have already mollified several other countries' objections, ranging from Austria's fears about the forced privatisation of water companies to Greece's worries about the protected status of feta cheese.

During the course of the Summit and following negotiations between Wallonia and the Commission, the latter had elaborated a revised "joint interpretative instrument", which included safeguards on the right to regulate privacy and data protection, as well as some amendments with respect to labour rights, general services, public procurement and social security. It also introduced some guarantees against excessive Canadian agricultural imports and addressed concerns about the investor settlement mechanism. However, the proposed document was still not considered to be adequate. In the words of Minister-President Magnette: "Progress has been made, but for us, at this stage, it is insufficient".

In an effort to secure the agreement of Wallonia, the Canadian government, represented by the federal Minister of International Trade, Chrystie Freeland, held direct talks with representatives of the Belgian region and the Commission to identify possible last-minute compromises. But these talks failed to solve the impasse. Minister Freeland said that it had been impossible to find an agreement with the leadership of Wallonia, openly expressing her dissatisfaction with the fact that "it seems obvious for me that the EU is not capable to have an international agreement even with a country that has values that are so European, with a country that is as nice and as patient as Canada". In their Summit Conclusions, EU leaders "encouraged continued negotiations" with a view of finding a solution as soon as possible.

However, all this does not mean the end of CETA. Even if Canada and the EU will not be able to sign the agreement on 27 October, negotiations will continue and key representatives of Wallonia have already testified that progress has been achieved, although certain issues still need to be clarified with the Belgian Federal Government and with the European Commission and Canada.



But even if CETA can be salvaged in the end, which seems more than likely, the 'Walloon incident' raises not only a number of specific issues, but also more fundamental questions that go well beyond the actual agreement between the EU and Canada. The inability to sign off CETA raises severe doubts about the EU's ability to conclude, ratify and implement international free trade agreements. The Transatlantic Trade and Investment Partnership (TTIP) between the EU and the United States, which is criticised even more than CETA, is an obvious case in point. The problems with CETA also cast doubt on any future trade deal between the EU and the UK following Brexit. Some British politicians are now realising that the UK's future relationship with the EU could be severely affected by national or even regional parliaments that might (strongly) oppose a deal not including, for example, the free movement of labour.

There are a number of lessons the EU and its members should draw from the events around the October Summit. First, there is a need to make a clear(er) distinction between those parts of future trade and investment deals that are 'EU-only' elements, where the Union has the competence to conclude agreements, and others parts, which are 'mixed agreements', requiring the ratification of parliaments throughout the EU. The Union and its members need to identify ways to make sure that international agreements do not become subject to national and regional interests and multiple potential vetoes. Second, negotiating partners should not 'oversell' the expected aggregate economic effects of future trade deals and explain also in political terms why the conclusion of trade deals with key strategic partners, such as the US or Canada, who share similar views and values, are in the overall interest of Europe. Third, the Commission and national governments and parliaments need to increase efforts to ensure that critical arguments are taken into account at an early phase of the process. There needs to be an honest debate. The CETA case has shown that the dismissal of critical voices can, in the end, backfire. Modern trade and investment agreements with (highly) developed countries go far beyond the abolition of tariffs and thus need to take into account fears related to the potential effects on social, environmental, health or labour standards or on national policy-making and sovereignty issues.

But besides these more concrete points, the opposition to CETA and other major trade agreements, which is not limited to Wallonia, signals more in-depth challenges going far beyond the realm of international trade. There is a need to understand the more profound reasons why more and more citizens are openly objecting or silently questioning the added value of international free trade and globalisation.

Much of the public's unease with international trade can be linked to the loss of trust in political and economic elites ('the establishment') and their ability and willingness to defend the interests of 'ordinary people'; it also has to do with the fact that the distribution of economic gains is considered to be unevenly spread, creating an even wider gap between the 'haves' and the 'have lesses'. Finally, the increase of polarisation within and between our societies is playing into the hands of all those political forces who oppose the principles of an open and internationalist society (see also final section of this analysis).

## Migration - focus on security, without concrete decisions

Day 1 of the Summit started with a broad debate on the EU strategy on migration. Following a difficult and often chaotic year in the context of the migration/refugee crisis, EU leaders wanted to signal that the Union and its members have regained control. However, they did not take any concrete decisions and many issues will have to be further discussed at the next ordinary meeting of the European Council in December. It is not clear whether the EU and its members will, at the end of the day, be able to move substantially closer to a common migration and asylum policy worthy of the name.

Once again, the main focus of the debates during the Summit was on the security aspects of Europe's migration policy. Given the diversity of opinions between national capitals, the EU and its members have in the past year struggled to identify and implement a common response that balances security concerns, support for migrants/refugees and solidarity between EU countries. Opposition to the relocation scheme adopted in September 2015 – which in theory provides for the relocation of 160,000 refugees from Italy and Greece to other member states on the basis of a binding and permanent mechanism – clearly demonstrates a strong 'solidarity gap' between EU countries. Repeated calls on member states, like the one included in the October Summit Conclusions, to intensify efforts to "accelerate relocation" have not led to a substantial increase in numbers.



This Summit has once again illustrated that the predominant objectives, which have united the different camps to some extent, have been to safeguard and control the Union's external borders, prevent a further unravelling of the Schengen area in order to ultimately 'move back to Schengen' and, above all, to reduce the number of people arriving in the EU by cooperating with third countries of origin and transit. The key aim has been to regain control of a rather chaotic situation, after more than one million migrants/refugees arrived in unprepared member states in a very short period of time.

This goal seems to have been accomplished – at least for the time being. The number of people arriving in Europe has been substantially reduced, especially of those trying to reach the EU via Greece, as a result of the closure of the so-called Western Balkan route and the agreement between the EU and Turkey. At the same time, the number of people arriving via the so-called Central Mediterranean route from Africa to Italy has remained rather stable, at around 160,000 people per year.

Despite the fact that the overall number of people arriving in Europe has been substantially reduced, the EU has not been able to agree on more structural innovations and reforms, including the long-overdue reform of the Common European Asylum System (CEAS), encompassing a reform of the Dublin system, additional measures aiming to support member states in integrating refugees and migrants, and a fairer distribution of migrants, refugees and asylum seekers among EU countries. It has failed to create more legal avenues for migration, even though it is now extremely difficult for refugees and asylum seekers to reach the EU legally, which to some extent undermines the Union's and member states' commitment to international legal obligations and core European principles and values. These and other issues, including a reform of the EU's agricultural and fisheries policies reflecting the concerns of developing countries, have been sidelined, while measures aiming to secure the EU's external borders and keep the number of people arriving in Europe as low as possible remain the primary focus.

It thus comes as no surprise that the Summit Conclusions once again highlight the security dimension of the migration/refugee challenge. It speaks about the need to protect external borders and tackling migratory flows by preventing illegal migration along the Central Mediterranean route and maintaining and tightening control of the Eastern Mediterranean route.

With respect to the protection of external borders, EU leaders welcome the entry into force of the European Border and Coast Guard Regulation as an "important step" in strengthening the control of external borders and getting 'back to Schengen', i.e. the gradual abolition of border controls within the Schengen area. The European Council calls for a swift adoption of the revised Schengen Borders Code, enforcing systematic controls on all travellers crossing EU external borders, and calls on the Council to establish its position on an entry/exit system before the end of 2016, so that the EU and its members will eventually have a clear picture of who is leaving and entering the EU.

With respect to the route via Italy, the European Council concludes that there is a need to stem the flows of irregular migrants, in particular from Africa, and to further improve return rates from EU countries back to the countries of origin. The Summit Conclusions recall the importance of the so-called Partnership Frameworks with individual countries of origin and transit, with a special focus on Africa, and calls on the High Representative, Federica Mogherini, to present at the December Summit a progress report evaluating the first five Partnership Frameworks with Ethiopia, Mali, Niger, Nigeria and Senegal in terms of arrivals and returns. Following this evaluation, the EU will decide whether or not to extend the approach to other countries beyond Africa, as some member states argue.

With respect to the Eastern Mediterranean route, EU leaders call for a further implementation of the EU-Turkey statement (including visa liberalisation) and support for countries along the Western Balkans route, and welcome both the progress achieved on developing compacts with Lebanon and Jordan to enhance support for refugees and host communities in both countries as well as the signing of the agreement between the EU and Afghanistan aiming to reduce irregular migration and improve cooperation on returns, readmission and reintegration.

With respect to solidarity between EU countries, the Slovak Presidency of the Council has pledged to come forward with a proposal ahead of the December European Council on how to apply the "principles of responsibility and solidarity" in the



future. President Tusk stressed that "the important thing today was to agree that there would not be solidarity *á la carte.* We will be working on effective solidarity instead" – whatever this will mean in concrete terms in the end.

All in all, the results of the October Summit once again show that the political and legislative developments of the past year add up to a rather mixed picture, especially if one takes into account that the migration challenge promises to stay with us in the foreseeable future. On a global scale, some 60 million people have fled their homes and around 20 million of them are displaced in the EU's immediate neighbourhood, especially in Turkey, Lebanon, Libya and Jordan. And although over 85% of the world's refugees are hosted in developing countries, Europe is – and will continue to be – a highly attractive destination. But in order to effectively deal with the potential number of people arriving on Europe's shores, the EU and its members need to agree on and implement a more comprehensive strategy reflecting all aspects of human mobility. What we have witnessed in the last year is a focus on immediate fire-fighting, with the attendant risk that the EU will run out of steam and fail to deliver on more fundamental reforms, now that the numbers knocking on Europe's doors have been at least temporarily contained.

#### Strategic debate on relations with Russia

Following an initiative of the Italian Prime Minister, Matteo Renzi, EU leaders held a dinner discussion about the strategic relationship with Russia. As expected, the European Council did not take any concrete decisions, but in his press conference, President Tusk stated that it is clear that Russia's strategy is to weaken the European Union. During their debate, EU leaders referred to all kinds of Russian activities, from airspace violations, cyber-attacks and disinformation campaigns to interfering into political processes in individual EU countries and beyond (including the US). President Tusk argued that "increasing tensions with Russia is not our aim", but that the EU has to react to steps taken by Russia. And although the Union and its members would always be ready to engage in dialogue, Tusk stressed that "we will never compromise our values or principles".

The debate among EU leaders took place against the background of the war in Eastern Ukraine and the illegal Russian occupation and subsequent annexation of Crimea in 2014, triggering the most serious geopolitical crisis in Europe since the end of the Cold War. The political stand-off between the 'West' and Russia over Ukraine and the intense and direct Russian military involvement in the civil war in Syria, where Russian troops support the Assad regime, has cast severe doubts on the future relationship with Moscow and on prospects for stability in Eastern Europe and beyond.

Up till now, EU member states have successfully managed to maintain unity, but there are major differences among them. A number of countries, including Italy, Cyprus, Greece and Hungary, question the current approach and support increased efforts aiming towards a political *rapprochement* between the Union and Moscow. At the same time, many other member states, including Germany, France and most EU countries in the geographical proximity of Russia are much more critical and suspicious of Moscow's aspirations and some even fear a potential political or even military escalation between Russia and the 'West'.

When the idea to hold a strategic policy debate on relations with Russia was originally put on the table, Italy and others had hoped that the EU would, among other things, collectively reconsider the imposition of sanctions against the Putin regime. But given the continuously obstructive role of Russia in Ukraine and the unwillingness of Moscow to stop the bombardment of civilians in Syria's besieged city of Aleppo, Germany, France and the United Kingdom pressed for new, even tougher sanctions against Moscow in an attempt to maximise pressure against the Russian president and his associates and allies.

However, even after the recent atrocities, a group of EU governments including Austria, Cyprus, Greece, Italy and Spain holds that additional sanctions would not force Moscow to negotiate a peace settlement. In the words of Prime Minister Renzi: "We should do everything possible for a peace deal in Syria, but it is difficult to imagine that this should be linked to further sanctions on Russia"; "if we want to speak with Russia, then we have to leave the door open".

At the end of the day, a compromise was reached and the Summit Conclusions now state that the European Council strongly condemns the attacks on civilians in Aleppo and that "the EU is considering all available options, should the



current atrocities continue", without specifying what this might mean in concrete terms. Earlier versions of the Summit Conclusions included specific references to Russian individuals and entities supporting the regime of Syrian President Bashar al-Assad.

In general terms, the October Summit has once again shown the major divisions between member states. Given the diverse political and economic interests and different cultural and historical experiences and ties between Moscow and individual member states, the EU struggles to maintain a common stance *vis-à-vis* Russia. However, the fact that President Putin seems to be ready to do whatever it takes to re-establish Russia's presence in the Middle East, in order to show that Moscow is a major global power to be reckoned with, increases the chances that the EU front will remain united in spite of all the manifold differences between the 28 national capitals.

## Prospects for a (ultra-)hard Brexit

The October Summit was the first European Council meeting of UK Prime Minister Theresa May. Arriving at the Justus Lipsius building in Brussels, she stated that Britain will continue to play a "full and productive role" until it leaves the Union and that the UK will be a "strong and dependable partner" after it will have exited the EU. In the press conference after her Summit debut, she said: "The UK will be a fully sovereign and independent country, free to take its own decisions on a whole host of different issues, such as how we choose to control immigration, but we still want to trade freely in goods and services in Europe".

At the very end of Day 1 of the Summit, at around 1am, Prime Minister May gave a short five-minute update on her government's position on the upcoming Brexit negotiations, during which she re-confirmed that London will trigger Article 50 before the end of March 2017. Following her short intervention, there was no reaction let alone discussion among EU leaders about any details related to the Brexit negotiations. The EU-27 did stick to their position that there will be no negotiations until Article 50 is triggered by the UK. In his press conference, President Tusk once again stated that the Union's basic principles and rules, namely the Single Market and indivisibility of the four free freedoms, will remain the firm stance of the EU-27.

The EU-27 and the UK have entered uncharted waters and almost four months after the Brexit vote both sides are still struggling to figure out how exactly to deal with the manifold potential consequences of Brexit. The exact timetable for, and final outcome of, the withdrawal process is unknown. The UK government and political parties are split on how to proceed and what the final outcome of the process should be; and the country appears deeply divided between different groups, geographically as well as politically. On the side of the EU-27, national capitals and EU institutions have up till now been able to display unity *vis-á-vis* the UK, but there are some differences of opinion among and within the EU-27 about the potential final outcome of the process.

Despite the many open questions, some things seem certain: the process promises to be long, complex and cumbersome, full of potentially negative political and economic impacts on the UK, the EU-27 and maybe even beyond. Nothing can be excluded.

It is extremely difficult to predict what the relationship between the EU and UK will look like in the end. Arguing in favour of a "smooth departure", Prime Minister May said in her press conference that the deal must "work for the interests of both sides". But negotiations will be tough, not because the EU-27 is in the mood for revenge, but because each side will defend its interests.

The new *modus vivendi* could follow one of several different existing models, including the Norwegian (EEA), Swiss (set of bilateral agreements), Canadian (comprehensive economic trade agreement), or Turkish options (customs union); or take the form of a *sui generis* agreement that reflects the particularities and sensitivities of the British case.

However, a toughening of positions on both sides of the Channel could lead to a (ultra-)hard Brexit without any long-term agreement defining the future relationship between the UK and the EU. The fact that the UK government aspires to have access to the Single Market, while not accepting neither the free movement of labour nor the that the rules underlying the



Single Market are determined solely by EU countries and are subject to the jurisdiction of the European Court of Justice, could inhibit the definition of a clearly defined future relationship between the UK and the EU.

#### On the road from Bratislava to Rome

The inability to reach concrete decisions and the divides between member states on many core policy issues displayed at the October Summit indicate that the road from Bratislava to Rome will be a bumpy one. Immediately following the Brexit vote, the EU-27 had launched a process of reflection on how the EU should proceed. However, it remains far from clear where this debate will end, given the cautious mood in many EU countries and the differences between national governments. Security and protection are the key issues highlighted thus far in the so-called "Bratislava process". This comes as no surprise given the difficulties on reaching agreements in other, much more contested areas, such as, for example, the 'solidarity' aspects of the migration challenge or the future of Economic and Monetary Union.

It seems likely that leaders of the EU-27 will reach a consensus at the end of the reflection process. But it is not clear how ambitious and concrete the final outcome will be and whether they will be able and willing to implement what they sign up to in the framework of a 'solemn declaration of Rome' commemorating the 60th anniversary of the EU's founding Treaty of Rome in March 2017.

Given the state of the Union both at European and national level, it is more than likely that the EU will continue to muddle through. This would not be enough to sustainably resolve the poly-crisis, but it does not mean standstill either. It rather implies an incremental step-by-step process driven by immediate pressures, but based on lowest common denominator approaches without a clear proactive vision of the future – neither with respect to the future path nor the *finalité* of European integration.

It is still unclear how ambitions this muddling through will be. The October Summit has shown that the primary goal is and will be to portray unity among the EU-27, especially after the Brexit vote, while averting disintegration by defending the achievements of the past. The key aim will be to avoid potentially irreparable long-term damage to the European integration process, which could inhibit substantial progress at some point in future.

As the poly-crisis is likely to stay with us for some time to come, the EU will probably continue to focus on immediate fire-fighting and struggle when it has to deal with the root causes and underlying structural reasons for the multiple challenges Europe is facing. The limited ability of the EU and its members to move substantially closer to a common migration and asylum policy worthy of the name is a case in point. Guided by political realism, national and European actors will continue to manage the direct effects of individual crisis but, as experience has shown, often run out of steam when the fire appears to have been brought under control and they become (more or less) content with 'kicking the can down the road' as collective fatigue and complacency take over. This is what happened in the crisis of the euro area after 2012 when fears of a meltdown receded, and it is increasingly evident in the migration/refugee crisis as the number of people coming to Europe has fallen.

The October Summit, like the informal meeting of the EU-27 in Bratislava in September, has shown just how cumbersome the process of reaching compromises among EU governments can be. In an effort to portray unity after the Brexit vote and to demonstrate that the Union has a future, the Bratislava Declaration spoke of the need to give the public a "vision of an attractive EU they can trust and support". But given the experience of recent years and the prospective of (ambitious) muddling through there is a danger that the EU-27 might not be able to live up to its own aspirations and that 'Sunday's talk will not be matched by Monday's reality'.

This is a worrisome perspective given what is at stake is much more than the EU itself: it is the danger of the emergence of a regressive and illiberal Europe – a Europe in which key values, orientations, norms and principles are being undermined. A Europe that becomes increasingly nationalistic, protectionist, discriminatory, xenophobic, intolerant and authoritarian. A Europe that is backward- and inward-looking, more inclined to oppose globalisation, trade and exchange, migration, heterogeneity, cultural diversity, self-determination and the principles of an open society. A 'closed Europe' in which the influence of those advocating simplistic solutions to complex challenges is increasing, with their political rhetoric



and ideology framing or even dominating the public discourse. The difficulties related to the signing of CETA, which signal that more and more citizens oppose or at least question the added value of international trade and globalisation, are clear indications of a more closed and inward-looking Europe turning against the 'old establishment'.

The key trend that is playing into the hands of those who advocate this type of Europe is the increasing polarisation of our societies. Divided societies are the fertile ground on which critical voices and populist forces on all sides of the political and societal spectrum thrive. It is the basis upon which they can develop an 'us *versus* them' logic that undermines cohesion within and between our societies: 'us', the champions of honest (native) ordinary people against 'them', the corrupt elites ('the establishment'), including the EU. The main dividing line is between the (potential and perceived) 'winners and losers of change'. This polarisation is fuelled by multiple insecurities in an age of massive transformation; not 'only' socioeconomic, but also societal and cultural, generational, technological and security insecurities. A growing number of people (including the middle classes) feel overwhelmed by the pace of change, fearing future marginalisation.

'Zukunftsangst' (fear of the future) and the 'politics of fear' are the result of these multiple insecurities. This leads to a growing spirit of 'anti-cooperation'; a spirit which, at all levels of political life, makes it more and more difficult to forge compromises. An increasing number of citizens no longer see the benefits of cooperation, but are increasingly inclined to either withdraw from traditional political processes or to 'stand up' and protest against the establishment. They become Wutbürger (angry citizens) searching for an outlet to express this anger and attracted by nostalgic, simplistic and counterfactual arguments.

In this climate, traditional pro-European political forces are increasingly squeezed. They struggle to present a credible counter-narrative. Simplistic rhetoric and radicalism are infiltrating, guiding or even dominating the discourse. Many arguments which were previously considered unthinkable and unsayable become socially and politically acceptable, publicly expressed and multiplied by traditional and new social media. The result is a radicalisation and brutalisation of debates, which further deepens societal divides, playing into the hands of populists and extremists.

All this shows that European integration is in deep crisis. But the origins of that crisis lie deeper and challenge more than 'just' the European Union. If polarisation cannot be halted and the multiple insecurities fuelling it are not effectively addressed, the EU – at least as we know it – could become its first prominent victim. But the loss will be greater than the hollowing out or even disintegration of an international institution. At the end of the day, it is not about the EU but about something much more significant: it is about our way of life; it is about being open, cooperative, inclusive, free, and internationalist societies (see also Janis A. Emmanouilidis and Fabian Zuleeg, <u>EU@60 – Countering a regressive and illiberal Europe</u>).

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