

# My vision of an open Europe

George Soros prescribes a British cure for the EU

As an idea, European unity used to appeal to the hearts and minds of Europeans. But the reality is far less inspiring. What is the cause of this malaise? Can the European vision of the past 50 years be revitalised?

Europe's failures are often blamed on the fact that the union is an association of states, all tending to put their own interests ahead of the common weal. This is certainly true. But there is also a deeper, less obvious cause of Europe's troubles.

The EU is a rules-based government. This may sound like the rule of law, implying transparency and impartiality. In fact, the EU's rule-making process is anything but transparent. Decisions of the Council of Ministers are just like treaties: difficult to reach and difficult to alter. The rules that emerge are often too detailed, too rigid, and inappropriate to changing circumstances.

But the real problem lies in the idea that social, economic and political reality can be mastered by general norms. Life is too complex and changeable to be governed by fixed rules. The Maastricht treaty, for example, detailed the conditions to be met and timetable to be followed in introducing a single currency. Few foresaw then that Europe would suffer a prolonged period of high unemployment. Reducing government spending, as Maastricht demanded, is not the right policy in a recession. Admittedly, Europe's economies need to make structural adjustments, but emphasising reduced budget deficits probably prolonged the recession.

The flaws of Maastricht epitomise the belief that all problems can be managed if you enact enough rules. To have an independent central bank determining the common monetary policy and then have a stable pact that imposes rigid rules on fiscal policy deprives governments of the tools for macroeconomic management. What worries me most is that I don't see mechanisms for correcting error.

What unflinching commitment to governance by rules ignores is that our understanding is inherently imperfect: the perfect design for society is beyond our reach. We cannot devise a system to anticipate every contingency. We must content ourselves with the next best thing: a form of social organisation which falls short of perfection but is open to change and improvement. That is the idea of open society, and I would like to propose it as a new organising principle for the EU.

The bureaucratic view of the EU, embodied in the Maastricht treaty, is a Cartesian, rationalist construct. It shares the problems of Descartes's faith in the supremacy of reason. For 50 years, Brussels bureaucrats moved with precise, logical steps, limiting their goals, and setting firm timetables. When one goal was reached it became obvious that another step was needed. Public support was then mobilised. Step by step, the union progressed to become

perhaps the greatest feat of social engineering in history.

The limits of this construction were reached with the Maastricht treaty. The rigidity inherent in the euro means that the common currency will have to be followed by a common fiscal policy, including a harmonisation of taxes on the earnings of capital. But such measures will be extremely unpopular. A common currency may end up destroying the European Union because its deficiencies cannot be corrected simply by taking another step forward.

It is time to change course. Since Descartes's time, we have had ample opportunity to discover that reason has its limitations. When I speak of Europe as an open society, I am thinking about coming to terms with our fallibility. Injecting a dose of British empiricism into Europe's Cartesian project could do the Continent a lot of good.

The idea of open society, with its commitment to freedom and social justice, can perhaps also give Europe a new sense of mission. During the Cold War, the presence of a common totalitarian enemy seemed to provide Europe with its moral purpose. But now that the communist menace has disappeared, the unity of the West is also disintegrating. The task before us is to re-energise Europe through an idea that inspires.

What would the EU look like as an open society? There would be a common market, common currency, and common fiscal policy, but also a government accountable to all its people. The federal European government can be acceptable only if it is combined with the notion of subsidiarity, necessary to accommodate the rich cultural and national heritage of the continent.

Safeguarded by a Bill of Rights and independent judiciary, Europe would be even more likely to succeed than the United States as a prototype of open society. Its diverse nationalities, cultures and traditions are not too far removed from each other to be compatible. There is a reasonable balance between the states that compromise it, although after reunification Germany has become a little too strong for comfort.

Establishing a common vision above petty interests is of particular importance in European defence. Security is no longer tied to the interests of individual countries, as the Bosnian conflict demonstrates. The war there did not impinge on the national interests of any one country. Nevertheless, the passivity of the rest of Europe may have inflicted more damage to the common interest than any other event in recent history. It was grievously mishandled because it was not treated as an open-society issue.

It is for the people of Europe to decide exactly what kind of Europe they want. The EU as it is fails to meet their needs and aspirations. But what is imperfect can be improved. This is what open society is all about.

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