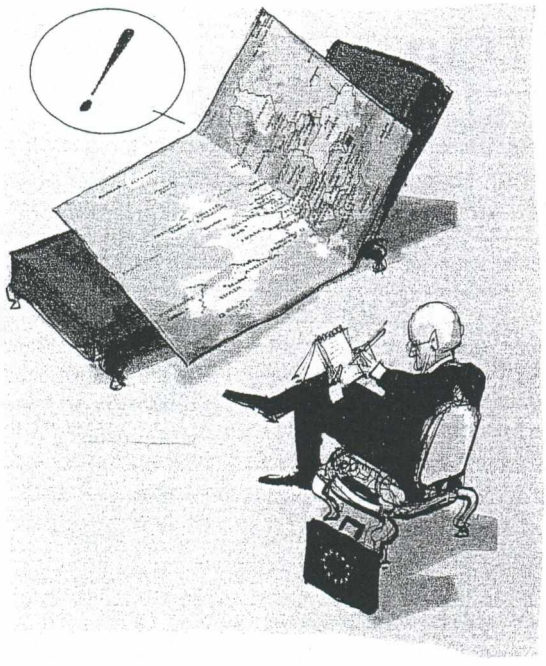
The constitution is dead, long live the constitution! Did European elites simply oversell a modest document? Is there a real crisis of legitimacy? Andrew Moravcsik explains the meaning of "no" and others take issue with him



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A CATEGORY ERROR

by Andrew Moravcsik

It was not the substance of the constitution that attracted opposition but its style and symbolism

THE PEOPLE OF France and the Netherlands have spoken. The constitution is dead, Turkish membership is too, and progress in areas from services deregulation to Balkan enlargement will now be hard. Yet for the chattering classes the result was an opportunity to repolish long-held positions. In the face of implacable opposition to Turkish membership, the ever liberal *Economist* blithely interprets the referendums as evidence that Europe has gone too far, too fast—except, of course, on enlargement. Timothy Garton Ash, perennial optimist about the reconciliation of Britain's transatlantic and European vocations, spies another promising moment for Blairite diplomacy. The court philosopher of continental social democracy, Jürgen Habermas, calls on European leaders (read: his former student Joschka Fischer) to recapture the "idealism of 1968" by leading a leftist movement against neoliberal US hegemony. With quintessentially French misanthropy, Serge July of *Libération* accuses French politicians of opportunism and French voters of racism. Across the Atlantic, neocon kingpin Bill Kristol, undeterred by the massive protest vote against economic reform, calls for rejection of the welfare state, open borders to immigration and an embrace of America.

It is time to view Europe as it really is. Far from demonstrating that the EU is in decline or disarray, the crisis demonstrates its essential stability and legitimacy. The central error of the European constitutional framers was one of style and symbolism rather than substance. The constitution contained a set of modest reforms, very much in line with European popular preferences. Yet European leaders upset the emerging pragmatic settlement by dressing up the reforms as a grand scheme for constitutional revision and popular democratisation of the EU.

Looking back in 50 years, historians will not see the referendums as the end of the EU—not even as the beginning of the end. The union remains the most successful experiment in political institution-building since the second world war. Historians will see instead the last gasp of idealistic European federalism born in the mid-1940s, symbolised by the phrase "ever closer union," and aimed at establishing a United States of Europe. It is time to recognise that the EU can neither aspire to replace nation states nor seek democratic legitimacy in the same way nations do. The current EU constitutional settlement, which has defined a stable balance between Brussels and national capitals and democratic legitimacy through indirect accountability and extensive checks and balances, is here to stay. To see why this is so, we must understand the nature of the current constitutional compromise, the reasons why European leaders called it into question, and the deeper lessons this teaches us about the limits of European integration.

VOTING PATTERNS in the recent referendums were a reflection of three related motivations that have dominated every EU election in his-

tory. First is ideological extremism. The centre supported Europe, while the extreme right and left, which now account for almost one third of the French and Dutch electorates, voted "no." Second is protest voting against unpopular governments. Third, and most important, is a reaction against the insecurity felt by poorer Europeans. Whereas business, the educated elite and wealthier Europeans favoured the constitution, those fearful of unemployment, labour market reform, globalisation, privatisation and the consolidation of the welfare state opposed it. Today these concerns dovetail with the perceived economic and cultural threat posed by Muslim immigration.

This type of disaffection is the primary political problem for European governments today, since it is directed both against poor economic performance and against reform measures designed to improve it. As Fareed Zakaria observes, the tragedy is that "Europe needs more of what's producing populist paranoia: economic reform to survive in an era of economic competition, young immigrants to sustain its social market, and a more strategic relationship with the Muslim world, which would be dramatically enhanced by Turkish membership in the EU."

Forgotten in the electoral chaos was the document itself. The constitution is, after all, a conservative text containing incremental improvements which consolidate EU developments of the past 20 years. The "no" campaigns conceded the desirability of the modest reforms from the start—including the foreign minister, stronger anti-crime policy and streamlining of voting procedures. Such changes are popular, not least in France, which proposed most of them. One is forced to conclude that this document became controversial not because its content was objectionable, but because its content was so innocuous that citizens saw a chance to cast an inexpensive protest vote.

What were they protesting against? Here, too, the referendums cannot be viewed as plebiscites directed at the EU's policies. Though the EU is associated, via its advisory "Lisbon process," with labour market and welfare reform, these matters remain firmly within the competence of the member states. The EU's activities as a whole, while they include oversight of state subsidies and trade policy, may just as reasonably be seen as part of a European effort to *manage* globalisation rather than promote it. Opponents made occasional mention of EU policies not contained in the constitution, such as the recent enlargement to 25, the introduction of the euro, the deregulation of electricity and Turkish accession. Yet only the last of these seems to have swayed many voters, and they seem to have been unaware that free migration has been ruled even before negotiations begin.

So what lesson should the EU take away? The relative lack of direct criticism of the constitution, the lack of fundamental objections to EU policies and, above all, the stunning lack of positive proposals for reform are striking evidence of the underlying stability of the EU system. The 15 years since the fall of the Berlin wall has been, after all, the most successful period in EU history. The single market, the euro and a nascent European foreign and defence policy came into being. EU enlargement was carried out with surprisingly little disruption in existing member states, and proved the most cost-effective western instrument for advancing global democracy and security. In sum, the EU appears to have quietly reached a stable constitutional settlement.

What is that settlement? The EU is now pre-eminent in trade, agriculture, fishing, eurozone monetary policy and some business regulation, and helps to co-ordinate co-operation in foreign policy. Contrary to statistics one often reads, this amounts to only about 20 per cent of European regulation and legislation. Most areas of greatest public concern—taxes, health, pensions, education, crime, infrastructure, defence and immigration—remain firmly national. With a tax base a fiftieth the size of the member states, an administration smaller than that of a small city, no police force or army and a narrow legal mandate, the EU will never encompass these fiscally and administratively demanding tasks.

There is no new *grand projet*, akin to the single market of the 1980s or the single currency of the 1990s, to justify change. In 18 months of deliberation, the constitutional convention devoted only two days to the expansion of EU competences. European health, pension, fiscal and education policies have little support, while a US-style military build-up exceeds Europe's means and insults its "civilian power" ideals.

Consider European social policy, of which we heard so much in referendum campaigns. What concrete EU policies should this imply? Blocking sensible efforts to reform the welfare state for long-term sustainability is short-sighted. While many studies show that a division of labour between the new and old members of the EU will generate growth. There is little evidence of a regulatory or fiscal "race to the bottom" driven by the EU, and there remains plenty of room for social policy at national level. The neoliberal "Anglo-Saxon" threat is a myth. Britain is building up its welfare state faster than any of its partners, based partly on a Scandinavian model that tops international competitiveness rankings. Indeed, with continental liberalisation and British social democratisation, Europe's social systems are converging—through the pressure of national politics, not as the result of some EU social policy pipe dream.

A similar constitutional compromise has emerged with regard to institutions. Though Anglo-American Eurosceptics have sought to resurrect the bogeyman of a Brussels superstate headed by the European commission, treaty changes since 1970 have consistently moved Europe in the opposite direction. They have increased the power of the council of ministers

(favoured by France and Britain, particularly for matters outside the economic core) and the directly elected European parliament (favoured by Germany) at the expense of the technocratic commission.

The proposed constitution sought to marginally improve the EU's efficiency and transparency, while retaining its basic structure. All of this is the sensible stuff policy wonks love and publics generally support: European parliamentary co-decision was expanded, national parliaments gained an advisory and gatekeeping role, the rotating presidency was abolished, voting weights were adjusted to represent large countries more fairly, foreign policy co-ordination was centralised in a foreign minister and so on. The result was a multinational constitutional compromise that attended to the interests of large and small countries, left and right parties and Europhile and Eurosceptic tendencies. The reforms enjoyed broad support among member states, and none met a serious challenge in the referendum debates. The biggest change—creation of a European foreign minister empowered to recommend, though not impose, a more co-ordinated foreign policy—enjoys 70 per cent approval across Europe. And recognising the EU as it is, the constitution struck the classic idealist phrase "ever closer union" from the treaty of Rome, and substituted the more balanced "unity in diversity."

> The referendum inhabited a twilight zone of symbolic politics, dominated by unreal claims about what the EU does

So it was not the substance of the emerging constitutional settlement that triggered opposition. The objectionable aspect was its form: an idealistic constitution. Since the 1970s, lawyers have regarded the treaty of Rome as a de facto constitution. The new document was an unnecessary public relations exercise based on the seemingly intuitive, but in fact peculiar, notion that democratisation and the European ideal could legitimate the EU. In the wake of the Nice and Amsterdam treaties, Euro-enthusiast scholars, politicians and commentators argued that the EU is unpopular primarily because it is secretive, complex, unaccountable and distant from the public—in sum, because it suffers from a "democratic deficit." Joschka Fischer, the German foreign minister, gave the idea of constitutional legitimation a big push with his celebrated lecture on the end point of integration at Humboldt University in 2000. But like the other European leaders who jumped on his bandwagon, Fischer, while ostensibly transcending a narrow, national discourse, was in fact framing the argument in a familiar domestic manner: in his case 1968er German anti-nationalism.

The idea was to legitimate the EU not through trade, economic growth and useful regulation, as had been the case for 50 years, but by politicising and democratising it. This was to be done via a constitutional convention. Enthused by the prospect of a re-enactment of Philadelphia 1787, millions of web-savvy Europeans were supposed to deliberate the meaning of Europe. More pragmatic voices simply hoped to combat cynicism by simplifying the treaty and delineating EU prerogatives. To justify the need for change, reformers also seized on the perception that the EU would need a radical overhaul to avoid gridlock with 25 rather than 15 members—a fear that now seems unjustified, both because the new states are proving constructive and because the EU is not moving as far or fast as it once did.

Of course, the constitutional deliberation did not mobilise Europeans. Few citizens were aware of the 200 *conventionnels*' deliberations. When testimony from civil society was requested, professors turned up. When a youth conference was called, would-be Eurocrats attended. When those who did attend came to consider democracy, they found that the arrangement Europe currently has is appropriate to a diverse polity in which member states insist on checks and balances at every level. There was little popular or elite support for democratic reform beyond the modest increases in scrutiny by national and European parliaments the constitution contains.

This is as it should be, for there is no "democratic deficit" in the EU—or not much of one. Once we set aside ideal notions of democracy and look to real-world standards, we see that the EU is as transparent, responsive, accountable and honest as its member states. The relative lack of centralised financial or administrative discretion all but eliminates corruption. The EU's areas of autonomous authority—trade policy, constitutional adjudication and central banking—are the same as those in most democracies, where these functions are politically insulated for sound reasons. The notion of imposing democratic control through multiple checks and balances, rather than through elections to a single sovereign parliament, is more American than European—but it is no less legitimate for that. Everyone gets a say in a system in which a European directive needs approval from a technocratic commission, a supermajority of democratic national governments and a directly elected parliament, and must then be implemented by national regulators. Studies show that EU legislation is both consensual and relatively responsive to shifts in partisan and popular opinion.

Enthusiasts for democracy fail to grasp its limits. Engaging European citizens will not necessarily create rational—let alone supportive—debate, because those with intense preferences about the EU tend to be its opponents. Average citizens and political parties keep only a few issues—usually those involving heavy tax and spending—in their mind at any one

time, and thus respond only to highly salient ideals and issues. The pull of Europe remains weak, while the bread and butter policies citizens care about most, including the welfare and identity issues that dominated referendum debates, remain almost exclusively in national hands. The failure of European elections to generate high turnouts or focus on EU issues over the years suggests that citizens fail to participate in EU politics not because they are blocked from doing so, but because they have insufficient incentive.

Some democratic enthusiasts propose jump-starting EU democracy by incorporating hot-button issues like social policy and immigration, despite the lack of popular support for doing so. This is, in essence, Habermas's vision. Yet anyone except a philosopher can see that this is the sort of extreme cure that will kill the patient. There is little that could lead the European public to decisively reject an institution as deeply embedded as the EU, but transferring controversial issues like social policy to it without justification might just do it.

More sober voices propose to empower national parliaments, which the constitution sought to do in a modest way. Yet this reveals a final fallacy of the democratisers. For there is little reason to believe that turning policy over to a legislature makes it more legitimate. In western democracies, popularity is inversely correlated with direct electoral accountability. The most popular institutions are courts, police forces and the military. Parliaments are generally disliked. Whatever the source of Europe's declining popularity—a general decline in political trust, unfamiliarity with institutions, xenophobia, discontent with economic performance—it has little to do with its democratic mandate.

Forcing an unstructured debate about an institution that handles matters like telecommunications standardisation, the composition of the Bosnia stabilisation force and the privatisation of electricity production inexorably drove debate to the lowest common denominator. When pro-European political elites found themselves defending a constitution with modest content, they felt they had no alternative but to oversell it using inflated notions of what the EU does and rhetoric drawn from 1950s European idealism. Small wonder they were outgunned by grumpy populists with stronger symbols rooted in class, nation and race (and even more inflated views of what the EU does). Publics became confused and alarmed by the scare tactics of both sides. The referendums came to inhabit a strange twilight zone of symbolic politics, in which claims about the EU bore little relationship to reality, and support and opposition for a status quo constitution became a potent symbol for the myriad hopes and fears of modern electorates.

In the wake of this debacle, European politicians must find a constructive path forward. They should start with a collective *mea culpa*. The document itself must be renounced. Then over the next few years, the EU should return to its successful tradition of quiet and pragmatic reform. Europeans consistently support incremental advances in the union's foreign, internal security and economic policies along the lines set forth in the constitution. Turkish membership is off the agenda, as it probably would have been even without the referendums. Politicians need to concede this, and concede it loud and clear, in order to preserve continued EU enlargement in the Balkans. Yet a halfway arrangement acceptable to both EU and Turkish publics remains a realistic goal over the next 20 years and may be better for Turkey than the limited type of EU membership that is currently on offer. No other European policy could contribute as much to global peace and security.

Above all, European politicians need to acknowledge explicitly the existence of a stable European constitutional settlement. The unique genius of the EU is that it locks in policy co-ordination while respecting the powerful rhetoric and symbols that still attach to national identity. Publics will be reassured if it is portrayed as stable and successful. There is no shameful compromise with grand principles here. On the contrary, a constitutional order that preserves national democratic politics for the issues most salient to citizens, but delegates to more indirect democratic forms those issues that are of less concern, or on which there is an administrative, technical or legal consensus, is highly appealing. The EU's distinctive system of multi-level governance is the only new form of state organisation to emerge and prosper since the rise of the welfare state at the turn of the 20th century. Now it is a mature constitutional order, one that no longer needs to move forward to legitimate its past and present successes. Left behind must be the European centralisers and democratisers for whom "ever closer union" remains an end in itself. They will insist that the answer to failed democracy is more democracy and the answer to a failed constitution is another constitution. But Europe has moved beyond them. Disowning this well-meaning, even admirable, band of idealists may seem harsh, but it is both necessary and just. On this basis, Europeans can develop a new discourse of national interest, pragmatic co-operation and constitutional

stability—a discourse that sees Europe as it is. The constitution is dead, long live the constitution!

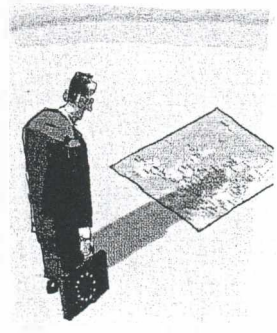
Andrew Moravcsik directs the EU programme at Princeton University. He is the editor of "Europe without illusions" (University Press of America)

A CRISIS OF LEGITIMACY

by Larry Siedentop

Andrew Moravcsik is too complacent. There is a crisis, not on the streets but in our minds

WHAT WOULD have to happen in Europe for Andrew Moravcsik to change his view of the current condition of the EU as the best of all possible worlds? Moravcsik has been a persistent critic of those, like myself, who have expressed fears about the European enterprise running too far ahead of public opinion—and hence of no longer being rooted in popular consent. In his view, those who have appealed to the idea of democracy—emphasising the need for decentralisation, empowerment and citizenship—simply fail to understand the nature of the European enterprise. For the EU is not a state. Nor is it likely to become one.



In defending the pragmatic, incremental character of the EU—and the achievements such co-operation has led to—Moravcsik's argument is persuasive, if applied to the first three decades following the treaty of Rome. But since the acceleration of integration in the late 1980s, at the time of German unification, his argument runs into trouble. It fails to take account of the cumulative effect of a series of discrete changes—each of which, by itself, seems to belong to the incremental tradition of the EU—in altering perceptions. The growing impact of economic and social regulations from Brussels, the creation of the euro and the enlargement of the EU have combined to create the impression that power is escaping from national electorates. The EU ceased to be about limited institutional changes and began to threaten national identities.

Self-government is a central part of those national identities. So the irony of the referendum results in France and the Netherlands is that the referendum—potentially a dangerous instrument of direct democracy—has been used to defend representative government. The referendum became a means of reasserting control over political classes that had acquiesced in excessive transfers of authority.

On the continent, the usual pattern of politics has been for parties of the centre-right and the centre-left to band together over EU issues—removing them from the agenda of political controversy. Is it surprising that this strategy has created the impression among electorates that European issues are too important for them to be consulted? A powerful reaction can now be detected not merely in France and the Netherlands. Polls suggest that Germans would have voted "no" too. When those promoting the EU ignore hostile opinion, they play a dangerous game.

The changes required of the peoples of Europe since 1989, beginning with the loss of national currencies, have left them anxious. They have called into question not just geographical borders, but borders in the mind. Such borders are indispensable if representative government is to flourish, and with it a culture of consent. Otherwise, who represents what?

In Britain, the fact that one of the two major parties has been fairly consistently Eurosceptic means that opinion has not been repressed—earning the country the reputation of being a bad European. Perhaps it also means that the reputation of the political class as a whole is less at risk than on the continent. Those who have observed events in the Netherlands since the Pim Fortuyn episode are struck by the bewilderment of the political class—by a widespread sense that it is walking on thin ice.

Too much of Moravcsik's argument rests on the EU not being a state. But some of the attributes of a state may be acquired, without all being present. That is the condition of the EU today. A directly elected parliament, the formal supremacy of EU law and a supreme court, a single currency (for some members)—all of these have pushed the EU beyond the confines of a confederation, while still falling short of a full-blown federation. When proposals for a single foreign and security policy, as well as the creation of a diplomatic corps and a military force, are added, it is hardly surprising that Europeans have begun to wonder where they stand.

Moravcsik seems to rule out *a priori* the possibility that, as an unintended consequence of the acceleration of integration, Europe may be in crisis. Of course, there are few external signs of such a crisis. There are no riots, no extremists in power, no abrogation of civil liberties, no postponement of elections. Still, I think there is a crisis in Europe. It is a crisis in minds rather than on the streets—and disorder in the mind, in our ideas and loyalties, can be even more dangerous than its more visible counterparts. Europe is suffering a crisis of legitimacy. Though the phrase is used interchangeably with a "democratic deficit," they are not the same thing. A crisis of legitimacy occurs when there is no widely understood and accepted framework for public decision-making. This is the plight of Europe today.

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LET TURKEY IN

by Gisela Stuart

We must keep the door open to full Turkish membership and make subsidiarity a reality

FULL TURKISH membership is now impossible, says Andrew Moravcsik. I am not so sure. But I do agree that a shorthand way of determining someone's view of Europe's future is to ask: "Should Turkey join?" Those who still see the European project as one that has at its core the bringing together of France and Germany and the entrenching of the post-war social model see Turkey's accession as a threat. Others just want to retreat to the nation state. But neither stance will protect us from the threats of the modern world—terrorists, globalised economies and waves of unmanaged migration across the globe.

We who still support Turkish entry recognise that one of the most significant achievements of the EU has been its aid to civic nation-building. The prospect of EU membership helped Spain and Greece to shed their fascist pasts, and helped the former communist countries to build pluralist market democracies. It will take longer in the Balkans, but ultimately there too we will see democratic market economies emerging. It is in part thanks to the EU that they have not become failed states. It would be a serious failure of our responsibilities if the current crisis put a stop to the Balkan countries' membership hopes.

Turkey's membership would not come without problems. It has to improve its human rights record. But it is a secular Islamic democracy. In ten years it will have a larger population than Germany. It has military importance as a Nato member. Its membership will change the nature of the old EU—and why not?

One benefit of the rejection of the constitution is that a more rigorous application of the idea of subsidiarity may now be possible. Is this a pan-European problem to which there is a pan-European solution? If yes, then member states must accept their responsibilities, comply with the rules and find the finance. If not, then member states should deal with it. Areas such as agricultural policy, regional aid and most legislation with a social dimension should stay at or be returned to national level, within some broad EU-wide agreement on ground rules.

This does *not* mean that the EU will become just a trading bloc: many areas of non-economic co-operation are already well entrenched and should remain so. But this approach does recognise the diversity of national traditions in areas like social and welfare policy. The Labour government would find few followers in other EU countries for its way of dealing with poverty and inequality—welfare to work programmes, underpinned by a minimum wage, working tax credits and a big boost for childcare—but this package is right for British conditions.

Gisela Stuart is Labour MP for Birmingham Edgbaston

MARKET STATES

by John Kay

Once national boundaries cease to matter economically "Europe" loses its point too

ANDREW MORAVCSIK is right to stress that the EU is a new kind of political entity. Nations of the 19th and 20th centuries were framed round Weber's concept of the state as the body enjoying a territorial monopoly of coercion. But European states are no longer defined by their coercive powers. Internally, the requirement to enforce an unpopular social order has been replaced by legitimate regulation based on consent. Externally, the notion that nations could achieve prosperity for their citizens through conquest proved a failure. It is inconceivable that economic competition between EU states could spill over into armed conflict; this is the universally recognised central achievement of the EU.

So government is not, or is not much, any more about coercion. There is a real difference here between Europe and the US: America has 2.1m people in prison, many law-abiding citizens who describe their experience of state coercion in language simply bewildering to most Europeans, and a taste for military adventure to which countries on this side of the Atlantic have been intransigently resistant. But if coercive force is no longer a primary function of European government, what has taken its place?

Modern European government is principally a provider of goods and services. The most important of these services are economic and physical security, plus health, education and the infrastructure of everyday life. This makes government an economic agent little different from other economic agents, and modern government is judged by similar criteria. Governments of France and Germany have failed to deliver economic security to a significant minority of customer-citizens, and in responding to criticism have seemed to threaten the security of those who have such security. Similarly, governments in Britain and Spain failed to persuade their customer-citizens that alliance with the US over Iraq enhanced their physical security. The negative responses of voters were mostly expressed not in the language of political ideologies, but with the grumpy dissatisfaction that is applied to unsatisfactory products or unhelpful call centres.

If government is not (much) about coercion, then the other components of Weber's definition—

monopoly and territoriality—also lose their relevance. The central institutions of the EU have a once-and-for-all task to perform in tearing down the barriers which extended the territorial monopoly of coercion into territorial monopolies of many other things—steel and electricity, health and education.

But once these barriers disappear, competition between jurisdictions as well as between enterprises drives functions to appropriate levels. The market is a force for subsidiarity. Military activity is the government function most subject to scale economies, and if military activity diminishes, the optimal size of jurisdiction falls. The paradox of European integration is that once national boundaries lose economic significance, you discover that most services are better delivered by smaller, not larger units. It is already apparent that the smaller states of Europe are more successful in meeting customer needs, and in maintaining the social solidarity which is the basis of welfare provision. The European level is the right jurisdiction for global warming and common fisheries policies, but not for agricultural support, and probably not yet for interest rate policy, and it will never be the right level for drinking-water quality or primary education. When Nicolas Sarkozy told a young audience that Europe was about competition in mobile telephony, he was telling the banal truth. And, perhaps unintentionally, explaining why they were right not to take European or any politics too seriously.

This is why Europe has no pressing need to define the relative responsibilities of its different public authorities. The union will evolve without a formal constitution. Perhaps ratification's failure will allow a debate about the nature of the postmodern state, more genuinely analogous to Philadelphia in 1787. "Europhile but Bureausceptic, internationalist but culturally protectionist, liberal-left, green" is how Julian Barnes describes his Anglo-French position, adding "not many votes there." On the evidence of the last month, there may be quite a lot of votes there.

John Kay is author of "The Truth About Markets"

A CRISIS FOR THE LEFT

by Sunder Katwala

The "no" vote underlines the weakness of the European centre-left outside Britain

WHAT IT was voters of the left who sank the constitution in France and the Netherlands was, in part, a political accident. Even pro-constitution politicians found it difficult to campaign hard for referendums called by unpopular governments of the right. But Andrew Moravcsik passes over the deep gloom for Europe's left that is underlined by the "no" vote, a gloom that is likely to deepen in a series of elections over the next two years.

Gerhard Schröder's gamble on an early German poll in September looks certain to end in defeat. It is Nicolas Sarzoky, not the socialist opposition, who looks set to profit from Jacques Chirac's troubles, while Romano Prodi is struggling to hold Italy's left together, despite Silvio Berlusconi's unpopularity, ahead of elections next summer. Even Sweden's Social Democrats face a battle to retain office next year.

New Labour's re-election for a third term, far from making it a model for others, seems only to confirm that it is outside Europe's centre-left mainstream. It has avoided economic discontent, it is said, by capitulating to globalisation. It has sheltered itself from populist anti-politics over diversity and immigration—by conceding ground to the political right. It has preferred to build alliances for reform in Europe with governments of the centre-right and for reform internationally with George W Bush.

Much of this ignores the British government record. It is only in Britain in the last five years that politics has seen a decisive shift to the left, at least in socioeconomic matters. Job creation and growth has been combined with redistribution via tax credits and a rising minimum wage. Health spending has doubled, with further ambitions to introduce comprehensive childcare and to end child poverty. Europe's left has lost ground almost everywhere (except Spain) but in Britain, admittedly from a more right-wing starting point than most countries, Labour is building what Nick Pearce of the IPPR labels an "Anglo-social model." The European influences are clearly acknowledged in terms of policy (Sweden and Denmark in particular) and benchmarks (matching the EU average on health spending). This experience should be at the centre of the quest for a European social model combining growth and social justice.

So why isn't it? The legacy of British semi-detachment plays a part, plus the feeling that Britain's starting point is just too different from much of continental Europe. But ideology plays a role too, especially on the anti-reform left in France and Germany. If you believe it to be axiomatic that labour market flexibility and social justice cannot coexist, then the British model is not worth looking at.

The harsh truth is that there are few credible interlocutors for Britain on the European left. Indeed, there are many parallels in Germany and France with Labour's own wilderness years. Like Healey and Callaghan, Hans Eichel and Gerhard Schröder make the case for economic reform but cannot deliver it. Oskar Lafontaine's breakaway group equates to the Bennite rather than the Jenkinsite wing leaving Labour in the 1980s. And the French socialists are following this template for political disaster even more closely—with leading figures campaigning on opposite sides over the constitution, followed by the

ejection of Laurent Fabius from the leadership.

The depressing but understandable truth is that Labour leaders hope that it will be the new faces of the centre-right in Europe, Angela Merkel and Nicolas Sarzoky, who will sit alongside Gordon Brown in 2007-08 trying to get Europe moving again.

Sunder Katwala is general secretary of the Fabian Society

VARIABLE GEOMETRY

by Charles Grant

The end of enlargement would be a tragedy. Perhaps it can be saved by "variable geometry"

THE FRENCH and Dutch referendums have halted both deepening and widening in the EU. The two ideas have always been intimately linked. The political elites in core countries such as France were reluctant to accept a wider Europe, fearing that the result would be a free trade area with weak political institutions. But in the end they accepted enlargement, because a succession of treaties—1985, 1991, 1997, 2000 and 2004—held out the promise of a stronger political union.

Now that deepening has stopped, the governments of several EU countries are likely to veto further enlargement. Even before the recent referendums, France had changed its constitution so that the conclusion of accession talks with any potential member must be approved by a referendum (this will not apply to Romania and Bulgaria). Austria too has promised a referendum on Turkish membership.

Bulgaria and Romania will probably join as planned, in 2007 or 2008, though their accession treaty still needs to be ratified by 25 parliaments. Turkey is likely to start talks on schedule in October, even if Angela Merkel, who opposes Turkish membership, becomes German chancellor in September. However, these talks will move at the pace of the most reluctant EU member, and they are unlikely to make much progress for many years, if ever. That in turn will strengthen the elements in Turkey's army and Islamic movement which fear European integration, and oppose the reforms requested by the EU.

The EU's new aversion to enlargement may have a disastrous impact on the Balkans. Croatia must be ruing its failure to co-operate fully with the Hague war crimes tribunal, as a result of which the EU postponed the accession talks that had been due to start in March 2005. In few member states is public opinion happy about Bosnia, Serbia, Albania or Macedonia joining. But if Brussels withdraws the carrot of eventual membership from such countries, it loses the ability to cajole them into making hard reforms. The best hope for Kosovo's future is some sort of conditional independence, but Serbia is unlikely to accept that without the prospect of EU membership for itself. To the EU's east, countries such as Ukraine, Moldova, Belarus and Georgia now have little chance of membership.

Andrew Moravcsik acknowledges that enlargement represents one of the triumphs of the EU, but seems rather sanguine about its demise. He shouldn't be: it is a potential tragedy. Of course, there has to be a limit at some point—north African countries are not in Europe and so cannot join. And enlargement should not be an elite project imposed on electorates.

But despite the difficulties, Europe's leaders should try to keep alive the membership hopes of the Balkan states, Turkey, Ukraine and Moldava. If the union says "never," it will weaken the reformist forces within these countries and risk suffering the effects of more political instability, economic crises and flows of emigrants. Unless the EU takes responsibility for places such as Kosovo and Transdniestria, they will remain at the centre of networks that traffic weapons, young women and drugs across Europe.

The EU should extend over the whole continent not only for the beneficial impact on the countries that join, but also for the economic, demographic and geopolitical gains for the union as a whole. Enlargement offers more opportunities for trade and investment, and the prospect of more young people in the union, to balance its ageing population. A broader union will be better able to influence the troubled regions that lie around Europe's perimeter—north Africa, the middle east, the Caucasus and Russia. Moreover, taking in Muslim countries such as Bosnia, Albania and Turkey will help to soften the divide between the west and Islam.

Given popular hostility towards further enlargement, how can the prospect of a wider union be sustained? The most obvious requirement is for politicians in the member states to lead, and explain the benefits. They might become more willing to do so if the union embraced more "variable geometry": the idea that not every country need take part in every policy but some can cooperate more closely. Already some countries stay out of the euro and the Schengen passport union. Those countries which want *more* political union can use the provisions in the current treaties, never yet applied, to integrate more. Future member states might also be persuaded to stay out of some policies—Turkey with farm policy, for example, or Serbia with the Schengen area. More variable geometry could thus make enlargement less threatening to the EU's political leaders and electorates.

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