

European Challenges and the Lisbon Treaty

Constantine Simitis¹

The evolution of European integration is marked by successive transfers of national sovereignty to the Union, and the shaping of a complex system made up of abdications from the exercise of national policy and of obligations to shape new joint European policy. The response by member states to this has been uneven. They comply more readily with decisions taken to relinquish protective measures, for example import duties, but hesitate to formulate or advance effective policies that would grant the Union discretionary powers to take initiatives. Typical examples of this are the stalled Lisbon strategy and the incomplete Monetary and Economic Union.

A similar weakness is evident in the Union's attempt to define itself adequately in the global system. The energy problem, climate change, the global realignment of economic and productive power through the strengthening of China and Russia's comeback, the influx of migrants from Africa and Asia, the accentuation of cultural differences due to minorities, the emergence of new inequalities, humanitarian crises in many parts of the world, and insecurity and threats from various sources, are among the issues that require effective responses. Often, however, the Union either cannot respond or is slow to respond, because its present structure does not permit quick decisions and fast action. This structure was appropriate in an era when the free market was practically the only

¹ Former Prime Minister of Greece. Member of the Action Committee on European Democracy (ACED).

issue the Union had to deal with at the global level. That era is now a thing of the past.

Any kind of change is rendered more difficult by the insufficient **democratic legitimacy** of Union bodies. The lack of a direct relationship between those bodies and the people of Europe deprives the former of the pressure that would lead to rapid reactions and policies that satisfy society's requirements. This shortcoming becomes increasingly apparent, as new issues are open to more than one response.

Democratic legitimacy would not only exert pressure for more effective decision-making, it would also inevitably foster the awareness people have of the need to adapt, to understand the other and what is different, and the imperative of solidarity within and beyond national borders. It would facilitate the process of making decisions that are often suspended for fear of the political cost from supporters either of unfettered neo-liberalism or of retaining the nation state in its present form.

There is no easy solution to these problems. Democracy in the Union cannot be guaranteed by the models and rules that apply in the member states. The European practice of member states has usually assumed the form of inter-governmental co-operation. The states aim at arrangements and regulations that ensure that the Union and its members operate together in agreed-upon frameworks. They do not accept unifying initiatives that would make the Union an autonomous pole of power. The Union has evolved an unusual format during its fifty years of existence. The member states are autonomous, but they also function together both at the national and the supranational level on the basis of agreed rules of co-governance.

Experience has shown that the future evolution of the Union will be marked by the retreat of individual states and the emergence of centralized power in Brussels. The lever for this process will continue to be the Union's central bureaucracy, the mechanism that foregrounds and formulates the common interests of the member states. Its field of action will be determined by loose inter-governmental collaboration agreements that are made periodically. This new centre will generate its own autonomy. The more responsibilities it acquires, the more independent it will become.

The prime concern for the EU bureaucracy is to find compromises to meet the wishes of the member states, and to accommodate the often divergent and contradictory national preferences. A common will usually emerges without any emphasis on conflicting political tendencies and ambitions. In fact, de-politicisation is seen to be advisable because it allows for the easy achievement of balances.

Bolstering democracy, however, requires emphasising the political dimension, free public debate, the discussion of problems in a forum for political dialogue that is open to all. National forums must make it their concern to discuss common issues and make them their own. That will ensure information for all, transparency, control and accountability. A European public forum is the way to reduce the democratic deficit.)

Instituting public debate on European policy throughout the Union will help clarify the aims of the unification project and determine the institutional shape of Europe. Public debate is a motivating force for uniting expectations and perceptions at the European level, for (making common interests apparent and shaping a European political community.)

The new treaty is an important step towards reducing the democratic deficit through the provisions in the chapter on democratic principles. Those principles are formulated and applied to a series of special provisions that relate to the Union's institutions and procedural functions and lay the way for the formation of a system that is more open to public debate on Union policies.

The new treaty succeeds also in tackling another major weakness of the Union – its ineffectiveness. By means of extensive reforms to the structure, operation and decision-making processes of its institutions, it enhances their effectiveness and creates the conditions for new mobility and dynamism.

The new treaty certainly demonstrates that the partners are fully aware of the challenges facing the Union. The values, principles and objectives that are mentioned in the general provisions take a progressive political line and contain visionary elements. They indicate the Union's intention of responding to the anxieties and expectations of its people. But their translation into specific ways, means, and procedures for dealing effectively with problems is uneven. Hence, while progress in some areas will stem from the provisions of the treaty itself, in others it will depend almost exclusively on the decisions of intergovernmental cooperation.

It is true that many members of the public do not readily agree that Europe should play an important part in developments. They believe that what goes on beyond their country's borders, even when vital interests of citizens are concerned, can and should be handled by the individual state. This view is outdated. It does not even apply in bilateral or regional crises. In the case of Greece, examples include the issues of Cyprus,

FYROM, Kosovo, the Kurds and Israel-Palestine. Viable solutions are possible only at the supranational level, either of the Union or of the international community.

But the problems do not only concern borders and bilateral relations. Issues of security, prosperity and survival plague the planet. The spread of nuclear weapons, terrorism, environmental threats, the gloomy outlook in the energy sector, rapid demographic changes, religious rivalry, and the suppression of human rights, all have repercussions far beyond their initial sources and have an impact on everyday life.

Here I want to focus on the role and responsibilities of Europe. Public opinion overwhelmingly holds that the Union has always been slow to respond to new global challenges, and it has censured its lack of effectiveness in major crises.

The new treaty envisages the Union as a highly outward-looking entity on the international stage. It details the objectives, means and procedures of its policy, and strengthens the role of its High Representative with the power to perform duties equivalent to that of a foreign minister for the Union. In doing so, it shapes a framework for a common policy on foreign affairs, security and defence, and it creates the conditions for the Union to emerge as a leading player in a multi-centric international system. But there are limits to what the Union can do, limits determined by the inter-governmental nature of the Union. The new treaty leaves open for the future the possibility of lack of agreement or of compromises that cannot be transformed into effective political intervention. On crucial issues it is the twenty-seven members, not the Union that will decide. In the end it is they who will decide on the extent to which the

new treaty responds to the challenges Europe faces in the international arena.

The new treaty takes a big step towards creating an area of freedom, security and justice in Europe. It sets the framework for the principles and goals of the Union's policy, as well as setting up institutions and procedures for policies on border controls, granting asylum, reception of migrants and co-operation of judicial and police authorities. Thus it creates greater security for people in their everyday lives. On other dimensions to the problem, however, the treaty is more reticent.

The state cannot respond fairly to the needs of a wave of migrants, and when it does so, it diverts funds from social welfare. Citizens suffer because of lack of means, become discontented, and denounce the shortcomings of Europe's social policy. At the same time, ethnocentric perceptions and harmful phobias about migrants develop in many societies. However, the Union is unable to prevent the illegal entry of people, mainly on its southern and eastern flanks. All these issues need new and better responses. Matters cannot be left, as they are now, to *ad hoc* responses by individual member states.

The new treaty is less detailed in other areas than it is on security. Nonetheless, it does pave the way for planning and implementing policies to tackle contemporary challenges, such as the crucial issues of climate change, energy, research, technology and tourism.

It is apparent that agreement could not be reached on achieving an economic union equivalent to the currency union. It was not possible to improve that aspect of economic governance. The same goes for social

Europe, though one must not underestimate the recommendations in the new treaty for full employment, social progress, social justice and protection, gender equality, cross-generational solidarity, child protection, social cohesion and solidarity among member states. However, this raises the question of how, and how far, general guidelines will be put into practice.

The new treaty retains the intergovernmental co-operation, as the main feature of the Union, but comprises an unprecedented number of amendments, derogations and opt-outs, a result of numerous objections, national ambitions and fears concerning the co-existence of 27 member states.

The current picture presages that implementation of the treaty will lead to a multi-speed and multi-level development, even though that was not the primary aim of the 27. Indicatively, the treaty consolidates two tracks towards participation in the Eurozone. It is vital therefore for the Union to show that it can rein in divisive tendencies and achieve the greatest possible convergence of the 27.

The solutions that arise from the new treaty will sometimes prove viable and sometimes evolve, like those of former treaties. Under pressure from socio-economic change, the Union will continue to seek new forms of organization, combining the inter-governmental and federal approaches. There is little time left for new quests and balances as the dimensions of the problems grow and their management requires solid and durable forms of co-operation. The need to adapt the operation of the European Central Bank to a policy of development for Europe as laid out by the Ecofin Council is already apparent. The Union will thus gradually acquire

its definitive shape on the basis of the ongoing problems it has to handle. The EMU is evidence of that.

It is possible to conclude that even though the new treaty does not take the bold steps in the direction of a more powerful, more united Europe that many had expected, it does pave the way. It prescribes new, advanced policies on crucial issues that concern the vital interests of our societies. The great challenge for the future leaders of the Union and its member states is how to make the most of them, how to maximise their benefits for the people, how to achieve more prosperous and cohesive societies in a more powerful and effective Europe.