

WHAT EUROPEAN DEMOCRACY IN THE FACE OF GLOBALISATION AND THE CRISIS?

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Notre Europe - Jacques Delors Institute and the European Movement - France organised the eighth debate in the cycle entitled “Right of inventory - Right to invent: 60 years of Europe, successes worth keeping - solutions yet to be invented” in Aix-en-Provence on 25 April 2014, allowing the audience of citizens to address the following issue: “Democracy, employment, the euro and globalisation: challenges for the European Union (EU)”.

Reine Merger, deputy mayor of Aix-en-Provence, and Anne Mayer-Heine, managing director of Science Po Aix, talked about the European focus of Aix-en-Provence and the school. Dominika Rutowska-Falorni, secretary general of the European Movement - France, presented the “Right of Inventory - Right to Invent” cycle for which citizen debates were held in eight French Euro-constituencies on four major issues: democracy, employment, the euro and globalisation.

Dialogue was then held with the audience and following participants in three round tables:

What kind of democracy for European citizens?

Moderated by Anne Mayer-Heine, managing director of Sciences Po Aix-en-Provence;

With the participation of:

- Pierre Bernard-Reymond, senator, former minister of state responsible for European affairs;
- Gerbert Rambaud, candidate in the next European parliamentary elections;
- Michèle Rivasi, member of the European Parliament;
- Marie-Christine Vergiat, member of the European Parliament.

What role should the EU have in globalisation?¹

Moderated by André Cartapanis, international finance and economy professor at Science Po Aix;

With the participation of:

- Pedro Marinho Da Costa, general consul for Portugal in Marseille;
- Françoise Grossetête, member of the European Parliament;
- Sylvie Goulard, member of the European Parliament.

What solutions concerning employment and the euro to address the European crisis?

Moderated by Christian Apotheloz, freelance journalist,

With the participation of:

- Jean-Luc Bennahmias, member of the European parliament;
- Rolf Robert Herden, general consul for Germany in Marseille;
- François-Michel Lambert, member of the European Parliament;
- Alain Malégarie, former general director of the Euro Institute in Lyon, and candidate in the next European parliamentary elections.



1. Democracy: what needs to be done to create a European public space?

Maxime, a student at Science Po Aix, explained that the root problem of European democracy is that it seems removed from its citizens. Michel, a member of the “Debout la République” party, added that citizens have a great deal of trouble understanding Europe and that it should be rebuilt on more sound foundations. In light of that observation, Eveline recommended reaching out to citizens, in neighbourhood

centres and businesses, to explain to them what they can expect from Europe. If they have tools, citizens can make the right choice. Then another citizen asked about how to restore enthusiasm and dreams to citizens, and especially young people, with respect to the European project.

Michèle Rivasi returned to institutional basics. The European Parliament is the only genuinely democratic institution of the EU, especially since the introduction, with the Treaty of Lisbon, of co-decision² in certain essential areas including the Common Agricultural Policy (CAP) and approval of treaties. Gerbert Rambaud thought that the EU is no longer democratic: on the contrary, democracy was denied following the rejection of the Constitutional Treaty replaced by the Treaty of Lisbon without the approval of citizens.

Pierre Bernard-Reymond proposed several institutional solutions to improve the EU's democratic nature. First, the president of the European Council should be elected by national parliaments in order to have a personality that best matches the citizens' wishes. Then, the president of the European Commission must effectively be elected by the European Parliament. Progress has definitely been made with the Treaty of Lisbon since the European Council must now take election outcomes into account, but it lacks clarity. In addition, the European Parliament should have the right of initiative and commissioners should be categorised into high commissioners, commissioners and deputy commissioners to be able to create a core that is capable of swift thinking. At national level, national parliaments should be more involved in European decisions, and the minister responsible for European affairs should report to the prime minister so that these issues can be addressed across the board. A single electoral procedure should be used in member states. Also, treaties should be evaluated on a regular basis so as to track developments of the project. These treaties could be ratified by an exceptional parliament made up of European Parliament members and certain national parliament members in order to avoid long national negotiations.

Maxime considered that national institutions do not reflect the wish expressed to create a genuine political system, since in European elections citizens vote for national parties. Another citizen supported the creation of cross-border movements in

order to Europeanise debate. With the Treaty of Lisbon Treaty and the participation of the European Parliament in appointing the president of the European Commission, European parties appointed European leaders (M. Rivasi, M.-C. Vergiat).

One citizen asked why there is so much absenteeism in the European Parliament. Is it because European Parliament members hold more than one office or because they are not paid enough? Marie-Christine Vergiat said it was important not to generalise because some European Parliament members are very committed and not only attend plenary sessions but also participate in work in committees drafting texts. However, France should purely and simply not allow European Parliament members to hold more than one office, as other European countries do. In France politicians who are not elected in national elections run for office in European elections (M. Rivasi).

Obstacles are mainly at levels of national governments that accuse Brussels of everything that is wrong (M. Rivasi). France makes European elections a national vote by presenting prominent French figures. These problems are linked to the very organisation of the EU: states created the European Union without giving it the means to function (G. Rambaud). There are means to propose alternative policies in the current system (M.-C. Vergiat).

It is up to citizens to choose candidates who are committed to the EU. Elections are citizens' main instrument for participating. There are others like the European Citizen Initiatives that enable citizens to propose concrete reforms, and that worked for water, which is now considered a good that is not subject to competition.

Maxime thought that if citizens are to identify with the EU, the EU needs to defend the values of democracy and human rights. Today, in Hungary, a number of human rights are being violated, and European texts provide for sanctions but they are decided unanimously by the European Council, or member states themselves. Could the European Court of Human Rights (ECHR) become a supreme court? It cannot in the EU since it is an institution of the Council of Europe³ (MC. Vergiat). All member states belong without the EU itself, as an institution, belonging as such. Yet the Court of Justice of the EU incorporates in its judgments human rights via the

European Charter of Fundamental Rights. However, there will continue be stalemates as long as member states decide on sanctions unanimously. "I dream of a EU that is equally effective in condemning member states when they undermine democracy and human rights as in condemning member states economically when they undermine competition." (M.-C. Vergiat). The EU has always welcomed democracies that are still being consolidated, like Portugal, or currently Hungary, and they have always benefited from its positive influence (P. Bernard-Reymond).

Another citizen also asked a question about the political offensive of some to put religion back at the heart of European policies, while the EU is secular. Yet if in France, while secularism (the separation of church and state) is a constitutional principle, this value is not enshrined in European treaties. The EU respects the diversity of cultures and opinions (M. Rivasi), hence its motto "united in diversity".

Maxime also proposed to create a European public space, a pan-European media. Europeans suffer in fact from a lack of mutual understanding that could be rectified with a pan-European media that would provide information about the different countries, like a radio station for example (P. Bernard-Reymond). Unfortunately, these issues are not considered fundamental and funds have been eliminated (M.-C. Vergiat). And it is first up to national media to do more (G. Rambaud). For European Parliament members, it is extremely difficult to become known without assistance from media because Euro-constituencies are very big (M. Rivasi).



2. Globalisation: is the EU naive?

In France, globalisation is being denied, explained Sylvie Goulard. Yet it is a reality, with its negative and positive consequences. It has helped hundreds of millions of individuals emerge from extreme poverty, for example in China. "Nobody has the remote control to de-globalise" (S. Goulard).

André Cartapanis asked if globalisation is responsible for European problems with regard to growth, unemployment and slowing competitiveness and if it is a less important player despite its economic power. He talked about the attitude that needs to be adopted to address emerging powers and borders.

All of the participants agreed about the fact that the European problems are not due to globalisation. The EU is not a small player, but it must not rest on its laurels (S. Goulard). In 2014, the EU is still organised into divided national sovereignties. Pedro Marhino Da Costa insisted that globalisation has nothing to do with development gaps between member states nor with austerity, added Sylvie Goulard, which are the consequences of a lack of economic governance and responsibility of each member state. Françoise Grossetête considered that the EU must move forward by encouraging scientific progress, especially through research, by establishing new projects such as Airbus. Arnaud, a member of Young Europeans - Lyon, suggested the creation of European computers, telephones and electric cars. No EU member state can work successfully on its own.

Jean-Noël, of the European Movement - Toulon, stressed that these European values are scoffed just two hours away by plane from Aix-en-Provence and wondered what the EU is doing.

In the area of defence and diplomacy, the EU sometimes remains a less important power. It has had a negligible influence on Ukrainian issues or the Arab Spring (P. M. Da Costa). To have more authority, member states need to agree to appoint a leader that is able to speak on their behalf (F. Grossetête) and to pool their resources (S. Goulard). With regard to external affairs, the EU is establishing a development policy to help third countries take control of their future and provide them with tools to tackle corruption, and to organise democratic elections so that sustainable solutions may be proposed.

Olivier, from the “Nous citoyens” movement, raised the issue of energy independence in the face of these external threats and asked about EU action. The Ukrainian situation has reminded EU member states that becoming energy independent is a matter of urgency (F. Grossetête). This means engaging in a transition towards renewable energy and improving energy storage, but also respecting the sovereignty of each member state in this area, when it comes to developing both coal and nuclear energy.

Many citizens believed that the EU is naive (F. Grossetête), especially in negotiations of the Transatlantic Treaty with the United States, which is not the case (S. Goulard). Indeed, the EU is the leading global economic power: it accounts for 7% of the world population, 23% of the world gross domestic product, between 15 and 20% of world trade and accounts for 27% of foreign direct investment (A. Cartapanis). In concrete terms, the EU represents 28 countries, a continental market with 500 million citizens who are well educated and have considerable purchasing power (S. Goulard). If the EU does not have influence, it is because it does not act collectively, because it has all the material conditions to make a difference (S. Goulard) and reach balanced agreement (F. Grossetête). The European Parliament will oppose the Transatlantic Treaty, which is not in line with the European project.

Catherine, “Nous citoyens” movement questioned the European model. Another citizen added that European economic influence does not seem sufficient and that it is necessary to have a position in the geopolitical game: Russia is a weaker economy that is however able to act very aggressively. When will the member states use majority voting and no longer require unanimity when it comes to social and tax harmonisation? Because our economies are not protected, internally, for a new type of globalisation, added Brigitte from the European Movement - Alpes-Maritime.

There is not really one European social model: there are as many models as there are countries (F. Grossetête), even though the EU defends a social market economy in which the state is considered necessary to govern the economy (S. Goulard). All the European values, such as prohibition of the death penalty, pluralism, human dignity and democracy are common points that Europeans share, but it is important to take a step back to see that (S. Goulard). The

EU’s strength is its solidarity and sharing among its peoples and European member states (F. Grossetête), but also the wealth of different cultures and their connection, which countries like India or the United States do not have (S. Goulard).



3. Employment and the euro: is the euro responsible for unemployment in the EU?

Many Europeans today see the EU and its tools as a danger, whether the euro, European regional development funds or even companies and competition policy, as seen in the example of National Maritime Corsica-Mediterranean Company (SNCM) (C. Apotheloz). The euro should have generated growth and employment by controlling inflation resulting in low interest rates and therefore investments. Citizens raised several concerns with regard to these expectations. The first concern is young people who leave to work abroad because they do not have work, while France has even paid for their studies. Another concern regards the euro area, which was developed on the basis of a model that does not work, a monetary policy cannot be conducted without joint economic, tax and social policies. Couldn't the difficulties experienced in the euro area be measured by comparing its growth and unemployment rate with those of the EU? Also, are current leaders simply afraid to leave the euro area out of fear that federalism will never be reached if they do?

Rolf Robert Herden spoke of the German model, which is currently the most successful because the necessary reforms were made, following reunification and with regard to globalisation, thanks to cooperation between the central government and the *Länder* but also the trade unions of entrepreneurs and workers. German companies thus have remained competitive. The euro played a positive role thanks to the

elimination of costs and variations in exchange rates, because the EU is the leading market of Germany.

The situation is different in France, Alain Malégarie explained. It does not depend on the euro alone, which is not the only variable. The euro is indeed a huge success because it is an internationally recognised currency (S. Goulard, A. Malégarie) and it has become a European symbol since its introduction in 1999. Jean-Luc Bennaïm underpinned that although the symbolic prices of coffee and loaf of bread have increased, prices have stabilised for most products of mass consumption. The problem with the euro is that the project was implemented partially. The implementation of the single currency was supposed to be accompanied by a social and tax harmonisation with a sizeable European budget (J.-L. Bennaïm, A. Malégarie). If states must adopt an austerity budget and reduce their operating expenses, the EU's budget should at least double with for example own resources (P. Bernard-Reymond) because it is a budget of investment. With the implementation of the German minimum wage, a step was taken towards these necessary harmonisation measures.

The employment situation in France is linked more to the competitiveness of companies (A. Malégarie). While in Germany, in 1980, the percentage of industry in the GDP was 31% and 26% in 2013, in France, it was 29% in 1980 and 13% in 2013 respectively. It was not able to rebound. France must implement reform. Portugal experienced difficulties but took the path of reforms because it benefitted from the EU, whether it be in consolidating its nascent democracy, giving it a role in globalisation and in terms of economic development (P. M. Da Costa). François-Michel Lambert added that it is important to have a systemic vision; the connection is more complex than a simple equation of strong euro and low employment. If the value

of the euro decreases, for example, the cost of raw materials and especially energy, will explode. In addition, some small and medium-sized companies, like Altéo in southeastern France, benefits from a strong euro because it sells a unique type of alumina in the world, used in most smartphones for example. Any economic change must be accompanied by energy transition, which generates jobs. The re-directing of the EU is possible with a change of majority, because for ten years the majority has been ultra-liberal (M. Rivasi).

When it comes to both internal and external European issues, it is indispensable for politicians to comply with the treaties they sign. When they fail to do this, situations like the SNCM happen (J.-L. Bennaïm). Transparency is paramount (M. Rivasi).

Also, politics need to retake control of the economy to re-establish the connection between the real and the unreal economy (J.-L. Bennaïm).

The EU's next step forcibly means deepening it, which has never occurred after enlargement to restore a soul of the EU (F. Grossetête).

Another citizen commented that this debate is misleading because it is based on expertise that everyone does not necessarily have. Moreover, this very complex debate requires a high level of technical understanding. So in order for everyone to understand, the EU's complexity must be made accessible, with training sessions in which citizens can discuss issues directly with policymakers (S. Goulard), with actions like the Toute l'Europe website⁴, or lastly with mandatory European courses in education (P. M. Da Costa). The EU must be accessible.

**Photos and podcast of the debates
are available on our website.**

1. Bruno Gollnisch, member of the European Parliament, intended to participate in the debate but had to cancel his participation at last minute.
2. Co-decision means in certain areas of competence of the EU, the European Parliament and the Council of the European Union have the same weight when voting on European laws.
3. See the Council of Europe website: <http://hub.coe.int/web/coe-portal>
4. See the Toute l'Europe website: <http://www.toutteleurope.eu>

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