

The EU must re-create trust between member states if the benefits of integration are not to ebb away – and persuade its citizens that credible state institutions can be rebuilt in Greece

Mar 15 2012

The Euro crisis is more than the breakdown of a currency – it is also causing a breakdown of trust between the EU's members. Heather Grabbe argues that the competing narratives about who is to blame for the crisis have led to loss of trust that goes beyond the Euro. If the Germans cannot trust Greece to keep its financial house in order, then how can they trust Athens to keep the integrity of the Schengen area intact, or to recognise court decisions and arrest warrants? Now the EU's task is not only to rebuild the Euro, but to rebuild trust in the institutions that allow EU law to be applied reliably across Europe.



Political fall-out from the Euro crisis is raining down all over Europe – not just in Brussels and national capitals, but into society at large, where it has accelerated the decline in trust in political elites. Populists, especially in France and the Netherlands, have been quick to capitalise on the crisis to bash the political establishment, running narratives of both conspiracy and incompetence among elites: ‘They screwed up their Euro project, so why should you trust them on migration?’

The dominance of inter-governmental agreements in the decision-making about the Euro, principally through the European Council, has given populists more ammunition. Voters see meeting after meeting in Brussels on their TV screens, where heads of state and government are unable to give a convincing explanation of how they will get out of the Euro mess with anything more than a short-term plan. This perception is sapping trust in government – in creditor and debtor countries alike. And it is driving a wedge between the political elite and public.

Yet the greatest loss of trust is between the member-states themselves. There are quite different narratives about the crisis and who is to blame running in Germany and Greece, but also in Finland and Italy, Ireland and the Netherlands. The German narrative is about feckless Greeks who retire at 50, while the Greek version relies on stereotypes about harsh former occupiers with no sympathy for citizens ruined by circumstances beyond their control. None of these narratives captures the complex reality. But all of them are about projecting the blame on others,

The loss of trust between EU member-states at the political level is matched by increasing mistrust in each other's institutions, which risks undermining European integration projects that have brought significant benefits to its citizens. The crisis has revealed that state institutions in countries like Greece and Hungary are much weaker, and more easily corrupted and captured, than the rest of Europe realised.

State capture and weak institutions are a major problem for a community of law like the EU, whose members rely on each other's courts to enforce common rules and regulations. This is vital for the Single Market to function as a level playing-field for companies with fair competition. It is also essential for cooperation on justice and internal security matters. EU member states have a common arrest warrant and mutual recognition of court decisions, which gives citizens the benefit of access to justice even for crimes committed in other countries. It also gives better guarantees of fair treatment if they are arrested in another EU state. But if the EU cannot trust Greek statistics and tax collection, how can it trust the Greek courts to administer justice on the same basis as in other EU member countries?

Even more importantly, the other EU members are asking themselves: can they trust the Greek border guard to police the EU's Aegean frontier effectively and with due attention to human rights? The Schengen area of passport-free travel has given unparalleled benefits to European citizens to travel without hindrance across the continent. But it cannot function if trust ebbs away. Instead member-states will start trying to re-impose passport checks at land borders, as France has done periodically.

Trust is the oxygen in the EU's bloodstream: the system needs trust everywhere in order to function. When trust disappears, vital functions begin to fail. Take for example the arguments over whether to let Bulgaria and Romania join the Schengen zone of passport-free travel. The Schengen members are reluctant to let them in, not only because of corruption and organised crime in those countries, but also because of mistrust of Greece. At present, Greece is a Schengen member but has no land border with the rest of the passport-free zone, so people can only travel on to other Schengen countries through the Greek seaports and airports, which are easier to police. But if Bulgaria and Romania join Schengen, human-traffickers would have a land route from Greece and also Turkey (a huge transit country) directly into Schengen. So the problem lies in trust, not only in whether Bucharest and Sofia can meet the high standards to join, but also in creating a contiguous land mass that reaches all the way to Greece.

It would be a great pity if, in the process of saving the Euro, we lose the benefits of integration and the community of law. How can the EU rebuild trust between its members, and between governments and people? Persuading the markets that the Euro's problems are resolved is a major problem. An even bigger challenge for the European Union will be to persuade its citizens that it has a plan capable of rebuilding credible state institutions in countries like Greece.

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Note: This article gives the views of the author(s), and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics.

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