

NEW LEADERSHIP IN A NEW EUROPEAN UNION

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Everybody is talking about the lack of leadership in the European Union. Blair's or Chirac's declarations are read as mere tactical moves designed to gain leadership. Barroso is often presented as lacking leadership. The European Council is seen as devoid of any leader. Such analysis is often followed by a few nostalgic comments about the Delors-Kohl-Mitterrand era, or for older souls, about the Schuman-Adenauer-Spaak era.

It is very easy to see that there is presently a problem of leadership in the European Union, a little more difficult to describe it, and much more difficult to propose solutions. The present note tries nevertheless to explore this question through looking at the past. First, it tries to define what leadership of Europe means – or could mean. Secondly, it enumerates the (numerous) reasons why this question has thoroughly changed during the last 15 years. Finally, it examines how far traditional sources of leadership are likely to be valid also in the future.

1. WHAT IS EUROPEAN LEADERSHIP ?

It is relatively easy to perceive instinctively what a leader is: a person who has a vision, the capacity to convince others to share that vision, and the ability to pursue its execution. In business, a leader is someone who is able to save a corporation in crisis (Iacocca in Chrysler) or to restructure it in depth (Gerstner in IBM), or to generate growth in a long term perspective (Welsh in GE). In politics, a leader is someone who both inspires and gets things done. Franklin Roosevelt, Churchill and Stalin were leaders. So was Komeiny, and so is, for better or worse, Ben Laden.

In European affairs, the question is as always more complex. In the initial stages of European integration it occurred that leadership was exercised by a single strong personality : Schuman's speech at Strasbourg in 1950 or Spaak's role in the post-Messina negotiations. Nevertheless, even in that period, European leadership required coalitions. Later, leadership has been largely exercised either by a group of member states or by some of the European institutions. Leadership is more a question of coalitions than of personalities. Nonetheless, the will and ability to build a coalition are in themselves a question of personality. Such personalities and coalitions existed in the 1950s (customs union and common market) and the 1980s (single market and single currency). This explains some present nostalgic reminiscences.

Meanwhile, many have forgotten how controversial the initiatives that build the European Union were at the time. In 1950, Schuman chose not to discuss fully his declaration in the French cabinet before presenting it. In 1957, there was nearly a governmental crisis in

¹ This comment is purely personal, and does not represent in any way the position of the institutions to which the authors belong.

Belgium between Prime Minister Van Acker and Foreign Minister Spaak regarding the EEC treaty which Spaak had negotiated. In the 1990s, both Kohl and Mitterrand accepted deliberately to see their unpopularity increase to build the Economic and Monetary Union.

These events also enlighten on important component of European leadership. It requires long term analysis and investment, and occasionally some kind of personal sacrifice. Moreover, it cannot rely purely on national interests, but has to promote some form of common interest.

2. LEADERSHIP IN A NEW EUROPEAN UNION

It is essential to understand that the question of leadership in the European Union has changed tremendously during the last 15 years. Many factors must be taken into consideration and all of them tend to increase the difficulty of leadership in the present period.

2.1. More Member States

The two last enlargements have more than doubled the membership of the Union. Moreover from the economic, social, and political points of view, the Union is much more diverse. This, obviously, makes the definition of a common vision much more difficult. Countries that are three times as rich as others have, for example, a tendency to consider social and environmental protection as a more pressing need. The Estonians and the Irish will, quite naturally, have a very different perception of their external security needs corresponding to very different geographical location and historical experience. Consequently, the enlargement in itself already makes leadership more difficult.

2.2. More sensitive areas of competence

The areas of competence of the European Union have developed tremendously and have come close to the core of national sovereignty. Consequently, some decisions are much more controversial than in the past. The best example probably remains monetary union which implies some control of the EU institutions on the national budgetary policies, a point which is bound to create tensions. When the Commission formulates proposals that have a possible impact on taxation, social legislation, health care or pension rights it becomes much more controversial than when it was defining industrial norms.

2.3. A new economic context

The European Union, like the rest of the world, is shaken by the dual revolution of the information society and globalisation. The reorganization of our society imposed by this revolution generates a lot of fear, resistance and worries. Nobody, and certainly not national governments, seems to be able to control the phenomenon. It looks as if the market is absolutely sovereign and large multinationals (Microsoft) all powerful. This logically reduces the legitimacy of political institutions. The European Union's institutions cannot escape this trend.

A fundamental point is worth noting: polls regularly emphasize that EU institutions are not more in crisis than national institutions – sometimes less, as a matter of fact. Furthermore, it is quite striking that the weakening of leadership is often as evident at the level of the Member States than at the level of the Union. All representative political systems are in crisis.

2.4. A new generation

There was a time when public opinion considered, as a matter of course, that the European unification process was a fundamental and worthy political cause. Political leaders who had lived through the second world war felt naturally that this objective was necessary, and even morally imperative. This time is now over. Europe is not seen so much as a cause any more, but as an essential negotiating platform, and sometimes a convenient scapegoat for unpopular measures.

This change of vision has had an important influence on the increasing disrepute of the European institutions. It permeates a lot of political speeches. Ministers and members of Parliaments have an influence on the public. If they convey regularly the idea that European institutions are unbalanced, inefficient, uncontrollable or greedy, this message is bound to have some substantial impact on public opinion.

To conclude, to provide leadership among a greater number of participants, on more sensitive issues, at a time when societal change puts in doubt the legitimacy of political institutions and when a new generation questions the validity of former solutions, is obviously a great challenge. This point should not be forgotten.

3. WHERE CAN A NEW EUROPEAN LEADERSHIP BE FOUND ?

The most fundamental mistake that politicians can make at the European level is to confuse it with the national level. There are a few essential differences between the two levels, and it is very dangerous to neglect them. European medias and European public opinion, for example, barely exist. Consequently, communication is much more difficult. The building and maintenance of coalitions is of the essence. This must be kept permanently in mind when one explores the potential sources of leadership for the future.

The lessons of the past indicate that a single country alone can rarely provide Europe leadership. It has to be provided by a coalition, and rely on the European institutions. These lessons will most probably apply in the future.

3.1. A coalition of Member States

The classical example is the Franco-German axis which indeed has played an important role in many occasions (monetary union is a major example). In this case, as in several others, experience shows that a lot depends on personal relations between heads of government. To be effective, both of them must preferably have some security of tenure. It has also become apparent that Franco-German leadership is less well accepted in the enlarged Union than it was before. For various reasons the smaller countries of Central and Eastern Europe are more

suspicious of “big power dominance” than the smaller countries of Western Europe. This does not exclude Franco-German leadership in the future but it means that the two countries, if they want to be effective, will probably have to consult more broadly, to put more accent on diplomacy, in particular vis à vis smaller partners, and to elaborate their proposals in depth before making spectacular declarations (which they have not always done in the past).

Another combination that has been advocated from time to time consists of regrouping the bigger Member States (presently Germany, France, UK, Spain, Italy and Poland). It should be noted that this solution (*le directoire*) has in fact never worked as a source of leadership, largely because participants have always held opposing views of what direction Europe should follow (Spaak used to say that the big countries needed the small ones in order to come to any agreement). The latest variant of this solution has been advocated by Nicolas Sarkozy, particularly in the field of justice and home affairs. In the present circumstances, it would be most probably unproductive because it would reactivate the conflict between big and small Member States, which was recurrent during the negotiations of the Nice Treaty of 2001 and the Constitutional treaty of 2004.

Leadership in the European Union is not necessarily confined to bigger member states. For example, on several occasions the three Benelux states acting together have had considerable influence: Benelux memoranda before the Messina meeting in 1955 and before the Amsterdam negotiation in 1996 are good examples. In the course of the Convention a note introduced by the Benelux countries received express approval from the delegations of sixteen smaller member states, which is clearly a form of leadership².

Finally it should be noted that leadership is sometimes exercised by ad hoc combinations of member states. A case in point is the treaty signed at Prüm on 27 May 2005 whereby seven member states (Austria, Belgium, France, Germany, Luxembourg, Netherlands, Spain) agree to automatic mutual access to information (fingerprints, ADN, car license plates, etc.) useful in the fight against international crime and terrorism. This agreement is concluded outside the Union framework, but it specifically mentions the hope that other member states will join them and that ultimately the content will become part of European law. The signatories obviously consider themselves as a vanguard in this field, and the implication is that they are exercising leadership.

To conclude, coalitions of some Member States have provided leadership in the past. To be effective, they had to rely on the European institutions. During the last years, some of these coalitions have been less efficient. It seems clear that the 2004 enlargement will require some further adaptations in that domain.

3.2. The European Council

Over the last three decades, the European Council has been the pivotal organ where strategic decisions are taken and where leadership is exercised. Its legitimacy is undisputed and its record is quite impressive. But who leads the European Council? Who submits strategic decisions? Sometimes, as we saw above, a coalition of member states. Sometimes the Commission, as we shall see later on. More often the presidency. The question we have to

² However, the result of the Dutch referendum seem to have resulted in a fundamental change in the European policy of the Netherlands and it is clear that the Benelux countries will not be able to agree on European policy issues in the immediate future.

consider now is whether the presidency of the European Council can be a reliable source of leadership in our new context.

It seems clear that the recent enlargement has weakened the efficiency of the European Council and made more difficult the task of the presidency. The meetings are less manageable and frequently end with meagre results. The family circle has become so large that the real negotiation has to happen elsewhere and this is confirmed by the multiplication of bilateral contacts in the course of the meetings. The presidency's task has become steadily more difficult. Successive presidents discover that the presidency is time consuming and difficult to combine with their national obligations. There are too many people to contact and too many topics on the table. Blair famously declared after the Nice European Council : "We cannot go on working like this", and his statement has been echoed, since then, by several heads of government.

This of course explains why reform of the presidency system was debated at length during the Convention. The proposal of a semi-permanent presidency of the European Council met strong initial opposition but most people would today agree that the presidency system at the highest level needs to be reformed and that a semi-permanent president is a solution which at least deserves to be tried out. Though it would probably be legally possible to do this without treaty modification, this is unlikely to happen and we will presumably have to live with the present system as long as the Constitutional treaty, or a similar text, is not ratified. Successive presidencies will certainly try to exercise leadership at the European Council level but, on the basis of recent experience, it is reasonable to expect that they will be less successful in the future than in the previous decades.

The nationalist drift, sometimes explicit and sometimes latent, that has been perceptible in many places during the last years will certainly not contribute to reduce the extent of the problem. By diminishing the perception of the common interests of the Member States, it prohibits in fact many people and governments to provide leadership.

3.3 . The European Commission

In the institutional system devised fifty years ago for the European Community, the Commission is the natural source of initiative and leadership. The fundamental task of the Commission is to define the collective interest of the Union which enables it to act as a fair referee in arbitrating between conflicting interests (which a coalition of member states cannot guarantee). Moreover the Commission has a measure of executive power and a degree of permanence which enables it to be an efficient operator (which the European Council is not). Finally it is ideologically balanced and not polarized on party lines (which is an advantage in comparison to Parliament).

The fact is that the Commission was a significant source of leadership in European affairs for four decades: 1957 to 1997. The performance of the Delors years is still remembered and unfavourable comparisons are made with later incumbents. This comparison is partly unfair for several reasons, which also reflect the limited expectations which can be entertained today on potential leadership of the Commission:

1. The Commission is a collegial institution and colleges lose effective decision capacity when they become too numerous. Delors is on record as saying that he would not have

wanted to chair a Commission of 20 members. Today there are 25 Commissioners and the decision capacity of the institution is structurally weaker than it was.

2. The Commission's competence lies essentially in Community business which was the core of European activity in the eighties and nineties. During the last decade more attention has been given to foreign and security policy and justice and home affairs. It is largely in those sectors that we have seen new developments in Union activity. These are areas where Commission power is weak or inexistent. It cannot be expected to exercise leadership in areas where it has little legal basis to do so.
3. Member states have become increasingly reluctant to accept Commission leadership. They do not really want strong presidents and strong proposals. They are easily critical of Commission proposals which do not conform to their views. There is an intergovernmental drift in European affairs which previous Commissions did not have to face to a similar degree.

The Commission has also contributed itself to its predicament. The weakness of financial controls in the 1990s caused lasting damage to the reputation and self-confidence of the institution. It failed to adopt a common position regarding its own composition during the negotiation of the Nice Treaty. The Commission's positions regarding the application of the stability pact to the big Member States were perceived as biased by smaller partners. More recently, the Commission has sometimes been, rightly or wrongly, perceived as being ideologically biased in pursuing an "ultra liberal" agenda which a sizeable part of European public opinion rejects³. In itself, such a perception already represents a danger for the institution.

Wherever the respective responsibilities of these developments may lie, the basic fact is that the Commission has been weakened. It can no longer be considered as a natural source of leadership and initiative across the board. It will have to concentrate on issues where it has a strong legal basis on which to operate, such as the four basic liberties including freedom of services. In those fields it can, and should, exercise strong leadership. Elsewhere, in the present circumstances, it probably can not effectively do so.

3.4. The European Parliament

Because of its democratic legitimacy, Parliament is a potential source of leadership. The argument which questions that legitimacy because of weak electoral participation is itself not very strong, and could be applied to many elections in the Member States – participation as a general rule is diminishing regularly and everywhere. This is linked to the reduction of legitimacy of all political institutions mentioned above.

In fact however Parliament frequently approves, or blocks, initiatives coming from other players but has rarely been itself a source of leadership. One exception is the Spinelli draft treaty of 1984 which led, or at least contributed, to the Single European Act. There are not many other examples. As political polarization has become stronger in Parliament, defining a consensus between the main political groups has in fact become steadily more difficult. This

³ An illustration, from this perspective, can be found in the proposal regarding the freedom of services, formulated by the Commission in 2004. This text could be seen, with hindsight, as a costly project. It was very broad, technically fragile, and it managed to concentrate a coalition of oppositions and to frighten a significant part of the public. One can but wonder what would have happened if the main problems had been dealt with in three different texts, more focused, and allowing simpler compromises.

has clearly limited the ability of Parliament to lead. Arguably the size of the institution has also become a hindrance. Many efforts will be required to give Parliament a stronger role in the European debate.

CONCLUSION

Leadership in the Union has always been influenced by political conjuncture: dedicated leaders, their mutual relations, economic cycle, proximity of elections etc. A new element which needs to be taken in consideration is that enlargement has had structural consequences on the way leadership can be exercised. Numbers count! They have made leadership in the Union significantly more difficult, and nostalgic comparisons with former times are therefore largely meaningless. Potential sources of leadership remain where they have always been, but the exercise of that leadership has become more difficult. A coalition of member states can still play a potent role but the formulation of its proposals needs to be more carefully crafted than was the case before. The European Council remains the central locus of power where strategic decisions are taken, but its presidency is more difficult to exercise and results frequently less convincing. The enlarged Commission is a weaker institution, and its capacity to lead is limited by the EU Treaty in new domains, and more generally by the reluctance of many governments to see it playing a major role. Parliament, like all assemblies, is not a natural leader.

The Convention had identified those difficulties and the Constitutional treaty included some remedies, although limited: reform of the presidency, a smaller Commission, a smaller Parliament, more possibilities for reinforced cooperation. Those remedies might well have proved insufficient but at least they went in the right direction. The future will tell whether they will finally be applied. In the meanwhile it is worth noting that the fact that leadership is more difficult does not mean that it is impossible. A lot of small changes, suggested in the present note, in the practice of the institutions and in the individual behaviours, could certainly contribute to that outcome.