


# Five minutes with Anthony Giddens: “The European social model can and must survive the crisis”

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*What does the Eurozone crisis mean for the future of Europe? In an interview with EUROPP's Managing Editor Stuart Brown, **Anthony Giddens** discusses the content of his new book, *Turbulent and Mighty Continent: What Future for Europe?* He outlines the structural factors underpinning the crisis, the benefits of EU membership, and why maintaining the European social model as a social investment state is of crucial importance for European countries.*



**You make a distinction in your book between the concepts of EU1, EU2 and ‘paper Europe’. What does this distinction involve and how does it shape our understanding of the integration process?**

EU1 to me is Europe of the ‘Monnet method’. This is Europe as it’s supposed to be run, with the Commission in the centre initiating policies, which are mostly sequential. However, when you have a crisis situation this method plainly doesn’t work, so what tends to happen is that a couple or more of the larger states get together, form a kind of informal network, and they essentially initiate most of the important decisions. So there’s a kind of shadowy EU2 operating behind EU1, involving groups of nations in the Council that we have to turn to when effective decisions are required.

There’s also a significant difference between the Monnet method, involving modest change, and the plans actually initiated by the Commission, which often verge on the grandiose: thirty year plans, the Lisbon Agenda, Europe 2020 targets, and so on. As there is no genuinely effective leadership or government structure in the EU, a lot of these plans remain projects on paper, rather than projects which are actually realised. That is noticeable to people outside of the EU and has an impact on our credibility. You can see that grandiose promises are made which the EU finds it difficult to live up to, so I support a new stage of evolution in integration of the Union.

**You argue that one of the key benefits offered to member states by the EU is the notion of ‘sovereignty+’. What does sovereignty+ entail?**

This to me represents the distinction between formal and real sovereignty. Formal sovereignty is the sovereignty that you have built into your national constitution to govern your own affairs. Real sovereignty is the degree of influence and control that you actually have over your affairs, especially in a world which is as fast-moving and globally integrated as this one.

My thesis is that countries which are members of the EU actually increase their sovereignty, rather than lose it. EU member states appear to give up sovereignty – and they do give up *formal* sovereignty – but in terms of real influence on the world they gain from EU membership. This is not only true when acting collectively, but also when EU states act individually. When the UK participates in actions in the international arena, for instance, every other state knows that the UK doesn’t stand alone. The UK is part of the EU, as well as other organisations such as NATO, and these organisations lend more real influence in the world than would otherwise be possible. So we should reverse the normal argument that we’re simply sacrificing sovereignty by being members of the European Union.

This is obvious in certain cases. For instance, take the example of the proposal, which I strongly support, to create a free trade area between the EU and the United States. Let’s suppose that the UK left the European Union, and the remaining EU states and the US got together to start building this free trade relationship. Can we honestly argue that the UK would have more power outside, feebly trying to get in, than it would as a member of the EU? Obviously not.

EU membership yields more than simply a net amount of power, there's a surplus of power which each member can, in principle, mobilise.

**You've described the EU as becoming a 'community of fate' through the crisis. Is it possible for the crisis to have a positive impact on European integration?**

We tend to speak about 'the crisis', but there's actually a set of crises, as there's obviously a broader economic transition taking place in the world beyond the Eurozone. Most people focus on the disintegrative effects of the crisis in Europe: the fact that northern and southern Europe have become divided, the large gulf between Germany and Greece, and so on. But I think there are a twin set of processes going on. The European Union has actually become a community of fate because of the euro. The euro has created an interdependent Eurozone, even if this wasn't nominally recognised by its founders.

The Eurozone's members are economically interdependent. That has not yet been matched by effective mechanisms for governing this interdependence, which is the source of the crisis. Nevertheless, the interdependence is there, and that has an impact on every other EU country as they're grouped around the Eurozone, and more or less obliged to follow the trajectory of the Eurozone's development. In that sense, Europe is much more of a community of fate than it was before because it's not politically or economically feasible to disaggregate the euro. The only way is forward, which means greater economic governance and greater political governance.

Europe has become a community of fate in another sense, which is that for the first time we have a European public and political space. In every European country, European issues are now covered extensively in the media. I was amazed at the amount of coverage given in the UK to Angela Merkel's re-election. You would never have found that previously, and that's recognition that we're all in this together, even if many in the UK want us to leave the European Union.

So for me, as a pro-European, the key issue is whether we can make this negative public space more of a positive one. For this reason, I feel that pro-Europeans should state their case and network across Europe in the run up to the 2014 European elections. We should not let the populists and the Eurosceptics dominate the debate politically, or emotionally.

**One of the most worrying problems raised by the crisis is the potential for it to weaken the European social model. Can the European social model survive in its current form?**

It certainly can and must survive. I think one way to see that is by looking at China. China has virtually no welfare system, and a huge problem with its ageing population. There is no real welfare provision to support people when they become ill, or to support the elderly, therefore the family has to save. That has economic effects because the Chinese economy is heavily dependent on exports and needs to foster internal demand. It's clear to me that China has to build some form of welfare system. It's an obligation of contemporary industrial societies.

The question is really what type of welfare system. My view is that it's a mistake to separate the economic side of the European Union from the social side. A lot of what occurs in a welfare system is relevant to economic productivity. This is true of education, for example, and it's also true of public health and many other areas. I coined the term the 'social investment state' to describe this principle, and I think the welfare system can and should survive as more of a social investment state. That means, for example, not just having a health system where you deal with people once they get sick, but having a system which invests in preventative measures, and measures which combat inequality.

That is a rather different model from the classic welfare system, but this is the way to defend the social model. And I don't really think you can have a coherent industrial system without a reasonably effective set of welfare institutions.

**How do developments in other parts of the world impact upon the crisis in Europe?**

I argue that we're living across a different trajectory of history from any other generation. The internet is probably the major driving force in that sense, if you include in the internet all of the aspects that surround global electronic communication. This obviously enters into the constitution of money and many other substantive areas. Money is now simply an electronic representation on a computer.

The backdrop to that is the creation, very quickly, of not simply a cosmopolitan society, but what I and others have termed a society of hyperdiversity. All of us are in contact, every day, with a mass of different cultural settings. This applies anywhere because well over three-quarters of the world's population have access to a mobile phone, and mobile phones have essentially become mobile computers which link us to all of the sources on the internet.

I make a distinction between models of multiculturalism and interculturalism. Interculturalism means more of a dialogic model, not just within European countries, but also between Europe and other states such as China. A lot of what we claim to be distinctively European has much wider roots. That's a good thing because we can establish an intercultural dialogue across different sections of the world to try and see what the most effective ways are of building democratic institutions, for instance.

I think it's pretty clear that the internet is both a force for the promotion of democracy across the world, and at the same time a means of subverting it. People are disillusioned with politics and their leaders, partly because they know too much about them. Democracy is in serious trouble in some respects in its very heartlands, so against the backdrop of all the other things affecting the European Union there are global influences that affect everybody.

*A more detailed discussion of the topics covered in this article is available in Anthony Giddens' book, [Turbulent and Mighty Continent: What Future for Europe?](#) (Polity Press 2013). A podcast of a recent LSE event to mark the publication of the book is available [here](#).*

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

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## About the author

### Anthony Giddens

Anthony Giddens is former Director of the LSE and a member of the House of Lords. His books include [Turbulent and Mighty Continent: What Future for Europe?](#) (Polity Press 2013), [Sociology](#) (Polity Press 2013), [The Third Way: The Renewal of Social Democracy](#) (Polity Press 1998), and [Capitalism and Modern Social Theory](#) (Cambridge University Press 1973).



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