

**“The Progressive Politicization of the European Union:
Actors and Patterns of Conflict”**

Annual Meeting of the Institute for European Politics (IEP)
in Cooperation with the Academic Advisory Board of the IEP
and the Arbeitskreis Europäische Integration (AEI)

8./9. October 2015

Report

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The Progressive Politicization of the European Union: Actors and Patterns of Conflict

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During the annual meeting of the Institute for European Politics (IEP) the Transatlantic Trade and Investment Partnership (TTIP), Europe's financial and economic crisis, and the highly topical refugee crisis were discussed as examples of the progressive politicization of the European Union (EU). The concept of politicization assumes that European policy is increasingly becoming the subject of political disputes. Overlapping topics at the meeting included the interactions between politicization, Europeanization and legitimacy, and the effects of politicization on the integration process of the EU.

Panel I: Politicization of the EU: Outlines of an Approach

The first panel on "Politicization of the EU: Outlines of an Approach" was presided by Prof. Dr. Michael Kreile, chairman of the Academic Advisory Board of the Institute for European Politics. During the panel, the definition of politicization as well as its consequences for the development of the European Union was discussed.

Prof. Dr. Michael Zürn, director of the Berlin Social Science Center (WZB), described in his statement the so-called "politicization paradox," which is the increase of politicization during falling election turnout. According to Zürn, this paradox is mainly a result of institutional weaknesses of the EU. Zürn further noted that the election campaigns are formed by the absence of differences between pro-European parties in a way that only leads to a polarization between pro- and anti-European parties.

Subsequently, Prof. Dr. Frank Schimmelfennig from the Swiss Federal Institute of Technology in Zurich (ETH Zürich) turned to the outlines and boundaries of the politicization approach. According to Schimmelfennig, the current discourse on politicization is starkly orientated towards neofunctionalism, which accuses

politicization of undermining integration. A critical point for Schimmelfennig was the lack of addressing counter-strategies that must be developed in order to counteract the negative effect of politicization. The financial and economic crisis is a prime example for extreme politicization and far-reaching deeper integration, noted Schimmelfennig.

In conclusion, Prof. Dr. Thomas Risse from the Freien Universität Berlin emphasized the conceptual difference between politicization and Europeanization. The latter receives the most attention in public debates on European topics, and suggests transnational communication. However, politicization should be possible without Europeanization. Thus, the euro crisis, under strong politicization, only shows conditional Europeanization. On the other hand, the refugee crisis depicts a high degree of politicization and a strong Europeanization of the current debate, noted Risse.

During the ensuing discussion, amongst others, the extent to which politicization normative good or bad is and whether this can be answered at all was addressed. Instead of developing counter-strategies to politicization, a public political debate should be conducted in order to prevent the availability of space for populists. The result of the discussion was that the “politicization paradox” could most likely be overcome.

Panel II: Crisis Management and Cohesion of the European Union: Greece and Great Britain as Examples

In the second panel of the annual meeting, Prof. Dr. Ansgar Belke, Prof. Dr. Henrik Enderlein, Dr. Martin Heipertz, Prof. Dr. Mareike Kleine, and Prof. Dr. Johannes Pollak discussed crisis management and the cohesion of the EU using Greece and Great Britain as examples. The main question was the probability of Greece or Great Britain’s withdrawal from the euro zone or the European Union, and the extent to which such a withdrawal would be manageable for the Union.

Enderlein argued that a Brexit would be more manageable than a Grexit on an institutional level.

Belke also emphasized that the negotiating partners never desired a Grexit.

Kleine noted that chances of Great Britain staying in the EU are very low. An EU-Referendum showed that the majority supports a withdrawal from the EU. This could be followed by a reorganization of the relations based on the Norwegian and Swiss model.

Heipertz proved to be optimistic about the current negotiations with Great Britain, saying that they could lead to unification, even though the procedure for completing the negotiations is still not defined.

During the debate about Great Britain's possible withdrawal from the European Union, the question of the extent to which this would lead to hegemony of Germany in the EU and how critical German dominance would have to be seen was raised. A few disputants considered this unproblematic and expected no significant loss of importance for the EU. However, others considered this scenario alarming and saw the current weak German-French tandem as insufficient for a leadership role in the EU.

Evening Address: Development Options for the Economic and Monetary Union

In his speech, Steffen Kampeter, member of the German Bundestag, and (ret.) parliamentary state secretary, provided a few development options for further integration of the Economic and Monetary Union. First, Kampeter praised the achieved banking union with joint deposits and the current discussion on the Capital Markets Union, as these are signs of progress. However, the current monetary policy of the European Central Bank is by far too expansive. This leads to the unpleasant finding that the debt level has not yet been reduced and shadow banks have not yet been sufficiently regulated.

The deciding question for the future is whether a return to a "regulations-bound" system is foreseeable or if the regulations should be adjusted to the challenges. Only the first option is desirable, according to Kampeter. In particular, binding, institutionalized fiscal regulations, a competition commissioner, a common understanding of fiscal regulations, and exit options need to be established and implemented. Moreover, for further integration, there needs to be a discussion in Germany on its relations with France, as the views of both countries on the deciding questions regarding development options for the Economic and Monetary Union could not be more different. Furthermore, the principle of EU member state

unification based on a German-French compromise could no longer function as it did in the past, as, for instance, the Baltic states feel excluded.

During the subsequent discussion, the question was asked whether there should be an opportunity to redefine regulations should conditions change.

Panel III: Right-Wing Populism and Euroscepticism: Crisis Symptoms and their Causes (Asylum, Immigration, Euro, etc.)

Growing right-wing populism and euroscepticism within the European Union were the topics of the third panel. Prof. Dr. Gabriele Abels, Joachim Bleicker, Dr. Funda Tekin as well as Prof. Dr. Joachim Schild analyzed the diverse causes of this development and presented possible solutions.

Multiple times, it was confirmed that, despite volatile electoral successes, the euro-skeptic and populist parties are being increasingly established in the European party system.

One could distinguish hard euroscepticism (system criticism and demanding immediate EU withdrawal) from soft euroscepticism (criticizing certain EU policy areas and demanding reforms). This development would often entail populism, which emotionalizes politics strongly and only reports parts of situations.

Causes of the increase in populists could be the migration and refugee crisis, the consequences of the economic and financial crisis, and the complex organization of the EU. These events often result in incomprehension and uncertainty amongst citizens, which then leads to a loss of trust in the EU and an increased stigmatization of the EU as a secretive and undemocratic institution. Moreover, the economic and financial crisis produced “winners” and “losers” of European integration. Right-wing populist parties, such as the Front National in France, specifically used the resulting socio-economic and socio-cultural margins.

When dealing with euroscepticism, the experts recommended more European solutions and a stronger leadership role of the EU member states. Ultimately, the problems that have been argumentatively exploited by populists can only be rationally solved on a European level. A renationalization does not provide a

satisfying solution. An overarching narrative is necessary for a more positive communication about the European Union.

The focus of the discussion was the communication about European policy. There was criticism that a preference for national rather than pan-European communication levels prevails which could produce different narratives. It was also stressed that the EU integration is not a completed process with ready-made solutions and must therefore be communicated as such.

Panel IV: TTIP as a current Example of social Politicization in Globalization Issues

Just one day before the protests against the Transatlantic Trade and Investment Partnership between the USA and the EU (TTIP) in Berlin, the fourth panel of the annual meeting discussed TTIP as a current example of social Politicization in globalization issues. Essential elements of the debate were questions regarding the treaty as well as its chances and problems.

The criticism of TTIP is partly justified, although one could observe a lack of differentiation between internal market and free trade issues in the debate.

The Commission's role was seen critically. As lead negotiator, the Commission has made mistakes in terms of publicizing TTIP. Overall, the Commission appears to be working as a lobbyist for corporations that does not take little regard for the interests of civil society. This weakens the EU's credibility and complicates the ratification of future treaties.

The discussion also focused on the foreseen investor-state dispute settlement (ISDS) instrument. The USA and the national parliaments quite possibly rejected the current proposal.

Labeling TTIP the so-called "Economic NATO", a geopolitical project of the USA, was dubbed unsuitable by the panelists. The free trade agreement is not seen as an attempt to grow closer to the USA, not an attempt to distance Europe from Russia. Instead, the treaty is seen as a regulated way to deal with globalization. With the treaty, Europe should be empowered to negotiate with the USA on equal footing.

Conclusively, the panelists addressed the progress of TTIP debates. The panelists made it clear that the economic advantages alone are not the right argument to

convince citizens. Instead, TTIP should be seen as an “opportunity to converge economies and manifest community values.” In addition, the panelists warned against a loss of authority of the EU, should the negotiations between the USA and Europe fail. Thus, the free trade agreement should, in case of doubt, be reached without the controversial ISDS instrument.

At the end of the two-day meeting, five key findings of the panel discussion were highlighted. First, an increasing politicization and Europeanization were noticed. Second, politicization was defined as an “open-end process” with pros and cons. Third, positive and negative consequences of politicization could occur simultaneously.

Fourth, the EU’s capacity to act is being increasingly limited due to growing euroscepticism. This requires reforms that allow the capacity of the EU to increase. Fifth, inner-European polarization is much less distinct compared to countries such as Russia or China. Finally, there needs to be a debate on the politicization at different levels and amongst various actors. In particular, the costs and benefits of politicization, the role of institutions, and the relationship between law and policy in the EU need to be considered.