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Employers' Group Event on the Conference on the Future of Europe (CoFoE)

Setting out a New Vision for the Future of Europe

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Speech by Herman van Rompuy

President Emeritus of the European Council

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Do not ask me what the EU will look like in 2040. Who would have predicted in 2007 that we would be in constant crisis? Even if one must be careful with the word crisis: how else can we call what happened with the banks, the eurozone, the refugees in 2015-2016, the pandemic or terrorism. So I've learned not to predict. But I can try to outline what the EU should look like, regardless of the circumstances.

The Union must be united internally and externally. That means greater social cohesion now that inequalities have been rising again for some years, also because of the pandemic and because inflation could last longer than expected. However, social differences remain smaller than in other countries. The integration of non-EU citizens also remains a major challenge for social cohesion. The EU is a unifying project that cannot endure internal polarisation.

We also need to be more united externally, even though we recently managed to be unanimous on sanctions against Russia and China and in the Brexit negotiations. The rule of unanimity should change on foreign policy. If we want to be geopolitically relevant, we have to send a clear message.

The Union must be more sovereign and strategically autonomous, less overly dependent on others in strategic areas such as digital, energy, defence, external borders, the dollar, the City, batteries, chips, medical equipment, medicines, food and others. We must do this while respecting the multilaterally agreed rules. We need to protect our interests more without closing ourselves off. The Commission is active in all these areas. The same tendency can be found among other global actors. It stems from the mistrust that has grown in recent years. This strategic autonomy does not stop the globalisation of trade. On the contrary. Chinese exports to the EU climbed by 33.5% year-on-year in November.

The Union must be more innovative also in new areas such as digital and climate. It needs both economies of scale and alliances to compete with the Chinese and American giants and a wealth of start-ups from young people. That is why the Capital Market Union must be accelerated and why scientific research cooperation must be high, building among other things on the very important Horizon programmes. We need to use every talent in the Union, especially given the demographic implosion that is already underway and in these times of digital revolutions. China, Russia and Japan also know this. Some type of migration is necessary but irregular migration puts pressure on our societies and fuels populist instability.

Europe has fallen behind in some areas but in others the fight is not lost. We need to join forces. I wonder whether this cooperation is sufficiently contained in the new Recovery Fund. Industrial policy is fortunately no longer a prohibited word in the Union and, for example, in Germany. A competitive economy is essential to defend and promote our interests and our values geopolitically.

The economic transformation must take into account the Union's own values. A central value is democracy. There is no Union without democracy. That is why it is worrying that on both sides of the Atlantic up to one fifth of citizens no longer believe in democracy. For populist parties, democracy is only a means to power. It has no value in itself. We saw that on 6 January. In at least two EU countries, the rule of law is under direct threat. The Conference on the Future of Europe is working on proposals to strengthen participatory and representative democracy, so that more citizens are somehow more involved in the political agenda. There are already now good examples. In Barcelona, an open-source platform was designed to engage citizens into participatory democracy to co-create city solutions. I heard the city council talk about the great results.

But above all, our institutions must deliver results to make citizens feel better protected against unemployment, insecure jobs, irregular migration, terrorism, major inequalities, fraud and corruption, climate change and others. Democracy needs more input and output. The social media with its flood of disinformation, lies and hate-speech play a pernicious role. How can we turn the digital revolution around for the better and restore a climate of dialogue? Democracy is conversation. By the way, the future belongs to team work, connectivity, networks. It is the royal way to creativity and to entrepreneurship. The digital can offer many possibilities for this. It should not reinforce individualisation of our societies. We need not only skilled and creative individuals but also stable, vibrant and inclusive societies.

The Union can achieve many of these objectives without amending the Treaties. Moreover, the texts still provide for almost unused means of speeding up decisions. Besides, a treaty change would consume years of political energy and attention. In the current climate, it is not certain that more European cooperation, 'more Europe', would be the result. The pandemic has proven that a recovery fund could be set up and joint purchasing of vaccines decided with the current division of powers, especially after Brexit. The UK would have prevented us from going that far.



The Commission is now making proposals to be able to react quickly if countries are hit by sanctions without the need for unanimity.

It is striking how the pandemic has demonstrated the importance of strong governments. The same authorities play an indispensable role in steering economies and society in the right direction on climate, especially as time is pressing. Health and education are public goods that must not be sacrificed to a blind austerity policy. We also learned this during the pandemic. I already mentioned 'strategic autonomy' and industrial policy as political objectives or instruments. Politics also plays a major role even in the Trump years through protectionist policies, even towards the Union. Brexit was a political decision, certainly not an economic one. This renewed role of governments must go hand in hand with close cooperation with the private sector. Technology, embodied technology and innovation also play a crucial role in health and climate.

The EU must be forward-looking. Climate change plays a key role in this. The deterioration of the climate in comparison with the situation in the Paris Agreement exactly six years ago is dramatic. The COP26 in Glasgow was not a complete failure, but neither was it a sufficient success to turn the tide. The EU is ambitious in its (legally enforceable) objectives and in its instruments (e.g. the carbon adjustment border mechanism). The succession of climate disasters puts pressure on all countries. For a number of countries and companies, this adjustment is painful even though, from a general point of view, it is necessary and inevitable. But public opinion is also divided, not so much on the goals as on almost every measure. A lot of leadership and political courage is therefore required, all the more so because the results of unpopular measures are only visible after many years, even decades. So there is no electoral reward!

Geopolitically, the EU must first and foremost look after the welfare of its citizens with respect for the multilateral order and peace. The EU has no ambition to become a military superpower. Recent events in Afghanistan showed the limitations of the military. The pandemic has made us realise that we are only safe when everyone is safe. The globalisation of the disease should call for global governance. Unfortunately, current mistrust prevents this. The EU favours dialogue with like-minded people and those who are not. We have our allies but also remain strategically autonomous. We are open without being naive. We dialogue while remaining firm about our principles.

The key words are: unity, sovereignty, democracy, innovation and competitiveness, valorising the current treaties, future-oriented, geopolitics based on dialogue and principles. We need more Europe, a better Europe. A Europe of determination and moderation.