

**MORE EUROPE:
AN ANALYSIS OF JEAN-CLAUDE JUNCKER'S VISION FOR
THE FUTURE OF THE EUROPEAN UNION**

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In September, European Commission President Jean-Claude Juncker gave his annual State of the Union address to the European Parliament (EP) in Strasbourg. It was a speech far more upbeat in tone and more visionary in content than that which he delivered last year, in the wake of the United Kingdom's referendum and amid deep division amongst European Union member states over the migrant crisis.

This year, by contrast, Juncker highlighted what he regarded as some of the EU's key recent achievements and outlined his intentions and aspirations for the future direction of the EU over the next decade. "The wind is back in Europe's sails", he proclaimed, as he welcomed positive economic growth figures both in the eurozone – the collective name for the EU member states that have adopted the euro as their official currency – and in the union as a whole, as well as a positive uptick in employment.¹ CETA, the free-trade agreement between Canada and the EU, and a commitment by Japan to a future deeper economic partnership also earned themselves a mention. The President emphasised Europe's leading role in innovation in 'clean' technology and in combatting climate change. Lastly, he praised the EU-Turkey migration deal for its success in reducing the number of migrants crossing Europe's south-eastern frontier.

Rather indicative of the mood of the occasion was Juncker's neglect to make any significant reference to the ongoing Brexit negotiations – aside from an off-the-cuff remark that was directed at Nigel Farage. This speech looked forwards, not back; it advanced an ostensibly positive agenda of solidarity, of unity, and of collaboration in the pursuit of common ends. In short, it was Juncker's attempt to leave behind the spectre of populism that has been haunting the EU for more than a decade, and set the union on a new path towards sunlit uplands of harmony and prosperity.

Upon closer inspection, however, a great number of the proposals made by the President in his speech, if implemented, have the capacity to drag the EU even further down the path that has led it into the difficulties in which it now finds itself: most notably, into confrontation between the union's institutions and the governments of individual member states, alongside a rise in Eurosceptic sentiment across the continent. Juncker could have used his State of the Union address to indicate his willingness to compromise on 'ever closer union' and reconcile the Commission with

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some of the (especially Eastern European) states that are increasingly voicing their dissent. Yet he did not. Instead, he put forth a set of inflammatory proposals that have the potential to do more harm than good.

The first, which could yet turn out to be a purely emblematic move, is Juncker's suggestion to merge the position and responsibilities of the President of the European Council with that of the Commission. This change, though primarily motivated by increased efficiency of decision-making, would also help to make clear that the EU is both a union of states and a union of citizens. "Europe," he explained, "would be easier to understand if one captain was steering the ship".² And he's right: a single President would be a major symbolic step towards the EU's metamorphosis into a single, federal state – but that is precisely the sort of move that would provoke the detractors from the European project, the champions of national sovereignty, even further.

A barely disguised threat to the quality of EU-level democracy also managed to find its way into Juncker's address when he announced "new rules on the financing of political parties and foundations".³ Hitherto, 15% of the part of the EU budget that funds Europe-wide parties has been distributed evenly to all parties, regardless of their vote share in elections to the EP – the Commission's proposal to reduce that figure to a mere 5% would further weaken the hand of the small Euro-sceptic parties in Strasbourg.⁴ "We should not," Juncker said, in an unveiled threat to the likes of UKIP, France's Front National, and Italy's Five Star Movement, "be filling the coffers of anti-European extremists".⁵ This move would leave Euro-sceptic parties facing an uphill battle, and thus unfairly reduce the opposition the Commission might face when trying to get controversial legislation past the EP in the future, thereby reducing the already shaky democratic accountability of the EU's legislative bodies.

Another controversial proposal was the establishment of a European Labour Authority (ELA) – "a new European inspection and enforcement body" that would make sure that "all EU rules on labour mobility are enforced in a fair, simple and effective way".⁶ Its aim, the President declared, would be to ensure that European workers posted to a member state other than that of their birth are receiving the same pay for the same work as the natives of that country. Elsewhere, the Commission has stated that it wants this new labour authority to carry out cross-border inspections to combat the exploitation of workers and, potentially, to settle disputes between national labour watchdogs.⁷

As things stand, labour legislation is enforced by member states themselves, rather than by a central EU body. This means that, even though details on the new ELA are scarce, it would most likely involve an additional transfer of power from the periphery to the centre of the EU structure and undermine the control of member states over employment rules on their own territories. A few eastern European states such as Poland and Hungary have, in the past, opposed the EU's intrusion into the field of employment and wages regulation in order to protect the competitiveness of

their workers.⁸ If the Commission does attempt to establish such a labour authority, it could run the risk of alienating those countries from the European project.

Juncker also pushed for greater European unity in the fields of economics and finance. He argued that, if the euro is to “unite rather than divide our continent, then it should be more than the currency of a select group of countries,” and urged that EU member states yet to adopt the single currency and without a legal opt-out – that is, all but Denmark and the UK – do so as quickly as possible.⁹ The insistence behind this exhortation was underlined by the President’s rejection of a separate eurozone budget and parliament. This suggestion, of course, ignores the possibility that the Swedes, the Poles and others might rather like the flexibility and autonomy that comes with control over their own currencies, especially given the instability associated with the eurozone over the past decade.

To accompany the expansion of the eurozone, the President proposed two more measures that would, he argued, improve the efficiency of the EU’s economic decision-making processes: first, the creation of a European Minister of Economy and Finance, whose role would be taken on by the existing Commissioner for economic and financial affairs, and who would also preside over the Eurogroup (the collective of member states’ finance ministers) – this new Minister would “coordinate all EU financial instruments that can be deployed if [a member state] is in a recession” and “[promote] and [support] structural reforms” in member states; and second, the upgrading of the (currently intergovernmental) European Stabilisation Mechanism (ESM) into a (supranational) European Monetary Fund (EMF) and its formal incorporation as an EU institution, which would effectively take it out of the direct sphere of influence of national governments.¹⁰ The ESM, established in 2013 to provide loans to eurozone countries in financial difficulty, has already been used as a pretext to impose stringent public expenditure restrictions on one of Europe’s weakest countries, Greece, in what one academic commentator has called “a stark case of a severe erosion of sovereignty”.¹¹ Combined with the creation of an EU Finance Minister with currently undefined powers, the ESM’s supranationalisation should come as a warning to those concerned about the gradual monopolisation of power by Brussels.

And, last but not least, Juncker announced proposals that would set in motion the EU’s development as a security union as well. These include: a new European intelligence unit, which would automatically transfer intelligence and data concerning terrorists among national agencies and police forces; the empowerment of the European Public Prosecutor to investigate cross-border terror offences; a European Defence Fund; and, eventually, a European Defence Union, to be fully operational by 2025.

The details of this last are hazy, but a Commission press release from last November gives us some idea of the shape of the Defence Fund.¹² It would, in the interests of efficiency and enhanced cooperation among member states, “support investment in joint research and the joint development of defence equipment and

technologies” by pooling financial resources and enabling member states to purchase in bulk shared military assets such as helicopters or drones.¹³ It is, in essence, the inception of what one prominent British Europhile famously dismissed as a “dangerous fantasy” – a European army.¹⁴ How an EU defence force would be structured, who would command it, and whether it would be used in future conflicts like those in Libya or the Ukraine, are questions none of whose possible answers would be likely to engender much consensus amongst European governments. What we can say with reasonable certainty is that such a development would represent not only another major step on the EU’s ceaseless drive for statehood, but also a possible risk to NATO’s primacy in arrangements for Europe’s security, as the three Baltic states have already warned.¹⁵

The picture of Europe’s future painted by President Juncker’s address should be of great concern to anyone interested in defending nation-state democracy. It reinforces the view of Eurosceptics across the continent that the current Commission is resolved quixotically to accrue ever more power to Brussels, no matter how high the cost to national sovereignty or how dangerous the outcome, and to brush aside inconvenient democratic opposition in the process. Juncker clearly has not learnt the lesson of Brexit. His vision is one of more centralisation of authority, more bureaucracy, and less democracy; in short, more Europe.

NOTES

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