

The French-German Future Dialogue 2015

What does the EU with the UK in it look like in 2025?

Workshop report

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I. The French-German Future Dialogue project

This workshop report arose within the framework of the Franco-German Future Dialogue, a program for young Franco-German leaders established in 2007 by the Study Committee for Franco-German relations (Cerfa) of the French Institute of International Relations (Ifri), and the German Council on Foreign Relations (DGAP), in cooperation with and with generous support from the Robert Bosch Foundation.

Future Dialogue opened its doors to other member states of the European Union for the first time in 2014 – first to Italy, then to the United Kingdom in 2015. The goal is to associate future decision-makers from other countries with Franco-German exchanges on current European questions, and in doing so to enrich the discussions. This format proved its worth and is now an integral part of the program.

Since Future Dialogue is experimenting with opening up Franco-German cooperation to other parties, it seemed important to enrich the reflections on forms of trilateral cooperation in the service of European integration. To do this we needed to shake up old habits of thought and show creativity. In order to benefit most of the trilateral group of participants, bringing together young professionals with diverse backgrounds from France, Germany and the UK, we decided to run a workshop using the *foresight method* to discuss the prevalent topic in relations between the three countries: The future of the EU in the light of the debate on Brexit (British exit from EU). The exercise was well worth the effort. The results gathered here sketch out many promising directions for further study.

II. Subject of discussion

The outcome of the Brexit referendum is unpredictable. The topic of the workshop therefore went a step ahead and assumed that the UK would remain a member of the EU. Hence, the following question was posed:

What should the EU with the UK in it look like in 2025?

Although the discussions did not refer directly to the topic of Brexit, they still tackled numerous issues that supporters and opponents of UK's membership in the EU bring up regularly in the current debate. Projecting the debate to 2025 allowed participants to go beyond short-term thinking and raised fundamental questions about the idea of Europe.

III. The foresight method

Foresight methods were applied to facilitate thinking and group discussions on long-term developments. As the future is uncertain, foresight does not aim at foreseeing or predicting the future. Foresight is an activity designed to explore various futures, identify goals, and discover potential threats and opportunities. **Scenarios** – the most common foresight approach – were not developed in this foresight exercise because of the normative orientation of the guiding question. Instead, **Visioning** and **Road Mapping** approaches were applied in order to create a common idea for what the EU should look like with the UK in it in 2025, and to map systematically potential pathways to get there.

The **visioning** process conducted in this workshop was arranged as a two-step brainstorming session. First, six breakout groups were asked to develop five different aspects on what the EU with the UK in it should look like in 2025. The groups were asked to provide their ideas in the form of potential newspaper headlines so as to promote discussion and big-picture thinking, and also to find a balance between wishful thinking and plausibility or feasibility. Secondly, for the plenary session, all breakout groups were asked to analyse the combined total of 30 ideas so as to identify the key themes of their common vision. They defined the following six key themes:

- Democracy
- Membership
- Common foreign and security policy
- Finance and economy
- Social cohesion
- Sustainability and mobility

For the **road mapping**, each of the six breakout groups took over one key theme, and discussed and elaborated on it in order to improve the brainstormed key theme and to ensure shared understanding. Their task was then to develop a roadmap for their key theme. The groups were asked not to develop their roadmap starting from current problems, but to backcast their roadmap, starting with the biggest hurdle that needed to be overcome in order to arrive at the envisioned future

state. By defining hurdles and how to overcome them, the resulting roadmaps are future- and solution-oriented, and thus provide thought-provoking suggestions and even strategic orientation for policy planners.

Each working group was asked to identify the main milestones necessary to make the publication of the various headlines probable for the target year 2025, and to point out the main hurdles to these milestones that would have to be overcome.

IV. Results of working groups

a. Democracy

Headlines in 2025

- One person, one vote: European Parliament finally elected democratically
- EU citizens can vote wherever they live in the EU
- Highest turn-out ever in European Parliament election following outreach initiatives
- Catalonia, Scotland and Flanders claim EU membership

Milestones and hurdles

The ‘democratic deficit’ is an often-debated problem and one that needs to be resolved in order to create a sustainable political future for the EU. Our vision for EU democracy in 2025 therefore seeks to create an environment for advanced direct representation, with a stronger ideational link between citizens and the Union. Our proposals are based on the creation of a parliamentary democracy that improves direct representation.

The first hurdle in realizing this vision is the creation of a single electorate in the EU. We believe that one of the basic problems with citizens identifying more closely with the construct of the Union is the indirect relationship between the voting electorate and the EU. Therefore, we propose harmonisation of voter registration and voting practices across the member states. As a concrete institutional representation of this proposal, we suggest the creation of a single voting register for the EU. Every citizen would thus register for all elections (at any level) through a single register held at supranational level. The member states could then reference this single register when holding an election at national or subnational levels. A positive ancillary effect of this process would be the prevention of ‘voting tourism’ through repeated voting in a single election by individuals who are resident in more than one state.

A second hurdle to be overcome is another high-level problem, that of the electorate’s lack of trust in ‘European matters’. This indicates a disconnection between the citizen and the EU’s working practices and policy outcomes. Therefore, we propose a stronger linkage between the national-

level parties and the European political groupings. The eventual desired outcome might actually be the creation of specific political parties at the European level.

A problem in furthering any direct political representation agenda at the EU level is the gatekeeping power of the member-state governments. This third hurdle is to an extent due to the perception of the national governments that any increase of representation (through the European Parliament or other mechanism) represents a zero-sum loss to their capacity. To tackle this issue, we propose strengthening the perceived legitimacy and representativeness of the Parliament to foster citizens' greater identification with and confidence in the EU. Tackling the role of the national governments would then follow this step. To do this, we discussed changing the allocation of seats in the Parliament, and agreed on one million votes equating to one seat (with a periodic reassessment of allocation), with a minimum of one seat per state.

Having thus strengthened the legitimacy of the European Parliament, our fourth step is to increase its power. This would be done through situating the executive branch of government (the European Commission) in the legislative (the Parliament). The Parliament's parties would each have a representative allocation of commissioners. They would be members of the Parliament, and also be responsible for the oversight of the DGs. This should reduce some of the criticisms of the Commission as being an unaccountable technocracy, and instead place the representatives of the citizens (the MEPs) in the driving seat.

Our final step was to tackle the issue of increasing devolution within the EU member states. There are increasing calls from powerful subnational regions for autonomy (notably Scotland, Catalonia and Flanders), which pose problems for the national governments. We propose to empower these powerful regions within the context of the EU and recognise more formally their role in the multi-level governance of the Union. This would be enacted through increasing the power of the Committee of the Regions, and possibly promoting this body to similar institutional status to that of the Council, Commission and Parliament. Regional bodies would therefore gain representation and legitimacy, and would circumvent national gatekeepers in defined areas. In addition, the principle of subsidiarity would be respected through moving institutional representation closer to the citizen at a regional rather than national government level; this is particularly important in those regions where specific cultural identities wish to assert themselves.

b. Membership

Headlines in 2025

- UK invites Norway, Switzerland and Iceland to join EU
- EU-Eurasian free trade agreement signed
- UK and Turkey share EU Council presidency
- Successful completion of TTIP paves the way for EU mediation of groundbreaking multilateral trade deal

Milestones and hurdles

Our hypothetical challenge was to envisage how the EU might successfully enact a major wave of enlargement by 2025. We agreed that further expansion within such a narrow time-frame raised major questions regarding viability and desirability. Therefore we decided to focus on the tangible.

The first, and recurrent, hurdle that became all too evident was the issue of public support. The second (given the recent crises in the ‘European project’) was the issue of desirability (that is to say, would existing member states be able to secure public support and would prospective members actually desire accession?). We agreed that the key to overcoming such apparent hurdles rested in economic policy and success. Given that the capacity to negotiate trade agreements is one of the main issues brought forward in the debate in the UK about the country’s EU membership, and also the fact that some neighbouring countries of the EU have already expressed their desire to join the Transatlantic Trade and Investment Partnership (TTIP) once it has been agreed, we concluded that the completion of major trade deals might not only make it attractive for member states to remain in the EU, but also make it attractive to other countries to join the Union.

The next major hurdles we envisioned related to the need for a major political consensus (due to unanimity) and the ability to reach a deliberative conclusion when faced with major challenges of this scope. To address this perennial challenge in EU governance, we proposed a complete move away from unanimity to the principle of majority rule (although all members of our *thought experiment* agreed on how challenging such a reform would prove).

The final hurdle we envisioned to a successful round of accession related to the institutional framework of the EU itself, so that it would not become dysfunctional as a body of governance (i.e. unable to produce output) and also to ensure that expansion would not further detach citizens from the centres of governance (and thus contribute to the claims of ‘democratic deficit’). To these ends, we discussed a range of reforms to pre-empt these challenges, including: a reduction in the number of commissioners and the introduction of rotation to overcome objections; the creation of a Joint Presidency in the Council (as suggested in one of the invented newspaper headlines listed above) to promote cooperation and ensure more expedient rotation; and finally, with reference to the *quality of democracy* hurdles, we proposed that EP elections must only be contested on European Parliamentary Platforms (helping to counteract the division between supranational challenges and national discursive frameworks), as well as the introduction of a ‘red card’ system allowing national parliaments to stop EU legislation if a certain number of them were against the proposal, as a means of counteracting perceptions of democratic deficit.¹

With the completion of all the above ‘overcomings’, we agreed that expansion would be more viable in both popular and practical terms. However, it should be stressed that there was no consensus on the viability or desirability of further expansion in such a narrow time-frame or within the challenging political and economic context in which the European project currently finds itself.

¹ See Open Europe’s proposals on an increased role for national parliaments, <http://openeurope.org.uk/intelligence/institutions-and-democracy/european-localism/> (26 November 2015)

c. Common foreign and security policy

Headlines 2025

- UK and France support UNSC reform and agree on a common EU seat in UNSC
- European common defence mission defends Suez canal from Isis
- UK general oversees EU peacekeeping to ensure Israeli-Palestine two-state solution

Milestones and hurdles

The trilateral working group on Security and Defence considers a European army as a desirable goal for the European Union and its member states. Even though it seems quite unrealistic at the moment and in the foreseeable future, it would represent an enormous step towards a more integrated EU. A European army would benefit member states in terms of military interoperability, expenses and defence procurement. A permanent EU planning, command and conduct capability for military operations would result in substantial savings and in more capable European defence forces.

There are many aspects that hinder stronger integration in defence politics. A critical issue concerning the establishment of a European army is national sovereignty. Without transfer of national sovereignty by member states, there will be no European army. Furthermore, questions such as the political decision-making process on both the European and national levels, command structures and deployment, equipment and training would have to be solved. The fact that France and the UK possess nuclear capabilities and are permanent members of the UN Security Council, as well as EU-NATO relations might be other obstacles to a common European army.

To achieve better integration, we recommend an incremental and cautious approach that involves, in the first stage, the three main European military powers (France, Germany and UK). The main steps are:

- Improve mutual knowledge and confidence among partners and build a common strategic culture by strengthening security dialogue at the administrative and political levels
- Develop a shared military culture and standards, and improve intercultural abilities through conducting joint exercises and training
- Develop joint planning and conduct capabilities by replacing national operational headquarters (Mont-Valérien, Potsdam/Ulm and Northwood) with a common headquarters based in Brussels and that, like the European Air Transport Command (EATC), would enable the carrying-out of national missions with a national chain of command
- Create a trinational force (as the nucleus of a European military force) by merging the Combined Joint Expeditionary Force (CJEF) and the Franco-German Brigade

d. Finance and economy

Headlines in 2025

- Four more countries adopt the euro
- EU Finance Minister Osborne closes tax havens in Monaco, Jersey and Andorra
- London buys Frankfurt (stock exchange)
- Skilled workers from developing countries prefer EU to US
- European Minister for the Economy announces European Green Investment Bank
- EU becomes the first economic power in terms of GDP with unemployment average under 10%.
- EU implements significant CAP cuts as London accepts proportion of Financial Transaction Tax.

Milestones and hurdles

It is not easy to create a shared vision of such a complex and emotive topic, particularly in the wake of the economic crash and the years of austerity endured by Europeans since the unleashing of the 'Great Recession' in 2008. That said, the exercise sought to develop some strategic foresights within a small but diverse group, with a variety of strong opinions and viewpoints. A key assumption of the group was that no answer was right or wrong, and that the discussion should revolve around how valid or convincing an argument was, and the credibility of the evidence used to substantiate a given position or assertion.

To prosper, the EU and the Eurozone must seek further political union to flank the monetary union that exists, as well as the establishment of a form of fiscal union to address the inherent imbalances in the Eurozone, and to allow for the correction of these imbalances by fiscal and social transfers within the Eurozone, and the arrival of Eurobonds on the capital markets.

Fundamentally, integration on the scale that is needed to achieve fiscal union cannot be piecemeal. It would require a treaty change, with clear provision for the role and status of non-Eurozone members within the EU's financial architecture. The clearest challenge to this is also the greatest challenge facing the European project today, which is public opinion, and resistance from some member states and citizens who fear this sort of change. Many voters associate the EU with the economic crisis, and the crisis with suffering. Regardless of how fair or accurate this is, it is a challenge that must be addressed with great care before any significant changes can be countenanced.

To win the support of the European citizenry, the group felt that limited but concerted tax cooperation by Eurozone members to create common resources for the Eurozone, in coordination with non-Eurozone countries, would be the necessary step to begin to create the credibility and fairness that the Eurozone requires. The main obstacle to this is the need for further agreements and compromises within the Eurogroup and among the member states to complement the new economic

governance architecture put in place throughout the crisis years, culminating in the Fiscal Compact treaty in 2012, and the banking union underway.

It was clear to the group that, for the member states to be prepared to embrace further political union and fiscal cooperation, the Union would need to return to growth, unemployment would need to fall, and stability would have to reign in the Eurozone. The greatest challenge to this is the economic divergences and approaches to solving the crisis that exist in Europe, and the lack of trust and political will at all levels of society that are preventing a shared narrative and vision from taking root.

For the Eurozone to expand, and for the question of the UK's relations with the bloc to be broached, the group determined that it would be a prerequisite for the Eurozone to have become more integrated, stable and prosperous.

This brings us to what we see as the fundamental starting point for the European peoples to embark on a path to prosperity. Of primary importance is the need to reach a shared understanding of certain key concepts. Europeans must have shared understanding of what progress, success, and prosperity actually mean, and of how these can be achieved. This can only be reached through negotiations at the highest political levels in good faith, and meaningful public engagement to address the lack of coordination in structural reforms, fiscal policy and investment. There is a role for academics and commentators to help generate coherent theory and a shared vocabulary around any such coordination.

The group was ambitious, and felt that substantial changes were needed to return Europe to a path of prosperity and fairness, for the Eurozone to be in a state where it could expand, and for the national debate on the UK's relationship with the Eurozone to be reopened. What's more, the group felt that, with the right leadership, vision and coordination, this can be achieved, and that the work that was started in Rome in 1957 could be completed for the betterment of all of Europe and its peoples.

e. Social cohesion

Headlines in 2025

- UK welcomes the creation of a European office for Migration and Refugees
- EU government announces the creation of a European Labour Market Agency
- Europe becomes the first region to overcome the gender pay gap
- EU school-leavers sit a common EU studies exam
- 2025 sees 2.5 million Erasmus babies!

Milestones and hurdles

Europe today is facing many challenges to social cohesion and solidarity. Unemployment is high, particularly among youth populations, giving rise to the risk of a 'lost generation'. Europe's leaders

are struggling to present a united front in the face of the refugee crisis exacerbated by the Syrian conflict. At the same time, inequalities between and within member states are increasing. Especially in the context of the economic crisis, a north-south divide within Europe has emerged. Xenophobia and nationalism are gaining traction among citizens who feel disillusioned and disenfranchised.

To achieve and enhance social cohesion in Europe, we believe that a change in focus for European leaders and the EU institutions is necessary. Where the emphasis has (particularly in the context of the economic crisis) been on structural economic reform, we would like to see a prioritization of the 'social dimension'. This would aim to achieve enhanced employment prospects and workers' rights, a redistributive EU budget policy to address the 'core and periphery' division that has developed in modern Europe, and a genuinely European response to the refugee crisis.

Such an approach could be enshrined through the successor to the Europe 2020 strategy. Specific initiatives and institutions we discussed, and believed it desirable to institute or enhance, were:

- More integrated labour market policies
- Extended and better use of EURES, the European Jobs Network.
- An extension of the new European Youth Guarantee
- A common minimum wage related to median income
- A common minimum pension related to median income
- A European unemployment insurance programme
- A strategic alliance between the European Commission, unions and management of the member countries as well as employers and employees, to take measures to overcome the gender pay gap.
- A European office for migration and refugees
- A quota system for the placement of refugees
- Minimum standards for welcome and integration of refugees, with EU funding where necessary

In discussing a roadmap for achieving such reform, we identified the following obstacles and solutions.

The implementation of such measures would require both new institutions and enhanced competences for the EU. A necessary precondition for the above would be treaty change.

First, to effect treaty change, the EU would need to garner public support for a 'Social Europe'. Such public support could be achieved through a European-level conversation regarding the need for a Social Europe and more solidarity across European countries, underpinned and informed by better education on the EU in schools and more participation in Erasmus.

Secondly, assuming some degree of public support, another pre-condition for such a radical change in direction for EU policy would be for political and civil society figures to lead this change. For instance, the foundation of a 'European social coalition' emerging from the Erasmus generation could reinvigorate social democratic politics at European level.

Another obstacle would be the UK's almost inevitable scepticism regarding Social Europe (the UK blocked these conversations in 2002/03 during debates for a European constitution). A way around this would be the election of a new government, elected on a solid foundation of European social democracy.

A final and important obstacle would be the cost of investing in these new priorities and creating the necessary structures for the EU to fulfil such an expanded mission. It would be necessary to reprioritise the EU budget; for member states to recognize that stopping the EU budget from growing is not necessary at all costs, and to think about alternative sources of revenue-raising at EU level – for example, through combating tax evasion and avoidance, and through a financial transaction tax.

Ultimately, achieving social cohesion in Europe depends not only on the EU institutions but also on the citizens of Europe rediscovering solidarity among themselves, and extending a welcome to immigrants and refugees, and on (elected) member-state governments remembering not only to respond to public opinion but to lead and shape it, working with civil society.

f. Sustainability and mobility

Headlines in 2025

- UK provides renewable energy surplus to EU via EU grid – carbon emissions plummet
- First green high-speed train between Edinburgh and Istanbul
- British entrepreneurs populate continent from Paris to Warsaw as 10 years of EU-wide language programme bears fruit

Milestones and hurdles

The working group on sustainability and mobility topics developed two mid-term visions relating to rail transportation and renewable energy, the UK being an integral part of both. The first one imagined the construction of the “first green high-speed train, between Edinburgh and Istanbul”. The second vision was of the UK providing a renewable energy surplus to the EU via the EU grid.

First, the overall political resistance against both new mega projects and further integration of national transportation and energy infrastructure would need to be addressed. Led by the EU Commission, an EU-wide campaign and debate about the benefits of cross-border rail and energy grids could be launched, to trigger citizens' interest and motivate politicians to address the matter. By 2019, a first political agreement would be reached on the project, titled Synergy 2025 – Transport & Green Energy.

The issue of finance, especially a lack of private companies willing to invest, would be a barrier. The EIB would produce by 2021 a comprehensive business model framework for both projects, including assessment of funding needs, suggested funding options such as private-public partnerships, and the participation of foreign (private) investors.

It is likely that the energy vision would face opposition from the non-renewable lobbies. A major political decision would be needed to reshuffle the debate and clear the way. In the light of the energy turnaround decided in 2010 by Germany, a masterplan 'EU-wide nuclear phase-out by 2075' would be agreed around 2025.

The rail vision would remain a huge technical challenge due to the fragmentation of railway networks into national lines, standards and supervisory authorities. It would increasingly straightforward to merge all EU railway infrastructure companies into a single EU infrastructure network.

It is hoped that these steps would lead to the two visions relating to rail transportation and renewable energy being achieved, with a view to enhancing sustainability and mobility within the European Union.

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