

## The EU: Challenges at Home and Abroad

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Sixty years after the Treaty of Rome was signed, the European Union faces an existential threat in the form of a series of crises, both foreign and domestic. At home, the EU is coping with the lingering effect of the financial crisis of 2008, which exposed the birth defects of the euro bloc (i.e., its structure and composition) that currently appear incurable. The wave of asylum seekers and immigrants that flooded the EU (2015) has developed into a systemic crisis whose effects will be felt on the Continent for a long time to come. One of the byproducts of the crises is the growing influence of the populist parties that are challenging the existing European liberal order. Alongside the internal European challenges, the EU is dealing with a no less problematic international reality. The Ukrainian crisis, which led to a crisis with Russia, and the uncertainty following the election of Trump as to the future of the American commitment to European security and the transatlantic alliance have led to a series of moves in the direction of defense cooperation between EU members as a step on the long road to a defense union. The question is whether the EU members will exploit the opportunity and take the necessary decisions, or whether they will continue to stagnate. The lack of consensus with regard to the future of the EU is one of the main stumbling blocks to effective crisis management. The election of Macron as France's president and his determination to promote reform in the EU is a refreshing change, but to this end he will need to coordinate with Germany, which is liable to delay

the reforms that Macron seeks to hasten. French-German coordination was and remains an essential condition for implementing reforms in the EU. It appears that the EU does not have the strength on its own to address the causes of instability, and therefore marking time is the only current viable option. Israel should have an interest in the continued existence of the EU, as well as the transatlantic partnership.

An article by historian Timothy Garton Ash in the *New York Review of Books* entitled “Is Europe Disintegrating?”<sup>1</sup> opened with, “Had I been cryogenically frozen in January 2005, I would have gone to my provisional rest as a happy European.” Among the reasons, he includes the unification of the Continent, the expansion of the EU, the agreement of its members to draft a European constitution, and the opportunity to travel without crossing borders and use a single currency. These developments created a sense of optimism and expectations of a bright future. In contrast, had he woken up in 2017, he would have died again from the shock at seeing the changes that occurred in Europe, including: the disintegration throughout the EU, the poor performance of the euro bloc, the unemployment among the young, the lack of a constitution, and the British decision to withdraw from the EU (Brexit).<sup>2</sup> Indeed, sixty years after the signing of the Treaty of Rome, the EU is dealing with a series of crises, both domestic and foreign, that represent an existential threat.<sup>3</sup>

The question is whether members of the EU will exploit the opportunity that the crises present and will take the necessary decisions in order to overcome them, or whether the trend that has dominated in recent years, i.e., partial solutions (and sometimes none at all) will continue to characterize the management of the EU. In this context, the death in June 2017 of Chancellor Helmut Kohl, an acclaimed historic leader whose role in uniting both Germany and Europe remains unequalled, rekindles the tension between the vision of a united Europe and the reality of the challenges and barriers facing the EU today. In view of the fundamental disputes that have arisen in the last decade as a result of the series of crises, one can only wonder whether the aspirations toward an “ever closer union” are realistic. Indeed, the lack of consensus as to the future of the EU is one of the main stumbling blocks in dealing with the crises. It appears that the aspiration of the founding fathers of the EU – to create a post-national framework as the antithesis of the evils



French President Emmanuel Macron and German Chancellor Angela Merkel, Berlin, May 15, 2017. Photo: Guido Bergmann / Bundesregierung via Getty Images

that the nation-state arrangement wrought on Europe – is in doubt, in view of the trend of renationalization that is widespread among EU members, primarily those admitted most recently.

After surveying the crises facing the EU, this essay will examine their implications for relations between Israel and the EU. Do the aspects of disintegration serve Israel's interests?

### **The Crises Facing the EU**

The euro bloc was one of the victims of the financial crisis that originated on Wall Street in 2008. The crisis revealed the birth defects of the euro bloc, i.e., the structure and composition of its members. The euro, which was meant to enhance the integration between countries, exposed the gaps between the economies of the “north” and those of the “south.” These gaps are more than economic, and it is doubtful whether they can be bridged in the foreseeable future.<sup>4</sup> The proposals for a solution of the crisis exposed these gaps, particularly between Germany and the “southern” countries, especially France and Italy. Germany advocates savings, deficit reduction, and the implementation of structural reforms as necessary conditions for the creation of growth that will reduce unemployment (which since the onset of

the euro crisis has reached levels in the southern countries that undermine social and political stability and fuel populism). Similarly, Germany remains firm in its “ideological” refusal to transform the EU into a “transfer union” (mutual responsibility in which the stronger nations come to the rescue of the weaker ones in the case of financial-economic crises), a position that France endorses (even if it does not explicitly admit to it), as do the rest of the “southern” nations.<sup>5</sup>

The French-German coordination has been and remains a condition for the progress of integration in the EU. The election of Emmanuel Macron as France’s president was perceived by Germany as an opportunity to reinforce bilateral cooperation as well as cooperation at the level of the EU. Policymakers in Germany are aware of the need to assist Macron in the historic mission he has set for himself, namely to “shake up” French society by means of far reaching reforms on domestic issues, and at the same to promote integration processes in the EU. If this does not happen, the National Front, a far right party in France, is liable to constitute yet again an attractive alternative that will put an end to the dreams of the EU. The basic willingness of Germany under Chancellor Angela Merkel to strengthen the cooperation with France depends on the launch of budget and labor market reforms. Evidence of France’s and Germany’s determination to deal with the crises by means of real change can be found in the understandings reached in the meeting of the German-French ministerial council in June 2017.<sup>6</sup>

In contrast to economic and financial issues, which are the source of disagreements between France and Germany, there is an understanding between the two countries on issues of defense and security that facilitates cooperation. This includes, inter alia, the Sahel Initiative a project involving cooperation between France and Germany and the Sahel countries that includes military and economic assistance. It is part of a joint effort to deal with the background factors and causes of the wave of immigrants and asylum seekers arriving in Europe from the Sahel. Indeed, years after it was difficult to see any real progress in military cooperation between the EU countries (despite the numerous statements made on the subject), in the last few months of 2017 there was noticeably more willingness among the member countries to strengthen military and defense cooperation between them. This development occurred as a result of the mass terrorist attacks in Western Europe, the ongoing migration crisis, the election of President Donald Trump (which raised the possibility of a lessened American commitment

to the defense of Europe), and Russia's strategic policy. The combination of these factors has created public pressure on decision makers in the EU countries to adopt policies that recognize the need for a joint solution to these security challenges, both on the national level, as can be seen in the French-German understandings, and on the level of the EU.<sup>7</sup>

This change can be seen on the declarative level – such as, for example, in the announcement following the meeting of the EU held in Rome in March 2017 that emphasized the intention to create a “more secure Europe” – and on the practical level. Inter alia, it was decided to launch Permanent Structured Cooperation (PESCO): the EU members came up with a list of criteria and obligations in this context, and shared an expectation that they will propose projects to promote cooperation. These decisions were described by Donald Tusk, the President of the European Council, as a “historic step.” In addition, the European Commission (the executive branch of the EU) decided, for the first time in its history, to create the European Defense Fund, which will finance defense projects. This decision was accompanied by a call to EU members to agree to the proposed European Defence Industrial Development Programme.<sup>8</sup> In parallel to the steps taken on the level of the EU, these decisions make it possible for interested countries to strengthen bilateral defense and security cooperation. This approach advances the model of integration referred to as “multi-speed Europe.”

The security and defense consolidation that is taking shape in the EU will also include elements of domestic security, namely, the challenge of terrorist and cyber threats, as well as security aspects of the immigration issue. These threats originate outside the EU, but they create significant domestic threats to the EU countries. The aim of cooperation on these issues reflects a paradigm shift, which can be viewed as seeking an “autonomous strategy.”<sup>9</sup> In the long run, such a strategy (as well as cooperation with NATO) will make it possible for the EU on its own to deal with domestic threats and threats from its closest neighbors. This is despite the fact that currently it is clear to the EU that its ability to play a significant role in influencing the international setting and promoting its values and norms is limited.

Nonetheless, and despite the internalization of the threats and the need to develop adequate responses, the EU is finding it difficult, on both the institutional and national levels, to respond to the threat of terror. A series of terrorist attacks in Europe in recent years has exposed the deficiencies in domestic security, including the level of cooperation between the security

services of the various countries. Responding to terror requires a multi-system approach that deals with the motivations of the terrorists, most of whom are immigrants or refugees from Islamic countries (some of whom are veterans of conflicts in Syria and Iraq involving the Islamic State). Despite the lessons learned so far in this context, it appears that terror will continue to be an integral part of the day-to-day routine in Europe.

The French-German alliance regarding the Sahel region is an expression of the effort to deal with the flow of asylum seekers and immigrants that developed in 2015 into a systemic crisis whose effects will continue to plague the EU for a long time to come.<sup>10</sup> In the years since, the EU – again on both the institutional and national levels – began a process of learning from the experience. However, this process is far from over, since the EU is still hard pressed to arrive at an agreed-upon immigration policy.

The massive migration to the gateway countries, particularly Greece and Italy, has exposed the problematic nature of the Dublin Agreement, whereby the first country in which a refugee/immigrant arrives is required to register him on arrival and see to his initial absorption. Currently, it has become clear that in view of the growing number of refugees and immigrants there is a need to modify this arrangement, which places a heavy burden on the gateway countries. The decision reached by the EU in September 2015, which was meant to disperse 120,000 asylum seekers among the member nations, has not yet been fully implemented, due to the refusal of some members to absorb refugees. Furthermore, the refugee crisis has revealed the lack of solidarity between EU members on this issue as well, which is critical to the EU's future.<sup>11</sup>

As a result, gateway countries, and in particular Hungary, Bulgaria, and Croatia, have taken steps on their own in order to close the “Balkan route.” Although these steps have been criticized as harsh and non-humanitarian, they have drastically reduced the number of arrivals. Yet while the steps prevented the entry of hundreds of thousands of additional refugees, their arrival at the border of the EU has not been prevented and it was the agreement signed between the EU and Turkey in March 2016 that led to a significant drop in the number of those entering the EU.<sup>12</sup> More than any other European leader, Chancellor Merkel pushed to reach the agreement with Turkey, based on her understanding that the arrival of additional refugees in Germany will have implications for political stability, and in turn, her political future.<sup>13</sup> Since then, there has been a significant drop in the number of refugees arriving

in the EU, and therefore it appears that the agreement with Turkey, whose signing and content led to criticism by human rights organizations, has achieved its goal.

Following the closure of the Balkan route, the EU has directed its efforts to eliminate the option of setting out from Libya, which is the point of embarkation for refugees/immigrants from Africa seeking to cross the Mediterranean en route to Italy. In contrast to Turkey, which has a functioning government with the power to implement the agreement, Libya is beset by a civil war and has no central government that can sign a similar agreement. Nonetheless, in February 2017 the EU signed an agreement with the Libyan government that is recognized by the UN (and that rules the western portion of the country).<sup>14</sup> In spite of its deficiencies, it appears that thus far the agreement is bearing fruit. In comparison to the summer of 2016, there has been a significant drop in the number of refugees that have arrived in Italy.<sup>15</sup> In August 2017, with the goal of reinforcing the agreement with Libya, French President Macron convened a meeting of the leaders of Germany, Italy, Spain, and the three African countries along the migration route to Europe – Libya, Chad, and Niger. The European leaders promised assistance in the form of training and equipment to the Libyan coast guard, as well as assistance to Chad and Niger in securing their borders with Libya to prevent the crossing of immigrants from their territory into Libya. Thus, agreement was reached that asylum seekers would be dealt with in those countries, with the goal of preventing the arrival of refugees in Europe, and economic assistance was promised in order to settle the refugees in those countries.<sup>16</sup>

It is clear to the EU leaders that border security and agreement with the transit countries and even the declaration that some of the countries of origin are “safe countries” (to which it is possible to return the refugees who are not eligible for asylum or immigration) will not be sufficient to stem the flow as long as there is no solution to the motives for immigration, namely civil war, economic distress, and climatic disasters. Despite the promises of assistance and the assistance that has already started to flow to those countries, the task of stabilizing the political-economic situation in Africa and the Middle East is beyond EU ability. Therefore, the EU will presumably continue to invest efforts in halting this phenomenon, not a simple task by any means in view of the forecasts of hundreds of thousands of refugees who are on their way from Africa and the Middle East to Europe. This is a global problem, but it is possible that a step in the right direction was made

at the G20 meeting in Hamburg in July 2017 where the continent of Africa was at the center of the discussions.<sup>17</sup>

One of the byproducts of the crises facing the EU is the growing influence of the populist parties, which are attempting to exploit the anger of the average citizen over being unemployed, over his shrinking or non-existent share of accumulated wealth as a result of globalization, over open borders, and over the situation of terrorist attacks and immigrants (of Muslim origin) who not only allegedly steal jobs but are also threaten national-particularist identity and Western civilization.<sup>18</sup> All of the populists are united in their criticism of the elites and the institutions of the EU in general for being anti-populist, i.e., anti-democratic. The result of the 2017 presidential elections in France, Holland, and Austria create a feeling/illusion that the danger of populism has passed; however, this is misleading since the solution of the problems that are the basis for the growth in populism is far from having been achieved. There is no doubt that the refugee crisis, which became particularly acute in 2015, provided renewed energy to the populist movement.<sup>19</sup> Examples of this within the EU can be found in Hungary, whose prime minister advocates an anti-liberal model, and in Poland, whose government seeks to undermine the foundation of European law.

There are those who view the crisis in Catalonia as a critical battle in the fight waged by the EU – with limited success – against populism.<sup>20</sup> Yet even if the reasons for the crisis share elements of the populism phenomenon in the EU countries (identity, frustration, and anger at the elite, and in the case of Catalonia, accumulated anger with the central government), the crisis also has singular characteristics that are unrelated to populism. The Catalanian public longing for self-determination are among a long list of national minorities in the EU (including the Flemish in Belgium, the Scots in Britain, the Corsicans in France, and the Basques in Spain) who would like to separate from the central government. This constitutes a challenge to the nation-state as the organizing principle of the EU. Fragmentation of the European map will exacerbate the lack of governance and the lack of stability that the EU must already deal with. Although this is problem for the entire EU, formally the EU has decided that Catalonia is a domestic Spanish problem, whose solution is to be found by means of dialogue and compromise between the central government and Catalanian separatists.

## Challenges in the International Arena

Alongside the domestic crises faced by the EU countries within their own boundaries and within the framework of the EU, the EU is also confronting a problematic international situation. Among the most pressing crises and challenges is the Ukrainian crisis, and in particular Russia's annexation of the Crimean Peninsula and Russian subversion in Eastern Ukraine as part of the Russian desire under President Vladimir Putin to regain Russia's superpower status; the questions regarding the future of relations between the EU and the US in the Trump era; and the ongoing crisis in Africa, Europe's southern neighbor. All of these create complex challenges for the EU.

The blatant Russian violation of the principles of the European system, and Russia's continued effort to expand its sphere of influence to the area of the former Soviet Union, alongside its increasing military power (including nuclear), serve as a unifying factor from the EU perspective, at least for now. This is in spite of the fact that one can distinguish between countries in which the collective memory of the period of Soviet occupation is still fresh in the public consciousness and therefore they are prepared to exhibit a more rigid position with respect to Russia (such as the Baltic countries and Poland), and a number of EU members in Western Europe, such as Italy, Greece, Malta, and Cyprus that are calling for easing the sanctions.

A barrier to Russian policy is the NATO-centered transatlantic alliance, which constitutes one of the main components of the Euro-American partnership. It is based on shared values, bolstered by the perception of shared threats and the recognition of the need to find joint solutions. The election of US President Trump, whose worldview and policies reflect nationalism (America First), protectionism (cancellation of multilateral trade agreements), and unilateralism (in foreign policy and defense), is a threat to this partnership in general and to the future of the EU (which may not be able to deal with the aforementioned threats alone), founded on principles that are the antithesis of Trump's positions. An expression of the European recognition of the need to internalize the change that is taking shape can be found in an unprecedented statement (at least for a German leader) by Chancellor Merkel:<sup>21</sup> "As of now, the time has passed when we could rely fully on others," and therefore Europe must take responsibility for its own security. These words reflect the sense that prevails among the other EU leaders as well. However, it remains to be seen how much the emerging rift will widen, or whether the US administration will come to recognize

the necessity of the transatlantic partnership for the future of the US in particular and the West in general, against the background of a changing world order that includes the erosion of American influence, the rise of new actors in the international arena, such as China and India, and the assertive policy of Russia.

No less problematic for the security and welfare of the EU is the threat of continued instability among its southern (and western) neighbors. The dream of democratic change and the stabilization of the region as a result of the Arab Spring dissipated long ago. The ongoing crisis, and with it the dramatic rise in the flow of refugees from Africa and the Middle East, will have dramatic implications for the future of the EU. Despite the strategies adopted by the EU, as well as the assistance it provides to the countries in turmoil from which the refugees are arriving (which is modest relative to their needs), the EU will have to internalize the fact that it does not have the capabilities – neither political-economic nor military – to deal with the threat/challenge from the south, and therefore must adopt an containment approach, which itself is not so simple.

The picture taking shape points to a multiplicity of crises facing the EU in a complicated domestic and foreign environment. Each crisis has its own unique characteristics but at the same time they converge to form an existential threat. European integration in the post-World War II era presents a model that was once admired and copied. Sixty years later, the question marks as to the future of the EU are more numerous than the exclamation points. Against a background of multiple challenges, both internal and external, that threaten the EU, the question arises as to the implications for Israeli interests. I believe that the continuation of the transatlantic partnership and the principles on which it is based serve the interests of Israel, which views itself as part of the Western world. The differences of opinion between the EU and the US, as well as the possibility that the American administration will back away from its traditional commitment to European security and the disintegration processes within the EU itself, should not be in Israel's interest.

Despite the political differences of opinion between Israel and the EU as an institution and between Israel and the EU members, primarily on the issue of the Israeli-Palestinian conflict, the EU will for the foreseeable future continue to serve as the hinterland for Israel's economy and for its myriad scientific and cultural ties in the international arena. Therefore, Israel

should monitor the demographic changes occurring on the aging continent of Europe and those that are expected in the future, and should assess the implications of these changes for the future of relations. The growing forces of populism in Europe, particularly among the leadership in Hungary and Poland, which are driven by a national agenda that also includes xenophobia and anti-Semitism, sometimes implicitly and sometimes explicitly threaten the liberal order in which Israel views itself as a member. Even if Israel enjoys the political support of these groups, which share its view of the threat from radical Islam, they should not be viewed as a stable ally for the long term.

## Notes

- 1 Timothy Garton Ash, "Is Europe Disintegrating?" *New York Review of Books*, January 19, 2017, <http://www.nybooks.com/articles/2017/01/19/is-europe-disintegrating/>
- 2 As a result of the uncertainty with regard to the outcome of the negotiations between Britain and the EU, it is difficult to assess the effect of Brexit on the EU. It is possible that the decision itself will lead to an additional crisis in the EU, although it is also possible that it will accelerate the process of integration and closing ranks.
- 3 The distinction between internal and external threats is to a large extent arbitrary, since external threats feed into and often fan internal crises in the EU. A clear example is the wave of immigration from the Middle East in recent years.
- 4 According to Garton Ash in the aforementioned article in the *New York Review of Books*: "It was a big mistake to create....a common currency without a common treasury, and shackling together nineteen quite diverse economies. Intended to foster European unity, the 'one size fits none' Euro is actually dividing Europe."
- 5 The question is whether as a result of the parliamentary elections in Germany in September 2017 Angela Merkel will have a smaller coalition in her fourth term than in previous ones and whether as a result Germany will take a more flexible position on arriving at understandings with France regarding the necessary reforms in the euro bloc. Signs of this can be seen in statements by the Chancellor at a press conference she held following a meeting with French President Emmanuel Macron on September 13, 2017 regarding the need to stabilize and develop the euro bloc. Her statement reflected openness to the proposals that France is trying to promote, such as a common budget, creation of a financial fund, the appointment of a minister of finance, and the creation of an EU economic government.
- 6 See the Die Bundeskanzlerin, the Federal Chancellor website, July 13, 2017.
- 7 Decision of the European Council in March 2017 (European council 9-10.3.2017 concilium). See also Global Strategy document June 2016 (Shared Vision, Common Action: A Stronger Europe [eeas.europa.eu](http://eeas.europa.eu) June 2016) and Announcement of the European Council March 2017 at the gathering to mark 60 years since the signing of the Rome Treaty (The Rome Declaration Concilium [europa.eu](http://europa.eu) 25.3.2017).
- 8 See European Council 22-23.6.2017-Concilium.

- 9 As defined in an article by Annegret Bendiek to be published in Stiftung Wissenschaft und Politik (SWP).
- 10 See Ivan Krastev, *After Europe* (Philadelphia: University of Pennsylvania Press, 2017). Krastev believes that the refugee crisis in Europe is similar to the 9/11 terrorist attack with respect to its implications and defined it as a 21<sup>st</sup>-century revolution.
- 11 For further details on the immigration policy in the short, intermediate, and long terms, see European Commission Migration and Home Affairs.
- 12 EU-Turkey statement 17032017 One year on , EU-Turkey Statement: Questions and Answers Brussels 19, 2016 European Commission.
- 13 In September 2015, Merkel made a controversial decision that was perceived as an invitation to refugees to come to Germany. This was a humanitarian decision, rather than one based on strategic considerations.
- 14 Michael Asiedu, "The EU–Libya Migrant Deal: A Deal of Convenience," *E-International Relations*, April 11, 2017.
- 15 "Mediterranean Migrants Arrivals Top 363348, Deaths at Sea: 5,079," International Organization for Migration, posted January 6, 2017
- 16 *The Telegraph News*, August 28, 2017.
- 17 As part of this effort, a meeting between the EU and the African nations was planned toward the end of 2017.
- 18 On the difficulty in defining populism and the phenomenon in general see Jan-Werner Müllwe, *What is Populism?* (Philadelphia: University of Pennsylvania Press, 2016).
- 19 Krastev, pp.13-14, 81.
- 20 Susi Dennison, "Where is the EU in the Catalonia Crisis?" *New York Times*, October 16, 2017, <https://nyti.ms/2IEXgGQ>.
- 21 "Merkel's Bier Garden speech – Every Sentence a Hit," *Spiegel Online*, May 29, 2017.