Critical Exchange on *NextGeneration*EU

Prone to Crisis but Resilient? EU Building as a Balancing Act

Maurizio Ferrera

The 2010s put the EU to a severe test of political sustainability. The sequence of sectoral shocks produced a 'deep' crisis, which has unsettled basic assumptions and practices regarding the exercise of authority and its legitimation. Over time, tensions and disagreements unleashed three foundational conflicts: over sovereignty (who decides), solidarity (who gets what when and why) and identity (who we are). Around the middle of the decade, the idea of an 'existential crisis' became something more concrete than just a rhetorical metaphor.

Against the odds, however, the destructive spiral stopped short of driving the Union into self-destruction. After the Brexit referendum, opinion data and the aggressive proclaims of many Eurosceptic parties showed alarming signs of a possible withdrawal domino – from the EU altogether or from the Euro-area. Yet the only member state which risked to succumb to confusion and, in some crucial moment, internal implosion was the UK itself. The other 27 manifested an increasing willingness to keep together and displayed a remarkable unity in Brexit negotiations, reconfirming their loyalty to the integration project.

In its turn, the pandemic outburst in early 2020 triggered off initially another spiral of mutual hostility and acrimony between the member states. Yet, in the space of just a few months, the acute tensions between the frugal and the solidaristic coalitions rapidly subsided and a financial plan of unprecedented size and ambition was adopted in July 2020. While – as rightly argued by Jonathan White – it is still too early for proclaiming the end of the deep crisis, it seems safe to say that in the wake of the Covid-19 crisis the Union has been able to increase the political and institutional capital for its own polity maintenance.

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Is it possible to identify a general mechanisms which can account for both the crisis-proneness exhibited by the EU during the long 2010s and at the same time its capacity to survive and exploit crises for mobilising self- maintenance resources? Answering this question requires a preliminary discussion about the nature of the EU as polity – more precisely, a polity which has opted for navigating along the Rubicon (as aptly put by Kalypso Nicolaidis) instead of crossing it and joining the ranks of federal states.

EU-building has been an incremental process aimed at embedding and bringing together previously autonomous nation-states in the pursuit of 'peace and prosperity'. Integration was launched within a historical context in which the state-national form had already reached its apex. Thus the construction of the EU polity had to take place in the least favourable constellation, i.e. on top of those compact and robust political entities which had resulted from the long term process of state- and nation-building.

These genetic constraints posed to EU builders a double bind: creating a de novo polity through piecemeal reconfigurations of the pre-existing state-national structures; managing this delicate political and institutional process in the presence of 'the ordeals of mass politics', i.e. under the limitations and pressures linked to nation-based process of consensus-building and democratic legitimation. Thus EU building has called for a constant and delicate balancing act between unity and diversity, functional and political dynamics: a feature which can be captured by defining the Union as an 'experimental' polity. Experimentalism is a mode of governing typically associated with federations, which have to reconcile unitary constitutional foundations with high degrees of local differentiations and a fragmented division of powers. In the lack of a fully-fledged constitution, experimentalism has characterised EU polity formation from the start. This process has in fact involved the search for new ways and modes of combining the classical triad of boundaries, authority and social bonds as well as defining what it means for the member states to remain together and to engage in an 'ever closer union'.

This mode of development has inherently exposed the EU to the challenge of political disruption. Take the process of providing the new polity with a coherent and sustainable configuration of boundaries and binding authority. In historical state building, this was essentially

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a one-way process of external demarcation and power centralisation, facing a limited and manageable resistance from relatively weak local rulers. In EU building, this process has instead split in two parts: a *pars destruens*, i.e. the internal removal of pre-existing inter-state boundaries and the gradual disempowerment of domestic authorities, and a *pars construens*, i.e. the reconstruction of pan-EU boundaries and central institutions. This double process has been much more complicated than historical state building and has inevitably raised formidable challenges: boundary removal and power transfer tend to undermine national political structures and prompt their resistance to 'opening'; the EU finds it hard to reconstruct an adequate and coherent boundary and authority configuration and to counterbalance domestic instability, possibly unleashing vicious disintegrative dynamics. A similar syndrome affects the also a third dimension, i.e. the Europeanisation of identities and solidarities.

More than six decades of increasing integration show however that the EU has been able to make a virtue of necessity. Observing the way in which integration has advanced, one is tempted to quote the lapidary comment that Samuel Johnson once made about a dog walking on its hind legs: "it was not a good walk, but what is surprising is that it managed to do it somehow". EU polity builders have so far "managed to somehow" reconcile two apparently contrasting goals: 1) thinning/hollowing out pre-existing national polities without disrupting them, 2) consolidating the wider 'host' polity (the EU, precisely) and safeguarding its overall durability.

The lesson seems clear: the experimental building of the EU can advance only to the extent that it does not undermine multi-level polity maintenance (i.e. the maintenance of both domestic polities and the EU polity as a whole). This exercise is experimental not only because it requires inventiveness and discovery, but also because it remains constantly sensitive to unexpected events, miscalculations and unintended effects, amplifying uncertainty. In perforating and re-moulding the hard shell of member stateness, the EU has to follow the winding route of political and institutional 'ice-breaking', faced with contingent risks of failure – but also with opportunities of success and even occasional serendipity. To return to our initial question, this is the overarching mechanism which accounts for both crisis-proneness and resilience.

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How has this mechanism operated during the Covid-19 crisis? The pandemic re-opened – with a vengeance – the foundational controversy over 'who owes what to whom' when members states are hit by severe adversities. The divisive imagery of saints and sinners, good and bad pupils which had plagued the Euro-crisis reappeared in Europe's public sphere, often formulated in the crude language of the early 2010s. In March 2020, the specter of a new existential crisis made a second sinister appearance. This time around, however, worried about the specter and building on past experiences, some EU leaders (in particular Von der Leyen, Macron and Merkel) engaged in a deliberate strategy of multi-level polity maintenance. First, the rules of the *Stability and Growth Pact* and on state aids were suspended and the ECB guaranteed its quantitative easing, thus creating immediate room for adequate fiscal responses, also on the side of the most indebted member states. National polities were thus 'rescued' from the risk of functional and possibly political collapse. Behind the scenes, technical negotiations started in their turn to search for acceptable common solutions to the emergency, capable of safeguarding the EU polity as such. Principled disagreements and policy disputes did not subside, but leaders started to converge towards the basic logic of the *NextGeneration*EU plan outlined by the Commission, i.e. that of addressing the crisis by "walking the road together", without "leaving countries, people and regions behind".

The maintenance of the EU polity required a two pronged strategy. The first prong was the construction of an ambitious experiment of cross-national solidarity – the NGEU plan – through a package of initiatives for the recovery and resilience of the member states – a package including also non-repayable grants to the economically more fragile ones. The second prong was a communicative campaign aimed at bolstering a sense of community among domestic publics, especially those of "core" member states. Germany was the main protagonist of the strategy. After decades of absolute opposition to any form of debt mutualisation and transnational transfers, this country not only accepted, but resolutely promoted the activation of the most morally demanding type of solidarity for a compound polity, implicitly based on the principle: to each constituent unit according to its fiscal capacity, to each according to its fiscal needs (for investments and reforms).

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The communicative efforts made to (re)build the EU's solidaristic ethos deserve particular attention: never before had so much commitment been directed towards EU community building. *Gemeinsamkeit* is a precious system good, which territorial authorities mainly produce through symbolic actions, with a view to infusing value in common belongingness. Togetherness must be discursively constructed, addressing different publics: political and social élites – especially the media – ordinary voters – "the people" – international observers, the markets and so on. Leaders must engage in a communicative discourse aimed at generating sympathy and affection towards the community as such, by stressing (dramatizing, even) the seriousness of the crisis, evoking symbols of togetherness and solidarity and underlying the latter's key role for overcoming the crisis and defeating the polity's alleged enemies.

While she was not the only leader engaged in the symbolic valorization of the EU as community, Merkel did play the decisive role. The sequence of speeches pronounced by the Chancellor between April and July 2020 reveals all the typical traits of community-oriented communication. At the beginning of the crisis, Merkel used mainly a 'public health' frame (the crisis as pandemic) and an 'economic frame' (the crisis as a huge threat of recession). With the intensification of inter-state conflict, she switched however to a 'political-ethical frame' (the crisis as a polity challenge), pinpointing the EU political enemies: "the anti-democratic forces, the radical, authoritarian movements, [who] are just waiting for economic crises to be politically abused". And, more importantly, she emphasized that the challenge could only me overcome through joint action: "We must make bold proposals, otherwise we just let things happen… Europe must act together, the nation state alone has no future". Acting together meant to revive and bolster the spirit of solidarity: "I am convinced that the social dimension is just as decisive as the economic one. A socially and economically just Europe is crucial for democratic cohesion. It is the best way to counter all those who seek to weaken our democracies and question all that binds us together".

In order to fully appreciate the significance of the German shift, we must interpret it on the backdrop of two factors: 1) the rise of the so-called constraining dissensus about integration on the side of public opinion (including in Germany) and the ensuing difficulties that domestic leaders encountered in promoting EU building without jeopardizing

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their domestic support and risking dangerous forms of politicization; the self-inflicted , antisolidaristic 'rhetorical trap' built over the years by Germany's ordoliberal intelligentsia. After all the Covid-19 crisis affected directly the situation of German voters and their economic interests: why transfer resources to other member states? Angela Merkel was well aware of such obstacles and made a systematic endeavor to reconcile at the symbolic level the logic of EU building with the logic of national interest. This was achieved mainly by using an ethical-political rationale, according to which supporting Europe and promoting its integration was in the interest of the German state and even represented its historical 'destiny'. In the speech delivered at the Bundestag on 23 April 2020, the Chancellor explicitly raised the question of Germany's role in Europe: "The commitment to European unification has become an integral part of national 'reason of state" […] The European Union is a community of destiny […] At this juncture, Europe is not Europe if it does not stand alongside each country, starting with the most indebted ones. What is good for Europe is always very important for Germany".

With her communicative discourse during the Covid-19 crisis, Merkel not only revived the backbone of German policy (the Europeanization of Germany) which she had allegedly broken ten years earlier, but also redefined it as, no less, as a matter of 'fate', resting on explicit normative commitments and historical justifications. One must also consider that Merkel chose a very difficult type of political investment: an investment in solidarity, even involving a sacrifice of German money, on one hand, and "giving something for nothing" (the NGEU grants) on the other. It is more than plausible to interpret developments during 2020 non only as a short-term, pandemic-specific type of policy experimentalism, but as the result of longer term process of polity maintenance learning through operational conditioning. In other words, the main actors (Germany most prominently) were able and willing of reflexively building on previous failures at the polity level and therefore calibrating their choices based on the 'meta-goal' of holding the polity together.

Liberal and democratic polities thrive on policy conflicts driven by material and ideal interests. But they break apart without a constant gardening of their 'bounding', 'binding' and 'bonding' foundations, with a view to reconciling opening with closure, conflicts with togetherness, authority with loyalty, competition with solidarity. Navigating as it does

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along, rather than across, the Rubicon, the construction and maintenance of the EU polity is particularly demanding. EU leaders must operate as constant gardeners of a double stability: that of the member states and that of the Union as a hosting polity and 'holding environment'. Crises open up the margins of the possible, but the latter can be a blessing as much as a curse. The relative balance between the two (curse and blessing) is shaped by a complex set of factors. But a Weberian metaphor comes to mind: that political leaders as "ferrymen" between the realm of the possible (*Möglich*) and the realm of the actual (*Wirklich*). For this operation to positively impact on human life chances, the ferrymen must have "long gaze and a responsible heart". Such political virtues are especially important for Europe and its future. The pandemic is not over yet, climate change jeopardizes the planet's survival, the Ukrainian war raises unprecedented security threats. The waters of the Rubicon are getting increasingly rough: can we trust the gaze and hearts of Europe's current ferrymen?