Turning fear into hope

Conversations between Herman Van Rompuy, Fabian Zuleeg and Janis A. Emmanouilidis. Moderated and edited by Jacki Davis.

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Foreword

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It is an honour to write the foreword to this book, a volume that beautifully captures a series of conversations on the grand challenges of our times with the first President of the European Council, Herman Van Rompuy, also a former Belgian Prime Minister. Herman Van Rompuy was a politician at the heart of European politics who was at ease in the complex multilevel politics of the European Union (EU). His experience of Belgian politics equipped him with all the skills necessary for the practice of politics in the EU arena – patience, compromise, persuasion, and an innate unerring civility. The latter is an essential ingredient of democratic politics, sadly absent in many democracies today, but Herman Van Rompuy possessed it in abundance.

Herman's emphasis on **hope** offers us a profound insight into healthy politics and political leadership. He rightly points out that excessive **fear** is corrosive of societies and individuals. Fear limits our possibilities and our generosity and in turn corrodes the social capital necessary to address the immense challenges, the "permacrisis", of our times.

Electorates look to politicians for leadership and reassurance. People want to be persuaded that the challenges can be governed and that solutions exist. If confronted with chaos and a sense of ungovernability, electorates may turn to extremes, and the politics of populism, you can have it all, takes over. That is why the framing of challenges is an essential dimension of politics. Across Europe there is a battle for narratives and discourse.

The conversations captured in the volume involving the leadership team of the European Policy Centre (EPC), Herman, Fabian Zuleeg and Janis A. Emmanouilidis represent a genuine dialogue with rich and varied contributions, skilfully conducted and edited by journalist and moderator Jacki Davis, former EPC Communications Director.

It is a must read for all of us interested in the unidentified political object that is the European Union. Different perspectives on the nature of democracy, the need to go beyond representative democracy, the importance of empathy and dialogue and the Conference on the Future of Europe are brought to bear on Europe's future and challenges.

The introduction is followed by a series of conversations on the big crises of the last decade, the pandemic, the eurozone crisis, the refugee crisis, and more recently the war in Ukraine and the hardening of geopolitics. The conversations also look to Europe's current agenda, the Green Deal and the technological revolution. There is much agreement but also differences evident in the views of the three participants – this underlines just how challenging it is for the EU to find its way forward but find a way it must or decline into insignificance.

We end with two horizontal discussions on the state of EU institutions and the role of think tanks. Whether or not the EU governance framework is fit for purpose gives rise to an interesting discussion. Herman is wary of treaty change or at least wary of the assumption that treaty change is the right question just now. He does not support a major review of the treaties, rather a more careful look at what is necessary at this juncture. The perennial problem of political will is seen as crucial not just institutional tinkering. I agree with this but frequently a lack of political will is in reality a problem of political capacity. Politicians face a multiplicity of constraints, so they have to feel their way forward. We need to guard against the Nirvana fallacy and ensure that the search for perfection does not become the enemy of the good.

The conversations conclude by a rich discussion on the role of think tanks, all the more appropriate because the EPC celebrates 25 years since its foundation. Think tanks have an important role to play as a bridge between academia and the world of practice and as an arena for focused discussion on the challenges that are discussed in this book. EPC is to be commended for capturing Herman Van Rompuy's thoughts on the big challenges of our times. The book is also an important reminder that there are many politicians, researchers and analysts who care deeply about the future of our shared Europe.

"Fear limits our possibilities and our generosity and in turn corrodes the social capital necessary to address the immense challenges, the 'permacrisis', of our times."

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Turning fear into hope: The challenge of our times

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Hope is a duty, and the responsibility of every politician. This core belief drives Herman Van Rompuy's approach to political leadership, and it is a mantra he returns to in all our conversations – although, at times, even he struggles to find grounds for optimism. For him, turning people's fears into hope is the defining challenge of what the European Policy Centre has dubbed the "age of permacrisis", as our societies are buffeted by one seemingly intractable crisis after another, culminating in the geopolitical and geo-economic earthquake sparked by Russia's invasion of Ukraine.

The challenge is not a new one, he says, even if the factors fuelling those fears are more difficult than ever to address in an era of ever-accelerating change and the massive upheaval sparked by the war in Ukraine.

"Even in the so-called 'golden Sixties', there was a sense of unease in society," he explains. "Forty years ago, I wrote a manifesto for my political party entitled: 'How to turn fear into hope'. That was the task we faced then, and it is still the task we face now."

Europe, he says, has become a continent of fear, sparked by political and economic turmoil, disruption, and rapid change in every area of human life, and a loosening of the ties which bind us. "Current personal fears, insecurity and anger have to do with a fundamental shift in our society and our civilisation: the weakening (sometimes even the evaporation of) what Rolf Dahrendorf calls 'linkages', and Robert Putnam describes as 'social capital'. If people are too focused solely on themselves, that becomes their only point of reference and there is a terrible loss of that social capital."

This focus on the individual has enormous consequences. "Individualism leads to fragmentation, volatility, a lack of respect, and distrust. It has to do with the weakening of linkages of all kinds. A lonely person, who has fewer opportunities to share, is more distrustful, more anxious and can also be made more anxious by manipulators, who always put the blame on others, making the 'other' or some 'others' the enemy," explains Herman.

"The end of religion and of any ideology also plays a role. The classical references have fallen away and have been replaced by emotions, unfortunately all too often negative. This also brings a lot of volatility and instability, including in the political arena."

He adds that a loss of identity is also an important part of this: "The paradox is that we do not seem to know what our identity is anymore, but we seem to know what it is not."

Fabian Zuleeg agrees with many of the trends that Herman identifies, but points to a key conundrum. "The reality is that lives in Western Europe are better materially than ever before, but even when progress continues to be made, people are becoming more dissatisfied," he says. "It's a question of expectations; today, people expect more."

He believes that Europe's relative standing in a more global world is a key factor, because people are constantly comparing themselves with each other. "We have certain groups for whom things are better, but the 'winners' are still unhappy: they have gained ground, but not as much as they hoped for (take, for example, the fight for gender equality) and the losers feel unhappy because they have lost ground, even if in absolute terms their lives are getting better."

Fabian adds that he struggles to see "how we can turn fear into hope", given that this sense people have of losing control is justified: "Societal change is happening, and it cannot be stopped, so we have to manage it. We cannot ignore the problems fuelling people's fears because many of them are real, and becoming ever more so, exacerbated by the war in Ukraine." All this,

says Fabian, strengthens the temptation to try to turn the clock back, "in the hope that if we don't react, the problems will go away."

Janis A. Emmanouilidis agrees and points out that although lives in Western Europe are generally better than ever before, things were not getting better in absolute terms everywhere, even before the war in Ukraine. "For some countries, the economic situation has been difficult for more than a decade. People have been, and remain, under severe pressure; they are leaving their countries because they see no future there. They believe they are the losers of change – and this is not merely a sentiment; especially now, for many, it is a reality."

But Janis adds that while fear has been a constant companion in recent decades, that has not always been the case. "If you go back beyond the past 10-20 years, to 1989/90, there was a sense that things could change; that things which seemed impossible could happen. The future seemed bright. The fear/hope equilibrium was tilted much more towards hope than it is now," he says. "But the multiple crises we have faced since then, the major transitions that are ongoing, the polarisation of our societies, and a deep sense of uncertainty, as well as the threat from Russia which has so dramatically materialised, have tilted the balance towards fear and away from hope."

All of this is true, says Herman, pointing out that "Belgium is one of the most equal societies in the world, but dissatisfaction is as big a thing in our country as it is in others", but he argues that it is a mistake to focus too much on material things. "The problem is much deeper than inequalities, and you don't solve it with a little more purchasing power," he insists, although he acknowledges that inflation and the consequent loss of purchasing power are now fuelling public fears – and even anger.

People are in the grip of twin emotions: they feel that they are not being protected adequately by their leaders (at all levels) against both real and perceived threats; that they are powerlessness – literally without power; and that they are not being 'listened to'. "Look at how effective the Brexit campaign slogan 'take back control' was," says Herman.

"The problems we are facing go far beyond politics, although there is a political dimension to everything. Phenomena like 'fear' or other social emotions are not just about politics and economics, but also about philosophy and sociology. This means political 'solutions' are always inadequate, and sometimes even irrelevant."

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"Individualism leads to fragmentation, volatility, a lack of respect, distrust."

All three agree that the war in Ukraine has heightened that sense of insecurity dramatically, with 80% of the population at one moment fearing that it could end in nuclear conflict. That sense of panic has now subsided somewhat, but concerns about inflation, energy supplies and the rising cost-of-living, alongside the threats to our physical security, continue to fuel deep anxieties. Fabian points out that external security threats are at the core of what a state needs to protect against, so the war in Ukraine will inevitably change populations and policy.

So how should politicians respond? "What we need now, even more than before, is realism," says Fabian. "People in Western Europe have to understand that the golden age where things were rather stable and prosperous is over, we are going to have to deal with that and make difficult choices that will hurt – and that is not an easy message."

Janis agrees, but also sees this as a potential moment of opportunity to face up to the need for radical change, because "if we feel the pressure, we might actually move down the road towards doing what needs to be done at the European level. There is now a chance that we will do much more than we would otherwise have done," he says. But will this actually happen? "Unfortunately, I still have my doubts," says Janis.

So how might the current geopolitical crisis impact on the political landscape in Europe, and the threat to liberal democracy from populism?

Populism has long been an indicator of Europe's deep-rooted social and political malaise, which existed before multiple crises hit us, says Herman, pointing out that the populists' breakthrough came in the 1990s in countries like Belgium and France.

While populists gained ground almost everywhere before the pandemic, they have struggled to maintain their popularity during the COVID-19 crisis and were unable to capitalise on the turmoil caused by the war in Ukraine initially because, says Fabian, "they might once again try to come up with 'easy' solutions, but there are none in this situation, so it doesn't look very credible."

The recent elections in Italy, which brought right-wing populist Giorgia Meloni to power, were a sign that the tide is turning, as the economic consequences of the war bite ever deeper. Herman says the main issue for populists now is not migration, as it has traditionally been, but inflation, and the loss of purchasing power.

"This is a big issue that works against those who are in power now, as we saw in Italy, in the French presidential election, and as we are seeing in the United States and other countries," he says, pointing out that in countries where populists were in power when the cost-of-living crisis began (such as Poland, Hungary and the UK), their opinion poll ratings plummeted and where they were not, they gained ground.

Fabian and Janis agree that the cost-of-living crisis may once again prove fertile ground for the populists.

"It could once again fuel 'me/us first' sentiments," warns Janis. "People increasingly feel that we will not be able to tackle the severe challenges in front of us, including climate change, so we might as well be egotistical. We won't be able to save the world or make sure future generations will prosper, so let's focus on improving things for ourselves now. This leads to short-termism and introspection, which result in highly inadequate responses to the permacrisis we are facing."

So how can mainstream politicians counter this and fend off the challenge from the populists, who base their appeal on emotions? "Maybe the big difference is that we are now in the age of emotion politics –

people reacting very emotionally. There is a difference between feelings and facts," says Fabian.

Herman agrees: "Domestically and internationally, we are confronted with the rise of emotionalism; hence the popularity of slogans like 'Make Russia great again', 'Make America great again', and 'Take back control' in the UK."

So, what should the response to this be? "You can decide to do nothing – don't worry too much, wait things out and treat the populism that this fuels as an aberration that will go away, but this is very dangerous, because it presupposes that things won't go badly wrong," says Fabian. "The alternative is to ensure that you have robust structures and institutions that can survive aberrations; for democrats to become more 'populist', in the sense of learning from the populists' way of communicating and stop always trying to counter emotions with facts; or ensure that if people do choose the 'aberration', they see that this comes with a cost."

Janis believes three things are crucial: politicians need to work to consciously avoid polarising the debate and instead act as bridge builders; they need to demonstrate a strong awareness of people's problems and the insecurities they feel; and in this era of 'narrative politics', they need to give people a compass, a clear sense of the direction in which we are headed. "People are asking leaders for something they feel is missing – a sense of meaning – and you have to make it concrete, and there comes the problem," because visions of the future, such as a zero-carbon economy by 2050, come with a 'price tag', prompting protests like the Yellow Vests in France.

Fabian interjects to point out that the need to address people's fears for their physical safety, to deliver on security in the wake of the war in Ukraine, will also come with a hefty price tag. "It means we will have

to make sacrifices and it will hurt," he warns. But politicians have nothing to gain from trying to hide these effects. On the contrary, he believes, "if politicians lead with decisive steps, and communicate what is at stake, it might well be a vote winner."

Janis argues that the voices of the 'silent majority' often get drowned out by a vocal minority, and politicians need to listen to the former group, to understand what they want. But Herman cautions: "Twenty years ago, when we spoke about the silent majority, it was about people with common sense; moderate people. This has changed dramatically: the silent majority is much more radical than they used to be."

So, what is the key to turning fear into hope? Herman is clear on the conditions that need to be in place to answer that question. "People are longing for something, but you can only have hope when you are ready to find a solution, to compromise, to enter into a dialogue. You need mindset of openness. A polarised, black and white world is a world without hope, because there will always have to be winners and losers," he says.

"We need another kind of mindset to manage expectations. If we cannot get people to have a sense of moderation, and to look at things in a more balanced, less polarised way, we will never succeed. Listening to people and telling the truth, being honest about the limits to what you can do, is extremely important. Sometimes avoiding the worst is already doing good and you cannot do more than that. People trust you more if you are not promising things all the time that you cannot deliver – and, for politicians, trust is the most precious of commodities."

Herman points out that incidents can be blown out of proportion in the public's mind. He gives the example of the discovery of illegal migrants being found attempting to cross borders in lorries. This, he says, has

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not been a significant problem in Belgium, but people there still seize on any isolated incident.

"If people trust the politicians who put issues into context, then things are kept in proportion. But if there is no trust, they simply won't believe them," he says. Former US President Donald Trump's appeal to his base, who trust in what he tells them, is another example: "Many voters are willing to believe his allegations of election rigging because they firmly believe that he has never betrayed them, in the sense that they feel he has always been on their side and thus they think 'I will accept what he tells me'."

For Herman, one of the keys to building and maintaining that trust is delivery. "We need to show people that we can deliver what we promised on the key issues on which their lives are built," he insists. "We badly need results in key areas of concern for our citizens. A Europe of results: security, now more than ever; jobs; employment; climate change; health; tackling irregular migration. If you cannot show results, you are lost." "Hope," he adds, "is a verb as well as a noun."

But Fabian questions whether delivery alone (so-called 'output legitimacy') is really enough. It is, he argues, a necessary but not sufficient condition. "Yes, politicians do have to deliver, but the question is 'what is success'? The answer to that determines whether you meet people's expectations, and that is the big challenge for the EU right now, because of the gap between expectations and the Union's capacity to act, between what needs to be delivered and the EU's powers. People see that as a key issue: Europe doesn't deliver."

This challenge is even greater now, following Russia's invasion of Ukraine. "The EU has to deliver on this key challenge of our times. If we don't succeed, not only the institutions will wither away, but we will also lose Europe's ability to protect our values and interests," says Fabian. "Europe is at a critical moment where it has to take the right path: either it opts for a joint future that enables the EU not only to stand up to Putin but also to address future challenges, or it will drift into fragmentation and irrelevance."

And while there is an expectations-delivery gap at national level as well, he argues that it has more serious consequences for the EU than at national level, because for the Union it becomes an existential problem, a way for critics to question its very existence.

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Herman acknowledges that "the consequences can be different," but adds: "Trust in the EU is still higher than at the national level. People know that we cannot live without the EU anymore. Most people, especially in smaller countries, don't see a future without it."

Which brings us back to where we started – the loss of social capital or linkages, which means trust in politicians and leaders has been replaced by 'communities of interest'. People trust others who think like them and increasingly live in separate (virtual) worlds, less and less exposed to different points of view, perspectives and realities. Other changes in the way we live have compounded this problem, says Herman, pushing us towards ever greater individualism. "For example, living in big families required compromises all the time with brothers and sisters; now we live in smaller families and in our own social bubbles."

This disconnection between different groups in society is something politicians need to be acutely aware of and constantly work hard to avoid, says Herman. "Because of my background, I have never lost touch with what is happening in society," he explains. "My father was a professor of economics, the first in our village to go to university, but the rest of my family never had secondary education or went to university. My grandmother did not even finish primary school and my grandparents ran a café. I always observed their reactions to events to help me understand how people see things."

All three agree that restoring dialogue, getting people talking to and interacting with each other again, is one of the most fundamental challenges of our time. "If we don't succeed, it is really dangerous for democracy," says Herman. "Dialogue is essential to encourage more moderation, more reasonableness, less high expectations that only lead to disillusionment and a thirst for 'change' without knowing exactly what change you want. In the individualised

Twitter culture, people no longer think or listen, only yell and scream." This is even more of a challenge within the EU, where it is imperative but even more challenging to encourage dialogue across borders.

So, what can be done to revive that dialogue, given the loss of social capital we spoke about at the start of this conversation? "In the past, classical civil society organisations and associations played a major role, as carriers of social capital. However, television and social media have eliminated this. Television is a passive tool, but social media is active and therefore more aggressive," says Herman.

Fabian points out that social media also creates echo chambers, where people only talk to like-minded individuals and so are not exposed to different points of view.

So, are there ways to recreate that empathy with others that Herman says he has always felt, bringing people together and getting communities to mix again? Herman points to a book by Canadian philosopher Charles Taylor on the reconstruction of democracy. "He believes in a bottom-up approach where people work together on projects at the local level. It sometimes reminds me of the idea of self-government that was popular in left-wing circles in the 1960s."

In the end, says Herman, it is not about talking, but about listening. "Democracy is a conversation, between citizens and their representatives and among those who have been elected. It is the opposite of Twitter, which is not a conversation but an exchange of messages – you are not expected to change your mind, it's all about shouting at and insulting people. In a conversation, you need to listen, really listen."

This brings us to the debate on how EU leaders should respond to the outcome of the Conference on the Future of Europe, amid signs that most of the citizens' calls for action risk being quietly shelved.

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"EU institutions and governments can ill-afford to just pay lip service to the need to enhance democratic participatory processes."

Janis warns that this would be a huge mistake. He agrees with Herman that the EU needs to listen more to citizens' concerns and what they want from the Union, insisting that participatory democracy is here to stay. "EU institutions and governments can ill-afford to just pay lip service to the need to enhance democratic participatory processes," he says. "To modernise EU democracy, the Union must include new deliberative instruments in its participatory toolbox as complementary add-ons to the representative dimension of EU democracy."

The Conference on the Future of Europe, says Janis, showed that randomly-selected citizens can work together to discuss policy issues relevant for the EU's future, provide input that often goes beyond established policymaking silos and come up with policy suggestions that are more ambitious than those envisaged by EU governments.

Herman agrees that this will be a litmus test of the EU's capacity to listen. While representative democracy must have the final say, he argues, EU leaders need to show that they are taking the proposals that emerged from the Conference seriously. "Otherwise", he says, "the democratic deficit will be enhanced and the whole process could backfire."

The world turned upside down

PART I

2

The legacy of COVID-19

When the COVID-19 pandemic began, the focus of much of the commentary on the EU's response was on the Union's perceived shortcomings, from the failure to coordinate restrictions on the free movement of people, with each member state going its own way, to, problems later on with the purchasing contracts for vaccines and delays in their roll-out. But Herman believes that history will be kinder to the EU's leaders.

"Let us not forget this was a global crisis, and an imported one. In the beginning, people were asking: 'Where is Europe?' The centre of gravity of policymaking in fighting COVID-19 lies in the member states, but people wanted more Europe, not less, so before starting to blame the EU, you have to look at where the competences lie," he insists. "The EU institutions had to find their place in this new world, but after a slow start, they delivered, and there was a great deal of solidarity. Just look at the results – that is what counts."

He points to the joint purchase of vaccines, so that all countries had equal access to them and could emerge from the crisis at the same time, as a key achievement, adding: "The start was difficult, but the catch-up in most countries was spectacular." Then there was the agreement on the pan-EU COVID digital certificate, which provided new safeguards for the free movement of people.

Most remarkable, perhaps, was the historic agreement on setting up the EU Recovery and Resilience Facility (RRF), with the breaking of old taboos in enabling borrowing at the EU level (albeit temporarily) and the focus on using these funds to support structural improvements to the economies of a number of countries, to strengthen their growth and get debt problems under control. "It's a very powerful instrument," says Herman, adding: "It is also the means of realising the Green Deal and the digital revolution. For this reason alone, if no other, there will be no return to 'business as usual' in the post-pandemic world."

Herman adds that he draws two main lessons from all this. "The first is that the overwhelming majority of people accepted the rules and showed respect for others. The second is that, once again, we saw the primacy of politics and the importance of political decisions; we rediscovered that the markets are not the only solution to the problems we face, and that things like education and health are collective goods that we have to cherish."

Fabian cautions against a rush to judgement on the legacy of COVID-19. "We are still in the middle of the process – we should not talk about 'post-COVID', but rather about living with COVID – and some of the changes that have come with it are structural and will be permanent," he says.

He agrees that we are "back in an era of big government, with the state intervening in lots of areas of the economy, in our social lives, and so on", but adds that it remains to be seen precisely in which direction this will go. Russia's invasion of Ukraine is likely to accelerate this trend, says Fabian, but whether this results in 'more Europe' or more action at the national level remains to be seen.

Janis agrees with Herman that if you step back and take "a bird's eye view" of the last two years, the overall assessment of how the COVID-19 crisis has been managed is positive. "There were ups and downs, but overall, the EU – out of pressure of necessity and fear of what could potentially result from the crisis – did what was needed. This

shows that fearing the worst might happen is probably the best way to avoid the worst happening." But will we learn the lessons of the pandemic, especially in the context of the fundamental challenge the war in Ukraine poses to liberal democracy? That, says Janis, is "less clear".

There is also the question of what all this means for the future of the EU. Fabian points out that the focus during the pandemic has been at national, and even regional level, which raises the question: "What is the role of the EU in a new era of big government: more powers delegated back to member states, or more powers for the EU level in certain areas, such as health? We don't know yet."

Herman argues that it does not have to be one or the other; we could see both: a strengthening of public authorities at national level and a bigger role for the EU institutions. "They are not necessarily contradictory," he says, pointing to the example of health, where COVID has shown the need to do more to prepare for future pandemics at national level and to act in a more coordinated way in the EU.

He also believes that the EU should make the RRF financial instrument permanent, given the scale of the challenges it is designed to address. "The digital and ecological transformation, plus the security transformation that is now needed, won't be over after three years, so will we stop this great initiative after a few years or continue? A lot depends on Germany and France – they will play a very big role and there is a possibility we can make this more permanent," he says, adding that while the war in Ukraine itself is unlikely to be the trigger for this, an economic recession sparked by its impact on the European economy could be.

Fabian is agnostic on whether a permanent RRF is required. "Frankly, the EU can use whatever mechanism it wants if the politics of making it permanent are too difficult, as long as we get the outcomes we need," he says. "But continued solidarity is absolutely fundamental, and not just in monetary terms."

Janis also questions whether this will be politically possible, but says that, in one sense, things have changed forever. "I don't think the instrument will be forgotten. Whenever you have a crisis of this magnitude, the EU will be reminded of what it did this time – but will it stay in place permanently? I have my doubts."

More broadly, he agrees that the public is asking for more Europe, and he sees this as both an opportunity and a risk. "Hopes and aspirations have risen in terms of what people expect Europe to deliver. That puts the bar much higher. But it also leads to a feeling of frustration, especially among young people, that Europe is not living up to those expectations. If Europe seems irrelevant, that would be bad news."

Herman acknowledges that whether the public sees all these developments as signs of hope is an open – and crucial – question. "A part of the population is disenchanted with the EU because there was not enough Europe," he says.

Fabian underlines the scale of the challenge we face to recover from the pandemic and 'bounce back better', particularly after the double shock of COVID-19 followed immediately by the war in Ukraine, all in the context of the permacrisis. "We will have to deal with new challenges and some that existed before, and this raises questions about the kind of instruments we need. For example, we know an enormous amount of investment will be required. Where is it going to come from? How do we deal with new challenges with supply chains globally, energy prices and inflation, the wider impact of the war in Ukraine on the economy, the fiscal hangover?"

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In all of these questions, says Fabian, is "the challenge of whether we try to do this together at EU level or go back to leaving it to member states to do things by themselves. There is a real capacity issue here – some don't necessarily have the capacity to deal with this at national level, which raises the question of whether, unless we find ways of doing this at EU level, we are bound to fail."

Another issue which has been pushed much further to the fore by COVID, in light of the global supply chain disruptions caused by the pandemic, is that of open strategic autonomy – a concept which features heavily in several of our conversations, including on the EU's geopolitical role, particularly in the wake of Russia's invasion of Ukraine.

"The further elaboration of the 'strategic autonomy' concept in many areas is crucial for our future," says Herman. "I am thinking of security, digital, raw materials, energy, migration, medical equipment, and medicines."

So, what does this much used, but still somewhat vague, concept mean in practice? "In general terms, it means that the EU wants to take more control of its own destiny. It wants to be much less vulnerable," says Herman. "It does not mean autarchy or isolationism. It is about avoiding over-dependence on a few countries or companies because economic dependence leads to political dependence, as we have seen with Russian gas. Nor is it a euphemism for protectionism because the EU wants to continue to respect World Trade Organisation (WTO) rules and trade freely. There is a difference between protecting one's own interests and protectionism."

To illustrate this, he adds: "The pandemic has ensured that we do not want to return to such a high external dependency on medical supplies, but at the same time, the EU has shown that it remains an open entity by allowing as many vaccines to be exported as we keep for ourselves."

Fabian adds that both COVID-19 and the war in Ukraine have brought this issue into much sharper relief. "It is a question of controlled globalisation. We recognise how much globalisation has benefitted us, but now we want to control it more because we have seen the consequences of not having that control in many areas."

This also has consequences for the cost-of-living crisis. "One of the reasons for the low inflation of recent decades is that products got cheaper and cheaper as a result of globalisation and, in particular, lower Chinese production costs. So, if we are saying we want to decouple from China, then we will have to pay the price for that," says Fabian.

Whether the public can be persuaded that this is a price worth paying remains to be seen. For, as Herman points out: "The multiple crises of the past decade or so have increased people's fears and uncertainties, and then COVID-19 came on top of this. Successive waves of the pandemic have led to despair. Many people now yearn for stability and normality. Their lives have been turned upside down enough already; above all, they desperately want to take a breather."

But in the era of permacrisis, with the newest and biggest threat sparked by Russia's invasion of Ukraine, that wish is unlikely to be granted any time soon.

The world turned upside down

PART II

2

The impact of Russia's war of aggression against Ukraine

If there is one thing that Herman, Fabian and Janis agree on above all else, it is that several months into the war in Ukraine, there are worrying signs that Europe has not yet woken up to how profoundly the world has been changed by the Russian invasion of February 24, 2022.

With the focus on reacting to the immediate challenges posed by the war – from supporting Ukrainian defences with military equipment, intelligence and know-how to imposing the toughest possible sanctions on Russia, to the knock-on effects on Europe's economy, with a cost-of-living crisis aggravated by soaring energy and food prices – the long-term structural challenges that it poses risk being overlooked.

The impact of the war in Ukraine runs as a red thread through all our discussions on the major challenges facing the EU, and it is clear there is almost no policy area which will remain untouched in some way by the conflict and its repercussions (as is reflected in subsequent chapters of this book).

For this is not, says Herman, just another chapter in the 'age of the permacrisis' – it goes far beyond that: "The world will not be the same. Old prejudices and taboos must fall in order to build a new future. Once the war is over, we cannot fall back into business as usual, into the mistakes of the past, into old divisions and feuds."

Fabian and Janis agree. "Russia's invasion of Ukraine is an historic watershed for Europe. All of our societies will be profoundly affected by this moment and inaction is not an option. Policies at the European and national level will have to change radically as the status quo ante no longer exists and will not return," says Janis.

"If the EU and its member states do not act now, we will live in a world determined by others, stifling our ability to shape our future for generations to come," warns Fabian.

All three also agree that the EU's initial response has been more decisive, united and faster than in previous crises. "Russia was counting on a weak reaction and the EU has been unexpectedly firm. We surprised everyone," says Herman. "You can always say it is too little, too late, but it depends on your starting point."

Fabian agrees, but fears that we are now "at a dangerous moment", with the cost-of-living crisis putting increasing pressure on societies and "making it easier for EU leaders not to make the right decisions", adding: "Doing what is necessary will have significant costs; it is going to hurt, and that is not an easy message." So, his verdict? "Can we do it? Yes, but it is a choice, and we are at a crossroads."

Janis shares his concern, acknowledging that "we have seen remarkable levels of unity and the EU has done things that would have been unthinkable before the war began, but we have also seen cracks appear."

He also sees huge risks in too much short-term thinking in response to the crisis. "There is much more we will have to do to live up to this watershed moment. People are not aware enough of the long-term consequences. We need to consider the wider implications and avoid the false

dichotomy between what we need to do now and in the longer term. We have a responsibility to harness people's fears, we have now to prepare for the future, to put pressure on ourselves to act, because no one will take us seriously if we are not ready, and things could get much worse."

Herman agrees but is more cautious when it comes to the question of just how far-reaching those changes need to be. "The most important thing we have vis-à-vis Russia is our unity. Is this the right moment to tackle divisive issues and create disunity where we need unity?" he asks.

But is there not a dilemma at the heart of all this, with the Ukraine war exposing the need for an ambitious agenda of fundamental EU reform to give it the capacity to respond to the many structural challenges it poses, but also underlining the need to preserve unity at all costs in the face of Putin's aggression, making it much harder to agree on those changes? And is it wise to talk so much about a Zeitenwende, or turning point, if there is a risk that the EU will not be able to deliver?

"We need to avoid creating disunity by pushing for progress on topics which are not so urgent," says Herman. "Change always takes time, and when it comes to the dichotomy between unity and difficult decisions, there is always a way to reconcile unity and ambition."

For example, he says, instead of "dreaming of a convention and a new EU treaty" as the European Parliament does, "let's be realistic and see what specific changes we will need in the existing Treaties and let's focus all our energy on finding an agreement on those."

Fabian and Janis agree that ambition must be tempered with realism, but insist member states need to be pushed to "go as far as we can get" – which, says Fabian, is after all "the art of EU politics."

He believes that things will change, driven by events, whatever level of ambition the EU sets itself. For example, the Union will have to find a response to the question of security guarantees for Ukraine after the 'hot phase' of the war and that will push it towards changes in the way things are done.

But will it be enough? "We must not fall back on the easy mantra that crises always lead the EU to do what is necessary," he warns. "In every crisis, that has been true, but what has not happened are the big structural changes that are required."

But Herman cautions against expecting too much from the EU level, arguing that the problem lies in the member states. "If you don't have strategic thinking at the national level, how can you have strategic thinking at the EU level?" he asks. "We are asking Europe to deliver in a way that we cannot do at national level."

So why is there so little strategic thinking at national level compared with, say, 20 years ago? "It is because populism is the biggest enemy of strategic thinking, because it requires choices, difficult decisions – and populists want to be popular," says Herman.

"You have to do your best, your utmost, but we should not be asking too much. That is why I am more indulgent of colleagues at the national level than Fabian and Janis. We must not overload the EU institutions with ambitions that they cannot deliver but, having said that, they have come to ambitious decisions and delivered in ways that have surprised me since the war began."

Janis agrees that finding the right balance between realism and ambition is difficult, but rejects the argument that a lack of strategic thinking at national level necessarily means we should not ask for this at EU level.

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"It is an opportunity to show that the EU is more than the sum of its parts," he says, adding: "I am seriously afraid of the consequences of the current situation. If we get this one wrong, the potential repercussions will be much more severe than in other crises. Maybe that makes me ask for more than we can realistically do, but I do think we need that level of ambition."

Fabian agrees, saying: "You have to do the strategic thinking at EU level because it doesn't work on a purely national level. We live in an interdependent EU, where what any country does has implications for all others, across a range of policies, not only in hard security. Many scenarios might never happen, but there is nothing to stop the EU institutions from doing some of the strategic thinking required."

The crises of the last decade, culminating in the war in Ukraine, have also sparked emotional responses to both domestic and international issues, and Herman argues that this poses another problem for the Union. "The EU is not built on the basis of emotionalism – it is based on markets, on regulation and legislation, on mutual benefits and win-win situations, so for us it is difficult to adapt to this situation."

But adapt we must, says Herman, coming back to the question of whether the EU can continue to stick together and deliver the necessary responses in face of the biggest threat to the geopolitical order for many decades, and the myriad challenges it poses for the EU and its member states both in the international arena and at home (all of which are discussed in other conversations recorded in this book).

"The world is changing completely, and we have to reinvent ourselves in this new world," he says. "We have done a lot already, but now comes the hard part. The EU has remained united when our enemies are hoping for disunity. Maintaining that unity is crucial if we are to meet the challenges facing us."

The start of the permacrisis: The euro in turmoil

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It is often said that the EU only moves forward when confronted with a serious crisis and that European leaders only do what is necessary when the EU is on the brink of disaster. Prior to Russia's invasion of Ukraine, no moment in the Union's history had better illustrated this than the euro crisis, which began in the United States in 2007/8 as a financial crisis but sent shock waves across the Atlantic that turned into a giant storm, which threatened to engulf the euro and with it, some said, the EU itself.

German Chancellor Angela Merkel was among those who warned at the time that if the euro collapsed, it would bring down the EU too. So just how close did the Union come to catastrophe, why did it take so long for the EU to respond, and did Europe's leaders eventually do enough, not only to avert the threat of a calamitous collapse then but also to prepare for what many see as inevitable crises of a similar kind in the future?

Looking at this first from a personal perspective, how did Herman, whose role as President of the European Council from December 2009 until the end of November 2014, put him right in the eye of the storm, view the crisis which dominated his term in office then – and how does he see it now, looking back on the events of a decade and more ago? Does he agree with those who saw it as the most dangerous crisis that the EU had ever faced up until the invasion of Ukraine?

"It certainly came close," he says. The break-up of the eurozone would have been a trauma that would have brought the EU to a virtual standstill, and could have led to the creation of a de facto Deutschmark zone that might also have become politically and economically untenable.

"I would not say that the EU would inevitably have fallen apart with the collapse of the euro, but it would have come close to it, and we were really aware of this during the crisis, particularly at the point in the summer 2012 when we came very close to Grexit," he says. "We feared a one-by-one domino effect and the recession turning into a depression."

Herman paints a vivid picture of Europe on the brink, as arguments raged within the German government for and against keeping Greece in the euro. "Angela Merkel hesitated and finally said 'we keep Greece in', and two weeks later, European Central Bank (ECB) President Mario Draghi made his 'whatever it takes' pronouncement, which was a huge relief, because we knew this was the turning point in the crisis."

He recalls how Mario Draghi came into his office a few hours after the crucial June 2012 summit when EU leaders agreed to a deal on a Banking Union with a single supervisor for all banks in the eurozone, and said: "Do you realise what you did yesterday? Now I can do my part." But it still took another two weeks before Draghi made his famous statement, due to internal divisions within the ECB. "The ECB saved us, but we had to wait too long," says Herman.

Janis agrees it was a moment of supreme peril. "The crisis could have spiralled out of control and thus become existential, because getting the situation back under control would have been enormously difficult. And if the euro had failed, the negative consequences would have triggered spill-over effects which would have threatened the entire project," he argues.

Fabian agrees and says it was (and remains) a high-risk strategy for the EU to wait for a crisis to become really serious before acting, warning: "Firstly, one day they may not be able to resolve it and, secondly, if you can only react when the problem hits you, then you have to do things that are much more costly and painful in order to convince the markets you can do what it takes, and all of this creates collateral damage, with the Union paying a high political price."

So if, as Herman says, EU leaders were acutely aware of the dangers, why were they so slow to act and why did we come so close to disaster?

Herman puts this down to a number of factors, among which, one of the most important was the failure, until two years into the crisis, to recognise that this was not just a sovereign debt crisis (i.e. caused by problems in the countries' themselves), but also a systemic problem with the structure of Economic and Monetary Union (EMU) – its "very weak architecture" as a monetary union without a banking, economic or fiscal union.

"There was faulty analysis by a lot of people about the nature of the crisis. A lot of leaders kept insisting that the answer was for everyone to put their house in order; that if everyone cleaned their house, then the eurozone would be fine, and they took the view that the countries under threat had 'sinned, so they must be punished'. But this assumes that the eurozone is just the sum of its states. It is only when we tackled the systemic dimension of the crisis that a solution was found," he says, adding: "We had to wait until the national interest – the survival of the eurozone – coincided with the European interest."

This prompts a fascinating discussion about the notion of 'solidarity', how this is viewed in different EU countries, why in some it is uncontroversial, while in others it is the hottest of political potatoes, and whether it was the best way to frame the issue as the debate raged over whether richer EU countries should step in to help Greece and the others most threatened by the crisis.

Herman wonders why attitudes towards helping Greece varied so greatly between EU countries. "Interestingly, helping Greece was not an issue in Belgium, but it was a big issue in the Netherlands and in Germany," he says. "How do you explain the difference when all paid almost the same amount of money per capita? In Belgium and France, solidarity is not a forbidden word. So why does it cause such a heated debate in some countries and not at all in others?" he asks.

Fabian believes it is also inherent in the nature of the eurozone. He says that some countries will inevitably focus on the so-called 'free rider' issue – the perception that some countries are relying on getting help from their richer neighbours and so fail to put their own house in order. But the stronger helping the weaker is not only desired but is also embodied in the EMU structure, which was partly

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designed to bring down the cost of borrowing for struggling countries.

Janis argues that differences in attitudes towards solidarity also reflect different cultural backgrounds and beliefs, including the notion that you have to pay for your sins in order to eventually change your behaviour, and that the scars of the past should remind you of what happened in previous crises so that you do not make the same mistakes again. "When the moment comes that you are confronted with another euro storm, you should remember what happened last time," he says.

Janis also maintains that framing the debate in terms of helping others is the wrong notion and not the best way to convince the public. "The most persuasive argument in politics is enlightened self-interest, rather than claiming that actions are motivated by solidarity," he insists.

Herman replies that solidarity may not be the right word, but he nevertheless continues to use it, deliberately. "Most people demonstrate solidarity within the borders of their own country, but it is much more difficult to show solidarity at the international, supranational, and European level. Showing solidarity in that situation takes more effort," he explains, adding with uncharacteristic bluntness: "I am so fed up with the cynicism, particularism, egoism, and nationalism, that I use the word 'solidarity' often, even provocatively, to introduce an ethical word in a climate where using almost any ethical words is 'banned' with increasing aggression. It makes me sad and angry at the same time. That is the reason why I deliberately continue to use the word solidarity."

All three contrast attitudes towards solidarity during the euro crisis with what happened when the COVID-19 pandemic struck and negotiations on a massive recovery plan, the largest stimulus package ever financed in Europe, intensified in the summer of 2020.

"This time, the Hansa group [formed in 2018 by the finance ministers of Denmark, Estonia, Finland, Ireland, Latvia, Lithuania, the Netherlands and Sweden] resisted until the last minute, and the 'Frugal Four' [the nickname given to fiscally conservative EU countries, Austria, Denmark, the Netherlands and Sweden in the EU budget negotiations] gave the impression that they had not learned the lessons of the eurozone crisis," says Herman. "They still had the same mindset, they were still singing the same old songs, voicing the same prejudices. But Germany did not join that

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TURNING FEAR INTO HOPE

group – it behaved in a totally different way this time.

"What Angela Merkel did in her agreement with Emmanuel Macron in May 2020, and later in the European Council, was completely different to the euro crisis. It took four days and nights to get there, but that doesn't matter – who remembers that? It is the results that matter."

Berlin was, according to Janis, aware that a lack of financial support among the EU-27 would have undermined the cohesion of the Single Market. "Germany was providing massive levels of support to its companies to help them survive the crisis. Without a massive recovery plan, other EU partners would have called the single market into question."

All three agree that the fact that the pandemic was not perceived as being 'man-made' is a key reason why the EU was so much quicker to act and acted so much more decisively. 2020 was, says Janis, a moment of real solidarity, with everyone in the same boat as the pandemic spread throughout the EU and across the world, so it was perceived to be self-interested solidarity. "It is not a man-made disaster, no one is to blame – and EU leaders realised from the beginning how politically and economically dangerous it could be," he says.

Fabian agrees, saying it is a question of narrative. In the case of the COVID-19 crisis, "we were all sitting in the same hole, and it was no one's fault, which makes countries more willing to help each other out", he says. "This is very different to a situation where you feel that you are being asked for help to dig another country out of a hole that they got themselves into, and you fear that you are in danger of being pulled in too."

Herman agrees that the agreement struck between EU leaders on the Union's long-term budget and the NextGenerationEU package including the temporary recovery instrument – worth a combined total of €1.8 trillion – was "more convincing" and much quicker than their response to the euro crisis, and just as important. "The weakest country in the eurozone crisis was Italy and it was also among the countries hit hardest by the pandemic. Without the EU Recovery Fund, I think we would have ended up – in the midst of the pandemic – in another eurozone crisis. The Recovery Fund saved Italy and the euro area," he argues.

Fabian agrees that the July 2020 agreement on the recovery plan, billed by some as the EU's "Hamiltonian moment" because it gave the European Commission borrowing powers, shows that the Union has learned from the euro crisis (and, he points out, would not have been possible if the UK had not decided to leave the EU). But he adds: "If it requires a crisis of this magnitude to make progress, it is a high price to pay with an uncertain outcome."

Janis agrees that this "crisis logic" ('waiting to do things we would not otherwise have done and then afterwards we will have made progress') is dangerous "because it assumes the crisis won't tear us apart", he says, adding: "It also undermines trust, with the 'us versus them' logic we saw in the euro crisis having a cumulative effect with multiple crises."

However, Herman takes a pragmatic view, reminding us of British wartime Prime Minister Winston Churchill's adage that 'you should never waste a good crisis'. "This is not unique to the EU," he insists. "In every country, in every company and in our personal lives, when it comes to difficult decisions, we try to postpone them, blame others, we only act at the last moment. You need a crisis to push things through in all aspects of life."

So, when the eurozone was on the brink a decade ago, its leaders did do enough – eventually – to defend it and to avert the

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risk of collapse. But have they done enough to prepare for future crises? This is a question which is being asked once again, as the economic consequences of the war in Ukraine increase the pressure on member states' fiscal situation and spark fears that another eurozone crisis may be on the horizon.

Fabian thinks not: "Many of the divisions that were there then are still unresolved. We are still facing some fundamental questions. Is the eurozone really so sound now? We saved ourselves then, but it was a man-made crisis – the ship was structured in a way which made it unsound in a storm." He believes that, broadly, the EU knew what it should do – move to a genuine Economic and Monetary Union, underpinned by a Banking Union and a Capital Markets Union – but it could not find the political consensus required given the political costs involved.

Once again, Herman takes a pragmatic view of just how much politicians can achieve. "We never give definitive solutions, he says, because circumstances change. We can only give partial answers, take gradual steps. The only question we should ask ourselves: 'Is this step too small?'"

But he admits to huge frustration that, as soon as the immediate danger passed, EU leaders stopped working to resolve the systemic issues. "Once the crisis was behind us, it was 'business as usual' again, not after six months but after six days. There was no appetite at all for more reform, just one week after we were sure that the crisis was over," he says.

"This is my big frustration. After the immediate crisis, after 2013, we tried to continue working on the Four Presidents' Report [on completing Economic and Monetary Union], but since the initial steps towards a Banking Union ten years ago, nothing much has really happened," adds Herman.

"We used the opportunity, but we did not use it enough. It is still unfinished business, to put it mildly. We have made some progress, but not equivalent to the scale of the challenge and, as a result, we are not sufficiently weaponised for the next crisis – or indeed the one which might be sparked in the coming months by the repercussions of the war in Ukraine."

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Any port in a storm? The migration crisis

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Prior to 2022, of all the crises that the EU had faced over the past decade and a half, the refugee crisis, which peaked in 2015-16, has proved the most intractable, with repeated attempts to agree on reforms to deliver a genuine common migration and asylum policy coming to nought.

So, how serious was the crisis sparked by the record flows of migrants and refugees in 2015 and 2016, why is this issue so difficult to resolve, can a deal be found, or are the politics of this just too difficult in the current climate, and what impact (if any) might the response in many EU countries to the millions of war refugees arriving from Ukraine have on this debate? And if there is no further progress, what might the consequences be?

Those were the key questions we set out to discuss in this conversation, which began with a frank admission by Herman about his time as Belgian prime minister as well as his stint as president of the European Council. "I think migration is one of the most difficult issues of our time and of my career. In Belgium, we saw the breakthrough of the extreme right party Vlaams Belang in 1991, so I have been confronted with these issues in my whole career and I never got the right answer," he says.

"It is the only issue on which we have not found an agreement in the EU in the last 15 years. We are nowhere. It is among the trickiest issues for the EU and it is as divisive everywhere in the Union," he adds, emphasising that this is an issue which goes much further back into the past than the 2015-16 crisis.

Herman sets out what, for him, lies at the heart of the dilemma. "Christian Democracy always seeks a balance. It is the search for a balance between ethical idealism and political realism, between openness and identity," he says.

Openness, he explains, means a "tendency to be generous, to demonstrate humanity,"

especially towards those who are already in our countries and, as much as possible, to those seeking asylum. But this must be balanced by political realism because "a large part of our populations is very reluctant – or more than reluctant – to receive migrants and live alongside them," says Herman. "It is a constant struggle to find a good balance and we never found it."

Fabian argues that this issue is so incredibly complex and difficult to solve because it changes over time and there is a clear issue of perception versus reality. "You cannot draw a correlation between how high refugee numbers are and people's attitudes. It is not in the places most affected by migration that you find the greatest fears," he points out.

Two crucial factors influenced perceptions negatively in 2015-16, says Fabian: fears of a loss of control, which exploded in Germany in the midst of the crisis and had a "hugely detrimental" effect; and a cultural element, with people who were traditionally very pro-multiculturalism and pleading for a sensible approach to migration saying "we are being over-run by people who do not accept our values," for example with respect to the role of women in society.

One thing is for sure, he adds: "There is no way to completely stop migration – no matter how risky it is, no matter how bad things get, people will keep coming. That is what we are seeing in the Mediterranean. And even if we could control the number of new arrivals, it doesn't change much because a huge proportion of the population in many EU countries already comes from a migrant background."

Herman agrees. In the longer term, we will be confronted with a huge issue, as the African population is forecast to rise from 1 billion now to 4 billion by the end of the 21st century, with some African countries

doing well economically, while others not at all. "This demographic time bomb is one of the biggest threats for Europe," he says. "It will not be solved by more economic growth in Africa: even if they do better, the gap between Europe and Africa will remain, so migrants will keep on coming."

Janis, who himself comes from a migrant background (his father moved from Asia Minor to Greece, then to Austria and finally to Germany, and his mother moved from East to West Germany) says the biggest challenge in addressing this issue is that this has "so much to do with identity, culture, and emotion – areas where irrationality often prevails, even among people who don't usually think that way."

Janis speaks of his immense frustration at how the EU responded to the crisis. "At the end of the day, it was a man-made crisis. If we had handled it in a different way, if countries had shown solidarity with each other, it would have been a manageable challenge. We could have dealt with it," he insists, but the EU-27 still cannot overcome their deep differences when it comes to showing solidarity with each other. "When it comes to migrants and refugees, they can only agree on issues related to the security dimension: securing the Union's external borders and ensuring that the numbers arriving on Europe's shores are as low as possible."

So, how serious was the 2015-16 crisis for the EU and how serious is its failure to agree on a solution so far, not just for Europe but for the national political discourse as well? "We should not underestimate the importance of this debate," warns Herman. "Populism started with migration and when things are going wrong, people go back to it. It was also one of the reasons for Brexit; it is a weak point for Joe Biden; and it made the EU unpopular in Italy – two populist parties won a majority in 2018 because of it, because of a feeling that nobody cared, no one showed solidarity." And in the wake of the fall of the Draghi government, the reshaped Italian political landscape might well act as a break on the EU's ability to reform itself and its policies.

All three agree that the migration issue still has the potential to become an existential challenge for the EU if no answer is found. And the search for a solution is further complicated by the fact that it is an issue which divides populations within member states as well as sparks bitter arguments between them.

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It was the seeming impossibility of finding a compromise that everyone could agree to that prompted the decision to approve a controversial plan to relocate 120,000 refugees across the continent by Qualified Majority Voting (QMV) in the Council of Ministers in September 2015, over-riding the objections of four Central and Eastern European countries that were strongly opposed to the proposal.

Herman agrees with Janis that this was "short-sighted" and merely served to escalate the situation. "I was not happy with the QMV decision under the Luxembourg Presidency, although everyone was very proud of it, saying 'we unblocked the situation'. But it enhanced tensions," he says. "Migration is not an issue like other issues. It is extremely special, but they didn't acknowledge this and behaved as if it wasn't."

So, could the remarkable response – from both governments and publics – to the war in Ukraine and the way countries across the EU have opened their borders and homes to Ukrainian refugees have a lasting impact on the migration and asylum debate, and thus help to unlock a solution? Or is this a unique situation which is unlikely to have a significant impact on the wider debate?

The invasion of Ukraine has prompted a remarkable and unprecedented display of solidarity, but this, they all agree, is not a sign of a wider change of heart. Rather, the current situation is the product of a unique set of circumstances.

"The most extreme example is Poland, which made a major problem out of receiving 4,000 people from the Middle East on the grounds that it would 'threaten their civilisation', and then they welcomed millions of Ukrainian refugees," says Herman. "You can call it hypocritical or double standards, but it is a fact of life. So, can it change the fundamental debate about migration in Europe? The answer is no."

Fabian agrees, arguing that there are a number of reasons why Ukrainian refugees are in a unique situation, including "the fact that there is no moral question about whether they are economic migrants or refugees;" it is not young men (who opponents of migration tend to focus on most) who are migrating, but mainly women and children; and there is an expectation that they will eventually return home.

Janis echoes this, saying: "The particular situation of Ukrainian refugees makes this a 'time-limited' solidarity.

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"Without Fortress Europe, there would not only have been an 'invasion' of people from outside the Union, but also an 'invasion' of populists all over Europe."

The overall problem and fundamental disagreements on the structural changes needed to deal with increasing migration pressures remain."

Populist parties have so far not been able to exploit the arrival of so many refugees from Ukraine because of public support and sympathy for their plight and because the blame has been placed squarely on Russian shoulders. However, Fabian is "not very hopeful that this will not become an issue for the populists before long." But Herman disagrees, arguing that populists will not be able to take advantage of the situation in the way they have done with the migrants arriving by boat on Europe's shores.

So, if the war in Ukraine has not changed the fundamental debate and migration and asylum remains an issue widely exploited by populists (except in relation to Ukraine), how should mainstream political parties address this topic in their everyday discourse, to get the balance right between showing the public they are aware of – and are responding to – their concerns while avoiding pandering to the populists and 'stealing their clothes'? And how should they treat populist parties that win enough votes in elections to demand a seat in government?

Again, says Herman, there is no easy answer: "In Belgium, traditional parties built a cordon sanitaire around Vlaams Belang in 1991, refusing to work with them and some refusing to even talk to them. But this didn't help. All the traditional parties stressed the importance of both the rights and duties of migrants, but the public perception was that we were pro-migration, too moderate," he explains. As a result, the anti-migration Flemish Nationalists won 24% of the vote in Belgium in 2014.

In each member state, this political battle and the search for a balance between the rights and obligations of migrants, between identity and openness, that Herman spoke

of at the start of our conversation, goes on.

At the EU level, Herman vigorously defends the focus on protecting the EU's external borders – so-called 'Fortress Europe' – then as now. "Without Fortress Europe, there would not only have been an 'invasion' of people from outside the Union, but also an 'invasion' of populists all over Europe", which, if they succeeded in Germany or France, "would have been the end of the Union," he argues. "We could have made it worse by pleading for open borders."

Janis adds that, in the ongoing debate over the proposed New Pact on Migration and Asylum, the choice has already been made. "We have already taken the decision in the solidarity versus security debate. We only agree on the security dimension and cannot agree on the solidarity part, so *de facto*, we have already moved in the direction of the security camp," he laments.

But will Fortress Europe work and will it be enough to solve the problem? Can a long-term structural solution be found?

Herman fears not: "Populist parties exploit these fears and do not want to solve the problem. Those leaders don't want a solution," he says, adding that the refugee crisis "strengthened their belief that they were right" and pushed more EU governments into the security camp. "We now almost have a consensus on Fortress Europe. In the EU, there is only agreement on the protection of external borders, especially around the Mediterranean, not on solidarity," he says, echoing Janis' concern that the fight for an approach based on genuine solidarity has already been lost.

But, Herman warns, the balance between humanity and border protection is precarious. "Look at the debate around Frontex, the European Border and Coast Guard Agency," he says. Hardliners argue that the more humane the approach,

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the greater the 'pull' effect. In this logic, they point to the loss of life among boat refugees and argue that it is almost ethical to close the borders to prevent more deaths at sea.

So, if Fortress Europe is the only thing EU governments can agree on, can it work? Fabian argues that it may help change perceptions, but that does not get to the heart of the problem.

"We are failing to integrate a very important part of the population, a group who have lost their role and identity. It is not about migration; it is about the role that people have in society, whether they feel useful, heard, or protected. Migration is just a convenient lightening rod for the dissatisfaction people feel," he says. "The solution to the migration problem doesn't lie in migration policy."

Herman agrees partially, insisting that political leaders need to address people's root concerns if they are to have any hope of finding a lasting solution to the problem.

"Migration is not only an economic problem; there is also a cultural element, which should not be underestimated. It will not disappear as easily as you might think. It is based on fear of losing one's identity or having another culture imposed on one's life," he says, adding: "It serves as a scapegoat for a deeper sense of fear of changes that are imminent or already underway, of a loss of control over one's own destiny."

Then why are so many people afraid? "Living together always remains difficult; it takes an effort. There are not that many lasting examples of successful multiculturalism," says Herman, who also points out that people today have "few anchor points" to fall back on. "Protective structures like family, churches, associations and, so on have fallen away or weakened. People feel like the playthings of geopolitics, financial markets, imported viruses, de-localisations, migration, etc. Within this, the migrant is visible either by his race or by his clothing. That makes him an easy target. A common phrase you hear is: 'I don't feel at home anymore'."

And when it comes to framing the discussion, leadership is vital. "It was so important that Angela Merkel spoke about migrants as human beings," says Herman. He also agrees with Janis and Fabian that it is important to distinguish between 'refugee crises' and the long-term migration challenge. "We throw refugees and migrants into the same pot – we need to separate these things from one another and do our utmost not to mix them," he says.

Fabian adds that it will be interesting to see whether the labour shortages emerging across Europe will change the debate on migration, but notes that this will not necessarily make it politically easier.

So, the conversation, which began with Herman challenging Fabian and Janis to offer solutions to a problem he has wrestled with all his political life, ends without a solution. But all three agree that this issue is about far more than migration policy, the answer needs to be far broader to stand any chance of succeeding.

European Green Deal: A defining challenge of our age?

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The green transformation, which Ursula von der Leyen's European Commission has put at the heart of its political agenda, is a challenge that is "more important by far than the EU's biggest political project. Until now, the Single Market of Jacques Delors," according to Herman. "And the stakes are higher because this is about the future of the human race."

But there are big question marks over whether Europe can and will deliver on its objectives, and indeed, whether the EU is setting its sights high enough to deliver transformation at the scale and speed required to meet the climate change challenge – and yet there are more question marks now over what impact the war in Ukraine might have, given its implications for EU energy policy and the cost-of-living crisis.

Which is perhaps why this question sparks some of the liveliest, and most heated, exchanges of all the conversations recorded for this book.

All three agree on the importance of this issue, and just how big a test it is for the countries of the EU. Fabian points out that it is also much trickier than the Single Market project, which was a political choice, so in a sense 'an easy fix.' By contrast, climate change is a long-term, international challenge with many parameters that are outside the EU's control.

Fabian sees this as a major test of the EU's credibility. But Janis thinks not, at least not under the current circumstances. "If a strong block of member states were ready to move from 'Sunday talk to Monday realities' and take the actions required to deliver on this, and the EU failed to agree, then you could put some blame on the Union, but not now, when there is such intense debate within countries about what needs to be done," he argues.

Herman agrees, pointing out that "everyone is struggling with this dilemma, in all kinds of political regimes and all kinds of continents." He sees climate change as "a great test for all levels of power," but particularly for member states, where the bulk of the implementation of the European Green Deal has to be done.

Fabian acknowledges all of this, but remains adamant that if the EU does not deliver on the Green Deal, "it will be confronted with a major legitimacy problem," because, he says, "the *raison d'être* of the EU is to deal with cross-border challenges." "Younger generations won't buy the argument that the EU cannot be blamed just because member states disagree internally," he insists.

"Every year we make some steps, but we tend to have been better at setting targets than at delivering. And even if we deliver everything we have committed to, it would not be anywhere near enough – and the further you fall behind, the harder it gets."

"With legally-binding obligations, countries have placed themselves in a kind of straightjacket, as they have to comply with objectives they have commonly agreed on."

So, is the EU capable of taking the decisions needed to deliver the required transition?

Herman points out that it has already gone further than many had predicted. "We had already seen some positive developments, long before we began calling it the European Green Deal," he says, pointing out that the first target set was for a 20% cut in greenhouse gas emissions by 2020, but the EU did better than promised, with a 25% reduction while the economy grew by 60%.

"Then, when I was in office in 2014, we started talking about -40% by 2030. That was extremely ambitious and Günther Oettinger [the then German Energy Commissioner] argued that it was too much for the automotive industry and 33-34% would be more than enough – but he lost that battle within the Barroso Commission," he explains. Now, under Ursula von der Leyen, the target has increased again to -55% and carbon neutrality by 2050.

But Fabian is scathing about the pace of change. "We are making some progress, but nowhere near enough. The incremental, slow process we are witnessing now is not going to get us where we have to be," he insists. "Every year, we make some steps, but we tend to have been better at setting targets than at delivering. And even if we deliver everything we have committed to, it would not be anywhere near enough – and the further you fall behind, the harder it gets."

He also wonders whether the European decision-making system can deliver the scale of decisions needed to address climate change effectively, given the compromises required to get everyone on board.

Herman argues that, while it is the member states who control most of the levers that can deliver on the climate change targets, the EU also has an extremely important role to play in getting member states to sign up to highly ambitious targets.

Take the eurozone budgetary rules as an example, he says. "It was extremely helpful for a lot of countries (including Belgium) to have European norms that we had to comply with. Without Europe, we would not have succeeded – and the same thing is happening with climate change," he explains. "With legally-binding obligations, countries have placed themselves in a kind of straightjacket, as they have to comply with objectives they have commonly agreed on. If you have a weak government, legally-binding objectives are extremely helpful."

Fabian does not dispute this, but interjects: "They might be, but you also have to have the means to implement them," and the EU needs to do more – much more – to translate ambitious targets into action. "What is needed is a more systematic transformation, rather than just trying to optimise what we already have. And yes, if you look internationally, we can see that everyone is struggling with this, but Europe should be in the lead – it is the world's most resource-dependent continent, so it should be the one making the most advances."

All three agree that in the aftermath of Russia's invasion of Ukraine, the balance of the debate on this topic has shifted – at least, in the short term. "Ecology used to come after the economy on the political agenda; now, at least in the short term, it comes after security. But in the long term, the Ukraine crisis could be helpful for the green transition because of the need to reduce our dependence on Russian energy and hence on fossil fuels," says Herman.

Fabian agrees about the short-term shift in focus, but points out that if Europe had taken some of the measures that were envisaged in the Green Deal back in 2014, "we would not be in the position we are in now." He is hopeful that in the long term, Russian aggression could help significantly drive progress, but for that to happen, he says, there needs to be an honest

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conversation with the public about the hard choices to be made.

"Sustainability is an issue where there is broad acceptance in society that something has to be done and the narrative has been that moving towards sustainability is a win-win. That might be so in the long run, but in the short term, if we make changes in the energy mix, it will have an impact on the fairness of the transition. To make the structural changes implied by this will cost us and means making hard choices," he explains. "We have to decide how to distribute that cost and who should pay. If we can't agree on that, then we cannot make progress."

Janis echoes this and also warns against taking a too Euro-centric view on this. "The consequences of the war in Ukraine are bad news for attempts to create a global green transition. We need a global effort and the deterioration of relations, for example between the US and China, will have repercussions in many areas."

Herman also warns that "price is ultimately the best way to reduce fossil fuel consumption, but there is strong resistance to this and limits to how high prices can go." Before the war, the Yellow Vest protests in France were against increased taxes on petrol, and the challenge is even greater now in the face of rising market prices. Herman points out that the spot price of gas was seven times higher in August 2022 than in November 2021, "threatening to create a social crisis and compelling public authorities to intervene in the market and act to alleviate the pressure on households and businesses."

Thus, he says, "inflation and energy supply have become the great enemy of the Green Deal in the short term."

This clearly has political ramifications. "The new vehicles for populism are now real incomes and the loss of purchasing power," much more now than traditional populist issues like migration, says Herman. "There

is no answer to inflation that will please the public. They are not blaming Putin and the war; they are blaming their own governments, those who are in power now – it is a reaction against the ruling class."

Janis points out that these domestic pressures "are not going to make things easier" at the EU level. "They will make it more difficult to reach consensus, and this will play into the hands of those who want to take us in a different direction."

So, what can and should be done? Here, there is a broad consensus.

Herman argues that there is a "fundamental ambiguity" in public opinion on climate change. "People see incidents like the floods and fires during the summer of 2021 or the droughts in 2022 and are in favour of action to fight climate change, but when it comes to implementation, there is less enthusiasm. There is a fundamental discrepancy between being green on the objectives and being green on the means," he says.

It remains to be seen what impact the war in Ukraine and the cost-of-living crisis sparked in part by soaring energy prices will have on public attitudes towards the fight against climate change. Herman believes that although the energy crisis will, in the long term, boost renewables, in the short term, "people are prioritising energy over climate."

He also points out that, for governments, it is more convenient for the markets to increase energy prices so as to not court unpopularity by doing it themselves. Ultimately, however, tackling this issue is "a matter of leadership and political courage: you have got to go against the tide, take risks," he says, adding: "The key issue is who bears the burden of climate change policy. The debate will not only be about whether we need measures, but also what kind of measures and who will pay the bill. This will be fundamental."

Janis and Fabian agree that the green (and digital) transition will "lead to a lot of losers," and Fabian questions the degree to which policymakers can cushion the blow. "Certain groups in society are going to lose out, and that is inevitable, because we are talking about structural change. You can rebalance this to some extent, but the vast distributional consequences of the measures needed to fight climate change can only be partially addressed by the actions of the state," he says.

"You have to give a lot of money to developing countries and countries in the EU that cannot do this alone, and to groups in society who cannot afford to do it. Who are you going to make pay for this? If the answer is industry, Europe will end up with a huge competitive disadvantage; if you put the burden on consumers, it is politically unsustainable."

Janis fears a situation in which it becomes increasingly difficult to agree on how to deal with a crisis of this magnitude, particularly at a time when the EU and national governments are facing so many challenges at the same time in this age of permacrisis.

"If you ask governments to show leadership in times of permacrisis, the chances of achieving this are extremely low," says Janis. "My main worry is not being able to `square this circle'. If we are not able to deliver, how do we deal with that?"

But, he adds, we cannot give up. "We need to use the opportunities opened up by future chapters of the permacrisis to move in the right direction, just as we did with the EU's response to the COVID-19 crisis, with the Recovery and Resilience Facility (RRF) focus on the green and digital transformations. The consequences of the war against Ukraine for the Union's future energy policy must also help us in the fight against climate change."

Fabian jumps in, arguing that the RFF is a classic example of "glass half full or half empty," arguing: "Of course, it is good that they managed to agree on linking it to the green transition, but why didn't we go further? They should have dedicated all of it to the structural changes our economies have to go through, not just a percentage. We are still too prone to just tinker at the edges."

He adds: "In many ways, people were 'sold a pup' with the RFF – an investment programme designed for short-term impact, when this is a long-term task. Does it really change fundamentally how some countries go about doing things? I don't think it does. And because of the cumulative nature

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of the problem, the more we undershoot now, the harder it will be in the future."

But Herman insists that you cannot look at an issue like this in the abstract. "Imagine if there had been no RFF and it was solely down to national governments to launch recovery programmes. Do you really think they would have dedicated almost 40% of their programmes to climate change? Not at all," he says.

"I stress what would have happened without the EU, while Fabian is focused on what is needed – and, in that, he will always be right," says Herman, repeating his mantra, which he comes back to in many of our discussions, that "gradualism should not be too gradual and, in a step-by-step approach, the steps should not be too small," and warning that "giving no hope that there is light at the end of the tunnel would be a catastrophe."

Janis adds: "There was not much discussion as to whether what was decided in 2020 with respect to NextGenerationEU was the right thing to do – we are all aware that the alternative of not having an agreement would never have been a better solution. The question is whether it was enough or not, and that is a different discussion."

Janis' overriding concern is the nature of this crisis, which raises questions about "our ability to tackle challenges where the consequences are only being felt gradually," although again, the war in Ukraine could change this, given its immediate and dramatic impact on energy prices.

This goes to the heart of the problem for politicians, as Herman sees it. "When we were dealing with the budget crisis in Belgium, we had to tell people that we needed to make major changes (in this case, to have a budget that was much more in balance). This was not the public's first concern, but a lot of people understood – they had a gut feeling – that we had to do something. If that happens, you can have more support than you might imagine," he says.

The lesson, for Herman, is that when it comes to climate change, you have to work to develop a similar gut feeling. But he agrees with Janis that there is an important difference: "With budget problems, you ask for efforts and sacrifices, and people can see the results as the economy improves; with climate change, you cannot see them in the short term," he says. However, although it is more challenging, it is still possible: "You can generate a general feeling that accidents and catastrophes will happen all the time if we

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don't act, and people will increasingly see the need for difficult measures."

All three also share concerns about the risks that populist politicians, whose star waned somewhat in many countries during the COVID-19 pandemic, will capitalise on the societal consequences of the twin green and digital transition. There's a sense among the losers from the structural changes required that they are being made to bear the burden and carry the cost for the whole of society, and that they will seize on the cost-of-living crisis as more evidence of this.

"They will use simplistic arguments and try to score again by criticising Europe for forgetting societal needs," says Janis. "You need to outmanoeuvre the populists by focusing on the losers from change. You need to think about the social dimension and the trade-offs at all levels, and this involves a lot of effort and a lot of money to compensate those who are most affected by the consequences of implementing the Green Deal."

Herman agrees: "What I fear most is this evolution in our societies because in a democracy, and even in authoritarian regimes, you need some kind of societal support. Populism is fed by all kinds of discontent, and the measures needed to fight climate change touch on a wide range of issues. You cannot rely on goodwill to change behaviours. Public authorities will need to impose measures, and without strong governments, we will never be successful – if you feel you do not have enough support from society, electoral support, the actions you take will never be sufficient to meet the challenges we face."

And while a perception of injustice can fuel support for populists, they are the least capable of tackling this issue. "Populists are extremely bad for climate change because they want to remain popular, so they won't take the tough decisions needed," says Herman.

Fabian argues one of the answers to this is for Europe to move away from what he calls a "hair-shirt approach," which focuses on negative messages, "telling people that they are bad and constantly emphasising what they need to stop doing."

"A negative regulatory agenda creates resistance" and thus is the wrong approach, he says. Instead, policymakers need to focus on positive action and provide the resources to avoid those who are worst off being hit hardest by new measures.

Fabian gives the example of requirements to improve the insulation on buildings. The answer is simple, he says: "Governments should pay. To some extent, the solutions will have to be gradual, but there are areas where you will have to be much more radical, and yes, it costs money, but this is money well spent compared with the cost of not doing anything."

Herman agrees that this is where the key challenge lies. "Fabian is right that the measures to deal with it create opposition, not change itself. You have to do it in a way that is as fair as possible."

The discussion ends without agreement on just how far the EU can and should go in the current circumstances. Herman, ever the pragmatist, points out that the multiple challenges facing the Union impose constraints on its capacity to act on all fronts at once. When it comes to the Green Deal discussion, for example, "you cannot have an open atmosphere regarding migration and at the same time propose radical measures to tackle climate change."

His conclusion about the lessons politicians should draw from this: "You have to show political leadership – but not too much!"

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Driving the technological revolution

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Accelerating the digital transition and pioneering the ground-breaking technologies of the future have long been high on the EU's agenda, but this is not translating into the global leadership that Europe aspires to. In fact, in many areas, the stark reality is that Europe is falling behind its international rivals. Why is this? What is holding the EU back from turning its lofty ambitions into concrete reality, and why is it so important to turn the tide?

Fabian argues that the answer is clear. "It has long been recognised that Europe is far too rich a continent to do basic manufacturing cost-effectively. The key to growth lies in the higher levels of productivity that come with new technologies," he says. "We need a new industrial revolution going way beyond the digitalisation agenda. That will determine our economic success or failure. None of the objectives we have – from sustainability to security, dealing with demographic change and so on – are possible without this."

Janis echoes this: "We are talking about the world we will live in 20 years from now, and the technological revolution, the digital revolution and the green transition are all linked. If we don't succeed in all these areas, we will not to be able to deal with the challenges we face."

For Fabian, the reasons why Europe is lagging behind lie in the lack of a clear vision and a continued aversion to taking risks. He argues that the US firmly believes in technology as the key to solving problems such as climate change and is willing to "take punts" on innovations that may or may not work. At the same time, China has a very clear vision of the future, recognising that the Communist Party can only remain in power if it delivers economic growth, and the best way to do that is through technological dominance.

Europe, by contrast, focuses too much on the potential downsides of any new technology. "The first question when a new technology emerges is 'what is the risk, how can we control it?' and the focus is always on regulation, because that is what we do at EU level, instead of creating an environment where innovations can flourish," Fabian says, adding: "Where we are falling behind most is on enabling technologies ('the stuff that makes stuff work'). It is really crucial that we don't lie to ourselves, that we are honest about the fact that in most of these areas, we have already lost the race."

Janis also questions whether Europe has the capacity to catch up, despite the urgent need to do so. "I have my doubts that we can lead these revolutions, because all too often, we are not the ones spearheading progress, and although a lot of what is needed in terms of technologies and innovation comes from Europe, it is implemented elsewhere."

Herman agrees with Fabian and Janis' gloomy assessment of Europe's performance and the importance of addressing this issue, adding that there is one keyword missing from the discussion so far: namely, fragmentation. "Our efforts are fragmented – most of what we are doing is in our countries separately, and size matters," he says.

He points out that none of the biggest companies operating in the digital arena are European and argues that this is partly because each EU member state works within its own economic borders. To illustrate this, he points to the way countries are using the money from EU coffers provided under the Union's Recovery and Resilience Facility (RRF), with its focus on kickstarting the economy post-pandemic through the twin green and digital transitions.

"What is Belgium doing with the 5-6 billion euro it is getting from the RFF? For the most part, we are working within our own borders, promoting technologies here and

there, when we need to work together with other countries to create the leverage and scale you need in the digital world," he insists.

Janis agrees that this narrow approach is a mistake but says this was one of the (perhaps inevitable) drawbacks of designing and implementing the RRF so quickly to respond to the pandemic. "There was a lot of pressure to do this at speed and use these funds to fund national plans, while making sure they reflected the twin green and digital pillars at the heart of the EU's agenda. Speed was essential and a renewed focus on national considerations was the price we paid for it," he says.

So, should the RRF funds have been designated solely for use on cross-border projects, given that this is an area the EU is best placed to meet the need?

Herman acknowledges that speed was of the essence in creating the RFF, hence the decision to ask member states to develop national plans, but that "meant fragmentation was built into the approach – that was the wrong approach and we have to correct this if there is a second stage."

He also argues that the priorities for funding under the RFF needed to be much more clearly and precisely defined. "In the RFF, the Commission only asked member states to respect the EU's fundamental goals of tackling climate change and digitalisation. While that gives a clear indication of the future direction, it is far too broad," he insists.

"If, one day, we have a follow-up to the RRF, we have to do it in a different way," he says, adding: "I am very much in favour of a follow-up, because climate change and digitalisation will not disappear after the crisis and there will be no money in national budgets for this because of big national deficits, so the money will have to come from elsewhere – and I would very much advise the EU to come up with European initiatives financed in a European way."

Fabian agrees that fragmentation and the resulting lack of scale are "definitely an important part of the equation," but so too, he says, is a *laissez-faire* approach to setting priorities. "We should be thinking about what new technologies we should be focusing on – like quantum/fusion – and prioritising investment in them. When it comes down to it, you have to prioritise, you must decide what is most important."

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That brings us back to the age-old debate over the wisdom of policymakers picking 'winners' in the race to develop ground-breaking technologies. Fabian is adamant that this is the right approach. "We should pick winners – even though some of those winners will in fact, turn out to be losers," he insists, adding that "the reason people argue against policymakers doing this is not lack of knowledge, but rather the tendency to favour vested interests. If you do this at European level, you minimise this risk."

"It works in other countries, so it is not impossible to do. The alternative is that we continue to do what we do now and, in the end, we will depend on technologies from elsewhere, creating not only economic but also security and supply problems."

Herman underlines why this whole debate is so important, particularly in light of the war in Ukraine and massively heightened global tensions. "We talk all the time now about strategic autonomy and rightly so. But how can you say you are sovereign when you have no European companies among the best-performing digital companies in the world and so are dependent on others? If you want to play a geopolitical role, you need to have autonomy in a lot of domains."

All three agree that digitalisation must be at the core of the strategic autonomy debate, because it will be the dominant sector of activity for years to come.

So, can Europe succeed where so often, until now, it has been failing? Janis is not optimistic: "I don't expect that the present circumstances and challenges we face will allow us to have a lot of political energy in the coming years to devote to what we are discussing here." But that, he says, could change as the pressures on the European economy intensify, although these efforts are likely to remain largely national and continue to have a limited impact at the EU level.

Fabian comes back to his argument about the need to move away from such a single-minded focus on regulating new technologies. "Without a shadow of a doubt, the fragmented approach we have is not working. We need massive technological change, and we are not doing it. Instead, we are still too focused on regulating the main fields of innovation."

"Even in areas where we do have an advantage, we need to be doing more now, and all too often, we are not doing

"Without a shadow of a doubt, the fragmented approach we have is not working. We need massive technological change, and we are not doing it. Instead, we are still too focused on regulating the main fields of innovation."

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it," he says, adding that one reason for this is the NIMBY (Not In My Backyard) syndrome and citing, as an example, the German approach to onshore wind power. "The technology has now reached a level of maturity where it is economically viable. But it is not being used in Germany because no one wants wind turbines in their backyard. Contrast this, for example, with attitudes to fracking in the United States."

Herman says the question of whether the EU regulates too much is an "old debate" and points out that this is, in some ways, the European Commission's "core business". But he points out that regulations like the General Data Protection Regulation (GDPR), which is much criticised by industry, are "as much about Europe's economic and societal model, our attitudes towards privacy etc, as they are about risk prevention."

He also points out that the irony of EU anti-trust regulation is that it targets foreign monopolies, some of the largest companies in the world, "because our own enterprises are not able to become big enough to become monopolies!"

Herman agrees with Janis that Europe may be driven to do what is needed in some areas under the pressure of the multiple challenges linked to the current crisis. He also believes this will be driven by big multinationals, for example, in the automotive sector, acting as a welcome counterbalance to the focus on making progress at the national level in some areas of the economy. He takes heart from the fact that there is now a clear recognition that Europe needs a genuine energy policy, and that more European cooperation and integration are essential.

So, what, for each of them, are the clear priorities for action if Europe is to address the issues we have been discussing? Going back to where we started our discussion, how can the EU-27 fulfil its global leadership ambitions in key domains that will be so crucial for future economic growth, prosperity and the preservation of Europe's social model?

For Fabian, a genuinely European approach to energy policy is vital ("it can be done, but it requires political will"), as is an industrial policy backed by strong instruments of the type member states have at their disposal at a national level, and some form of European 'futures fund' to finance 'moonshots' – the kinds of technologies that will be important and have the greatest impact in ten years time.

For Janis, it's about turning the economic pressure we are under into a driver for the changes that are so essential to meet all the challenges we face, to focus more on investing in education as a key driver of European competitiveness, and to become less risk-averse by doing things at the European level "even if we don't know whether they will work or not" because "we need to do these things on a scale that will bring benefits across all 27 EU countries."

For Herman, the key lies in taking a dual approach: both a European and a local one. The need for a European approach is nowhere more evident than in energy policy, because "it is so obvious that we cannot repeat the mistakes of the last ten years: we would not be in the mess we are in now if we had not become so dependent on Russia and we could have avoided it. So, we need much more cooperation leading towards a genuine European energy policy." Herman also agrees with Fabian that we need a more detailed European industrial policy.

But this must be combined with a local approach, for example, to "encourage and give space to young people, who are far more innovative in their 20s and 30s than we are later in life," he insists. "I see a lot of people with ideas, with a sense of entrepreneurship, but they lack the

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means to bring those ideas to life, so support for local entrepreneurship is vital," he says.

Technology is nothing if we don't have people with a sense of risk-taking and skills, so a focus on education and training is vital. However, this remains very much a national responsibility so unless there is a major political shift, this element of the technological revolution will have to be delivered by the member states.

"In other words," says Herman, "we need to act European and local at the same time. We need both if we are to meet the defining challenges of our age."

Geopolitical earthquakes and the EU's place in the world

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Some EU leaders are fond of proclaiming the Union's ambition to become a more geopolitical actor. But does it have the tools – and more crucially, the political will – required to realise those ambitions? As geopolitical rivalries and tensions escalate, is it capable of defending its interests and playing an influential role in an intensely competitive global environment, or is it doomed to increasing irrelevance? And what does the conflict in Ukraine tell us about Europe's future role in the world?

Herman says each global actor is looking for its place in this new geopolitical landscape. The EU is certainly an economic geopolitical actor and can also lay claim to the title when it comes to the fight against climate change, as well as a provider of humanitarian and development aid. "It has a geopolitical role when it is united and in areas where the EU institutions have the necessary competences, as is the case in crucial domains such as the euro and trade, but the same cannot be said of its role in the geopolitical power game," he explains.

Is this simply because it lacks military might? Many argue that without it, the EU will never be seen as a geopolitical actor. Herman agrees that this means it will never be considered on a par with others, but insists it is more complex than that.

He points out that the United States lost a great deal of its power and prestige despite to its military might; so too has Russia, which saw its influence wane after the collapse of the Soviet Union despite its military apparatus and now even struggles to use its military effectively to pursue its aggression against Ukraine.

His conclusion? A European army is not the only important answer. The EU's main handicap, he argues, remains its lack of unity (despite some progress in recent years and its robust initial response to Russia's invasion of Ukraine), both because of disagreements between member states on key foreign policy issues and, as a result of rivalries between the three main EU institutions.

Janis agrees, distinguishing between the EU's role as an international actor, where it is failing to realise its potential, and as an economic actor and regulator, where it has real clout. He sees three major challenges standing in the way of the EU playing a more geopolitical role: the lack of a common, shared strategic culture (member states don't agree on how to 'do' foreign policy); divergent national interests (they have very different concerns in some areas);

and a lack of political will, which leads to a huge gap between words and deeds.

He argues that we can see this playing out in the strategic thinking when it comes to the long-term response to Russia's war of aggression, for example, in looking at industrial policy within this geopolitical context.

Fabian adds that a distinction must also be made between the EU's role in its neighbourhood and its role as a player in the global game of power politics. He is particularly scathing about the first of these, arguing that the EU has "completely failed" to grasp the challenges in its own backyard and has relied for too long on a lukewarm commitment to enlargement as the main tool, hoping that the prospect of eventually joining the Union would be enough to bring about change. As a result, he says: "We are at risk of losing the Western Balkans; we have already lost influence in Turkey."

It has also contributed to a lack of a strategic vision for Africa, with the focus on enlargement as the predominant tool "even though this doesn't apply to many countries in our neighbourhood."

Both Herman and Janis underline that previous enlargements were historic successes and of geopolitical importance, but agree that this strategy has lost credibility in recent years. However, the war in Ukraine has pushed this issue back up the political agenda and, argues Janis, should make enlargement a geopolitical imperative once again.

This was reflected in the decision at the June 2022 European Council to grant Ukraine and Moldova candidate status, but the summit also underlined the depth of anger and frustration felt by the countries of the Western Balkan at being left in the waiting room once again while others leapfrog over them for geopolitical reasons.

"The Western Balkans do not have the feeling that the EU is really behind them – they don't feel a strong political will, they feel hesitation – and they are not wrong," says Herman. He questions whether Serbia is serious about its candidacy, pointing to its 'neutrality' in the war in Ukraine and internal problems with the rule of law and the functioning of political democracy, but says: "The three countries in the East with which we have an Association Agreement deserve candidate status, while knowing there are no miracles in the negotiations."

Janis echoes this, saying: "We have not been able to live up to our promises to the Western Balkans and then we argue they are not developing as they should. This plays into the hands of those in the Western Balkans that want their countries to move in another direction. It has clearly played into the hands of Putin's Russia."

So, what lessons should we draw from this? Fabian is clear: "When it comes to the Western Balkans, everything should have been in place for us to be the predominant power in the region by far, but it has been a dismal failure. This is an illustration of Europe's failed ambition – if we can't do it there, how do we think we can do it anywhere else?"

When it comes to global power politics, Fabian points out that the EU has a lot of soft power, but does not use it very well and does not think strategically about how it interacts with the rest of the world, as it needs to (for example, in North Africa, where issues like economic development, trade, migration and security are divorced from each other in the EU's thinking).

"We are reduced to being effective in one or two areas where we have competences, for example, in trade, but rather ineffective everywhere else. We are lacking a convincing strategy on Russia and on the broader geopolitical environment. We need to be able to say: 'why are we doing this and

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what is the way forward?' he says. "We could overcome this deficiency, but I am not convinced that member states really want to. Fundamentally it comes down to political will."

All three agree that the EU now needs to set its sights higher, given the new era we live in following Russia's invasion of Ukraine. "The Union must learn from previous mistakes, to assume more responsibility for its security, and do so under enormous time pressure," says Janis.

"We must make sure that we do not find ourselves in a position where we will be asking ourselves, some years from now, why we did not react adequately to the crisis we witnessed in 2022 following Putin's war of aggression against Ukraine."

He adds that while the EU is trying to develop a more decisive common strategy for its role as a policy actor, being an effective regional geopolitical actor is currently beyond its reach because of the lack of a common strategic culture. However, "just because we cannot have that level of ambition, that does not mean we should forget it – that would be the wrong approach. We shouldn't say it is either/or."

Herman argues that without real pressure from an immediate crisis that demands an urgent response, the EU will go in all directions on most foreign policy issues, and until Russia invaded Ukraine, "we didn't feel the kind of inevitable pressure that we felt in the euro crisis". But he adds: "The war in Ukraine has shown that the Union can act in times of crisis. Different sensitivities regarding Russia were put aside in the face of the enemy."

Fabian interjects, agreeing that the EU only unites in a crisis, but adding: "That doesn't necessarily mean that we unite in a good or adequate way. We too often choose short-term answers."

Herman says much of the blame for the lack of a genuine EU foreign policy lies with domestic politics. "Foreign policy is also inspired by domestic policies and public opinion in the member states. How can you come to a common position when national public opinions are the key factor? I know that counts, but if you have no sense of European interest as well, then it will be difficult," he says.

"Geopolitics begins at home. We lack a strategy, and we lack the political will to have a strategy. Instead, we often have ad hoc domestically-inspired policies," he adds, citing

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as examples of this, Emmanuel Macron's decision to block EU membership talks with North Macedonia and Albania in 2019, and the referendum vote in the Netherlands not to ratify the Ukraine Association Agreement in 2016.

"Most member states don't think geopolitically, they have no tradition or culture of doing this. Conversely, larger member states act as if they still have geopolitical influence in their own right," he says.

So, are there institutional 'fixes' that would help to solve these problems, such as moving to Qualified Majority Voting (QVM) in the foreign policy arena? Janis argues that the problem "goes much deeper", and Herman agrees, but adds: "Our foreign policy cannot be determined by one or two countries systematically blocking decisions, and one country cannot hold the rest hostage in matters of war and peace. That doesn't mean more QMV, though: you could invent something creative, such as super-qualified majorities."

Fabian also points out that while QMV might help to outvote a smaller country, "there are a number of countries that have an effective veto, so that problem is not going to go away – it would be unthinkable to outvote Germany or France."

Another source of tension between member states and, indeed, between the EU institutions, are the inevitable trade-offs between defending the Union's interests and promoting its values. "The European Parliament puts values at the forefront, but foreign policy is about finding the right balance between values and interests. There is always an interplay between the two," says Herman.

"We cannot only work and speak with like-minded countries. If you do that, then you have no foreign policy, just 'gesture politics'. It is extremely difficult to find the right balance, but that is what we must do. If one

side of the equation becomes irrelevant, then the other side becomes a fight between the interests of different member states."

This problem, he says, is exacerbated by the fact that the EU's primary role in geopolitics is as an economic actor. As a result, "the emphasis in the European Council is on interests rather than values," he says, adding that the example of the draft investment agreement with China is striking: member states were in favour of it, but the European Parliament was against it "in the name of values."

But, cautions Herman: "Let us remain lucid - are values an alibi for political rivalry over which is the most powerful nation in the world? With China and the US, much more is at stake than values."

Fabian sees this dilemma acutely when it comes to the fight against climate change. "That raises the question of how do we work with countries like China on issues like this where we need to work with them but have other, values-based, issues where we don't want to work with them?"

Janis argues that focusing on values is also problematic for the EU when it does not abide by them itself, citing the migration crisis as an example of this. "The EU's inability to deal with values questions within its own ranks created a discrepancy and a credibility problem within and outside the Union, and everyone is aware of that," he says.

Fabian agrees: "We feel more justified (in, for example, restricting open trade) because we do it 'for good reasons', but that leads other countries to accuse us of double standards."

This brings us to the decline of multilateralism and the EU's efforts to revive it in the face of claims by some, long before the war in Ukraine turned the world upside down, that this is an outdated concept in an

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increasingly political and polarised international arena.

Herman insists that while multilateralism is under pressure from concepts like 'America First' and China's Dual Circulation Strategy, it is not, as some have claimed, dead and "we cannot allow ourselves to abandon it." The EU, he says, "is strongly in favour of multilateralism and has to be in favour of free trade because that is what the Union is based on. But we need more realism and less naivety. Strategic autonomy and European sovereignty are the expressions of this, and the war in Ukraine has played a crucial role in this awakening."

Fabian echoes this, saying: "We are often seen as naïve. That doesn't mean that we are in fact naïve, but we behave as if we are because we don't want to face up to difficult decisions, as if we don't understand that there are bigger considerations." He adds that Europe needs to learn from Russia's invasion that economic interdependence does not act as an effective constraint on such regimes.

As things stand now, and despite the reality of global interdependence, Herman argues that currently, "there is no global governance," pointing to the decline of the G20, which had already begun while he was European Council president.

"Look at the fading away of the United Nations and the G20. Even when I started in 2010, it was not anymore the G20 of 2008 that functioned well in the banking crisis. It has become a meeting place for exchanging views, but it is a forum, not a decision-making body," he says. "Nevertheless, in my time, you felt there was mutual trust. The Trump period created a lot of distrust and even under Biden, it has become more a series of monologues." Janis goes even further, arguing that the war in Ukraine has demonstrated that the G20 is "clinically dead."

There are also question marks over whether the UN Security Council can be revived (although Herman argues that it has never been the place to resolve "matters of war and peace" anyway, because of the veto powers of the five permanent members), and while the World Trade Organisation (WTO) "could play an important role," it needs modernising. Herman argues that the waning influence of these institutions is a result of deteriorating relations between global actors, which have created such a level of distrust that global bodies are not functioning as they should, with the exception of the Paris Climate Agreement.

"Part of the problem is that multilateralism is seen differently by us and by emerging economies. The institutions were conceived for a world that doesn't exist anymore. Their legitimacy is seen as weaker, and the way they function is being challenged by emerging economies," he argues.

Fabian says the weakening of the multilateral institutions also stems from a fundamental change in views on the role governments play in international economic relations. "The Bretton Woods institutions were about unleashing the power of markets through free trade. But the new kids on the block don't see them as legitimate and are not interested in playing by the system, and some of the old players, like the US, have lost faith because they don't deliver what they want, while those in the middle try to hang on to the system."

"The EU is clinging to something that is disappearing, and is being replaced by a mercantilistic attitude, where countries ask: 'What do I get out of it; what is in it for me?'"

Janis argues that a new system is needed in the face of these new conditions, but says this is "extremely unlikely to happen in the current circumstances of increased competition between mega powers, which has clearly intensified in light of the war in Ukraine."

He adds: "The EU is in trouble, our ability to influence what happens is very limited and the prospects for multilateral organisations are extremely bleak. Consequently, the Union needs to develop the capabilities that will allow it to become a much more self-assertive actor. If not, it will not be able to deal with upcoming severe geopolitical challenges."

Herman maintains that the EU's approach is also more nuanced than it might at first appear. "Our relationship with multilateralism is more ambiguous than we think," he explains. "For example, the EU is in favour of free trade, but it is increasingly difficult to get a consensus on Free Trade Agreements. Look at what happened with the Transatlantic Trade and Investment Partnership (TTIP) when Obama was president, the EU-Mercosur Trade Accord, the Investment Agreement with China. We are in favour of multilateralism, but when it becomes concrete in our trade negotiations, it is becoming increasingly difficult."

Why is that? Again, says Herman, domestic policy is dictating foreign policy. "We are seeing the politicisation of economic policies worldwide, linked to national interests and nationalism at large. Take the idea of open strategic autonomy: it is a political idea; it is not just related to trade but to everything. For all global actors, strategic autonomy is about 'national' interests, and thus politics come into this."

So how dangerous is the current international climate? "Distrust between the major global players is total now and will last for a very long time, and the 'my country first' mantra has spread across the world, even among the EU27," says Herman.

The crisis sparked by Russia's invasion of Ukraine is forcing the EU to "make difficult choices while it is still immature," warns Janis, responding here to Herman's analysis that, even before the war in Ukraine, the US was pushing for two blocks: the West (democracy) and China-Russia (authoritarianism) – "a clash of civilisations and values".

Following Russia's invasion of Ukraine, the EU and US have aligned themselves to fight back against Putin's war of aggression, with both sides clearly realising that they need each other to do so. This means, says Janis, that while he previously believed the EU should aspire to become what he called an "in-between actor", for example, to try to mediate and help ease growing tensions between the US and China, that is no longer an option. Indeed, as Herman points out, China is now a systemic rival and while it is not the EU's enemy, it is "the friend of our enemy", with potentially far-reaching consequences.

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All three agree that the war in Ukraine has underlined the need for the EU to do more to develop its defence and security capabilities, with increases in spending on defence at national level and more cooperation, coordination, and pooling of resources at European level, both because of rising geopolitical tensions and clear signs that the EU can no longer rely on the US to do most of the heavy lifting.

The concept of 'strategic autonomy', which was already moving up the EU's agenda before the invasion of Ukraine, is now uppermost in policymakers' minds, both in terms of defence and security capacities and economic independence.

And this brings the discussion back to the question of free trade versus protectionism, and the EU's response to 'America First' and Chinese dual circulation/tech sovereignty strategies. "Strategic autonomy has become an issue for every global actor," says Herman. "Everyone wants to be less dependent on others on strategic issues and we are witnessing countries falling back on themselves."

"In the EU, we are more dependent on others in many fields. If we want to become less dependent, we have to do it not only because we feel threatened but also for geopolitical reasons. Even before the war in Ukraine, there was already a growing awareness that this was a valuable idea – not leaving it solely to the market to define our interests – not least because aspiring to play a geopolitical role without strategic autonomy is just words," says Herman, who adds that the debate about what this means for globalisation and open trade is only just beginning.

This prompts Fabian to interject and insist that the EU needs to be more honest about what strategic autonomy actually means. "We say that it's not about protectionism, but about reducing vulnerabilities, and that it will not undermine free trade. This is nonsense!" he says, pointing out that, for example, the proposed Carbon Border Adjustment Mechanism will impact free trade.

Herman agrees. "Open strategic autonomy has no meaning. Strategic autonomy is a very broad concept, but its meaning is clear," he says, adding: "Some think that a political concept must be defined in a scientifically rigorous way. This is a fallacy. Something exists even if it is heavily based on intuition at the beginning."

So how optimistic or pessimistic should we be about the future?

"Strategic autonomy has become an issue for every global actor. Everyone wants to be less dependent on others on strategic issues and we are witnessing countries falling back on themselves."

"Ukraine might be the 'whatever-it-takes' moment for the Union's security and defence policy. It should be, in light of potential future challenges to war and peace on the continent and beyond."

Janis envisages potential positive and negative scenarios: it could be, he says, that at a time of deep crisis and plummeting relations between major global actors, the EU may be driven by the "pressure of reality" to do things at Union level that "we might not have done before." The initial reaction to the war in Ukraine points in this direction.

On the other hand, geopolitical developments and relative European economic decline might create problems at the national and European level and negatively impact on EU cooperation and integration, as well as unity. What happens if, for example, Donald Trump returns to the White House in 2024? A return to the policies of his first term in office would be a litmus test of the Union's capacity to react in a united way.

"If we fear the worst, we might find a way to avoid it, but we will require a lot of political will and stamina to get there," says Janis. "Ukraine might be the 'whatever-it-takes' moment for the Union's security and defence policy. It should be, in light of potential future challenges to war and peace on the continent and beyond."

Beyond the debate over foreign, defence and security policy, Fabian argues that the economic decline of the West is inevitable. "The question is how we deal with that," he says. "During the recent period of peace and stability, there was this whole idea of an end of history. It is rather the opposite. What we are seeing now is a return to normal politics. Our systems and institutions are not designed to deal with that. Maybe we became too comfortable and complacent, and maybe the pandemic and the war will help to change all that."

Herman agrees that Europe's economic decline (in relative terms) is inevitable – and that is not necessarily a bad thing, as others will get access to higher incomes. So, what should our ambition be?

"We should not dream of regaining what we had in the past, as old colonial powers. We only have to defend our interests – and in Ukraine our interests are vital. We have an Association Agreement with Ukraine, which makes our relationship very special. But Europe should only have a global role where it concerns our interests. Do we really need to be seen as a mighty continent? For me, that is not necessary. We are not looking for power, but we have to avoid powerlessness."

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Rising to the challenge: Are the EU institutions still up to the job?

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There has been much debate in recent years, as Europe has been buffeted by storm after storm and crisis upon crisis, about how well-equipped the EU is to deal with the many challenges it faces and whether changes are needed to its institutional framework to address the gaps in its armoury.

So, is the Union's current framework 'fit for purpose' in the age of the permacrisis, including, now, with the enormous challenges posed by the war in Ukraine, with its far-reaching ramifications for so many aspects of our lives? Or is that framework contributing significantly to a 'delivery gap' between what the public wants and expects from the EU and what it can actually do?

Most EU politicians, even many ardent pro-Europeans, shy away from the notion that the Union's institutional architecture needs to be changed by amending its Treaties to give the EU the tools required to meet these myriad challenges – although more are coming around to the view that some changes might be required in light of developments since the war in Ukraine began.

This reluctance is often because they are unwilling to contemplate paying the political price that might be required to get those changes ratified in today's increasingly febrile political climate. But Herman comes at this from a different angle. He says those who are the most fervent champions of a wide-ranging package of treaty changes as a way to enhance the EU's capacity to act should be careful what they wish for.

"I am not convinced that, if tomorrow there was a majority for fundamentally changing the Treaties, we could agree on the direction," he says, adding: "And even if we could agree on the direction, I am not sure that this is the right question."

So why might it be the wrong question? "There is not much point in philosophising about institutional changes. The Treaty of Lisbon may last for decades to come. As I often say, I will die under the Lisbon Treaty – but I have no intention of dying any time soon," quips Herman. But he believes that a lack of treaty change is not necessarily a problem, as there is still a lot of 'untapped potential' in that treaty. "What has become, for example, of the instrument of 'enhanced cooperation' or the passerelles?" he asks.

Herman acknowledges that the war in Ukraine has shown that the EU needs more efficient decision-making structures, saying: "I'm now more open to specific treaty changes." But he adds: "I am still opposed to a radical overhaul of the Treaties. Instead of dreaming about a new convention, let's be realistic, see what changes we really need, and focus our attention and energy on getting an agreement on those."

Janis agrees: "We need concrete treaty changes rather than treaty change per se. We should go as far as we can go while bearing in mind that we need unity to get there." He also maintains that there is a dichotomy between realism, wishful thinking and idealism. "If we were thinking now about how the EU should be structured, we would probably do it differently and create a system that would work better and be more efficient. But that is not the world we live in," he says.

"There is a lot you can do within the framework of the current Treaties, and we are not doing it, so the real question is: are we ready to act? It is a lack of political will, not institutions, that stops us from going further," he says, adding that a lack of resources is also a factor. "If the EU budget was 10% of GNP [instead of 1.4%], the outcome of decisions would be different," he maintains.

Fabian also argues that, especially in light of Russia's attack on liberal democracy, we need to start by asking 'what are our interests? Where do we need to get to?' and

then 'what do we need to change to get there?' rather than having an idealistic discussion about what Europe should look like. For example, he says – and all three firmly agree: "We cannot be in a position where one country can hold the rest to ransom," but we have to find pragmatic solutions.

Fabian also questions whether the EU's institutional structure or its formal powers are the real issues. "Is it because of the institutions that we have a problem? If it is, then we need to fix this and then we fix the problem. But tinkering with the institutions won't change the fundamental problem if there is a lack of political will," he insists. "I don't agree with those who argue that if we changed the institutions, that would inevitably change the outcome. You don't have to change the legal framework to get something to happen."

Herman echoes this: "We need to ask the right questions. What do we need institutions for: what is their purpose? What kind of problem are we trying to solve and are the institutions blocking a solution?"

He points out that on occasions, during his time at the helm of the European Council and in the last two years as the world has wrestled with the COVID-19 crisis and Russia's aggression in Ukraine, EU leaders have gone further than most people anticipated on a number of issues.

"Since the pandemic began, the European Council and the institutions have surprised us by doing more than was expected in some areas," he says, citing the agreement on the Recovery and Resilience Facility (RRF), the vaccination strategy, the European Green Deal and sanctions against Russia as examples of this. "It is not fair to say we have done nothing. Is it enough? No, but it depends on your starting point."

All three agree that political will was the key to the EU's unexpectedly decisive response to the war in Ukraine, even in key areas where the EU Treaties require unanimity, such as sanctions, with EU leaders showing they could take decisions which would have been unthinkable before the Russian invasion, just as they did in response to the COVID-19 pandemic.

However, says Herman, "we are now close to the limits of what is possible, most notably because of the objections of one member state, Hungary, which has sometimes in effect held the EU "hostage" on some issues since the war in Ukraine began – hence the need to contemplate specific treaty changes."

"I am still opposed to a radical overhaul of the Treaties. Instead of dreaming about a new convention, let's be realistic, see what changes we really need, and focus our attention and energy on getting an agreement on those."

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"Tinkering with the institutions won't change the fundamental problem if there is a lack of political will."

> **"Of course, the European Council is an intergovernmental body, but in practice it is more than just the sum of 27 national solutions. When you enter the room, you know that you have to find a compromise, so it is not purely intergovernmental."**

> **"Be very well aware of the possibilities and impossibilities of the role. You need the Commission, and the support of the European Parliament and all the member states. Invest a lot in bilateral contacts with all these groups."**

> **"Someone being president of both the European Council and the Commission would not be able to meet the expectations this would raise."**

The conversation then turns to the balance of power between the main EU institutions and how this has shifted towards the European Council in recent years, as the Union struggled to agree on a bold and unified response to the many crises it has faced.

"The European Council's role in the system is very different from what it was before," says Fabian, adding that its capacity to block decisions has also increased. "The European Council is a very strong body," says Herman, pointing out that former German Chancellor Angela Merkel talked about a trio of 'methods' for taking decisions in the EU: the Community method, the intergovernmental method and what she called "the Union method".

"Of course, the European Council is an intergovernmental body," says Herman, "but in practice it is more than just the sum of 27 national solutions. When you enter the room, you know that you have to find a compromise, so it is not purely intergovernmental. You have to transcend purely national interests and work for a European solution."

Adding to this complexity, the Council has also given more powers to the Union's predominant Community institution – the European Commission – in response to various crises in recent years. And even when it comes to decisions taken outside the formal EU structure, as happens from time to time, the role of the Commission is, in reality, obvious.

Janis agrees that, in reality, the EU's institutional structure is far more complex than some perceive. "Is the European Council a purely intergovernmental body? No, and arguing that everything needs to be supranational is simplistic – and what about the role of, and perspectives for, differentiated integration?"

So, was creating a full-time President of the European Council, which has contributed to this shift in the power balance, a good idea? Do the EU's heads of state and government play a stronger role than in the past? "We had no option," says Herman. "In a crisis, the concentration of power in the hands of elected leaders strengthens democratic legitimacy, and the appointment of a permanent president of the European Council went in this direction."

So, how did he see his role as the first holder of the post? "The President of the European Council presides over the most powerful body in the Union but is institutionally powerless. He has to fill in informally what is lacking formally. He is at the service of the unity of the Union, since

the key decisions at the highest political level are taken unanimously, and he cannot allow himself to be defeated," he explains.

Herman firmly believes that the position has proved its worth after more than a decade of multiple crises: "Continuity has also proved to be a strength. Imagine if we had had to cope with successive crises with six-monthly rotating presidencies only."

And what of the relationship between the European Council and Commission? Herman says the furore over 'sofagate' – as the controversy over the seating arrangements at a meeting between Commission President Ursula von der Leyen, European Council President Charles Michel and Turkish President Recep Tayyip Erdoğan when there were not enough chairs to go round was dubbed – could not have happened in his day.

"When I started in the role, I had no experience at an international level. I was a national politician. I showed respect for Barroso because he had a lot more experience than I did, so the relationship was unbalanced," he explains. But gradually, France and Germany started talking more to me – and this did not escape Barroso's attention. "He saw that I had a power base in the European Council and that helped a lot. The relationship became much more balanced," he says, adding: "The 'sofagate' incident could not have happened because it was clear we were at the same level."

Hence, the former president's key advice for all his successors: "Be very well aware of the possibilities and impossibilities of the role. You need the Commission, and the support of the European Parliament and all the member states. Invest a lot in bilateral contacts with all these groups."

Herman rejects the argument made by some that the creation of a full-time president of the European Council would make the holder the president of the EU. "My assessment was completely different – I was heading the most important institution of the EU, but that doesn't mean I was the most important person in the EU!"

So, what does he think of the idea of merging the jobs of the European Commission and the European Council's presidents? "This is a 'false good idea': it sounds good in theory, but that would require a different kind of Union that no one wants. It would lead to a clash between the intergovernmental and the Community methods to the detriment of the Union.

"The role of the Commission president is to defend the European interests. He or she is not obliged to take national interests into account. The role of the European Council president is to balance the national interests of 27 member states. The whole architecture is built on these two legs. If you change that equilibrium, you would have a different EU," he argues.

Janis agrees, arguing that merging the two jobs also risks creating false expectations. "I would not want to be in the holder's position. Given the limitations on their powers, someone being president of both the European Council and the Commission would not be able to meet the expectations this would raise," he warns.

There is a similar tension at the heart of the decision to create a 'double-hatted' High Representative of the Union for Foreign Affairs and Security Policy. "What were they trying to achieve?" asks Fabian. "It is not clear to me. There is a real question here about how effective this kind of arrangement is."

Herman points out that the High Representative can only act at the equivalent level to a minister and that foreign policy has become a competence of prime ministers in many countries. He also believes the expectations which lay behind the creation of this post were too high. "They wanted to

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have a Common Foreign and Security Policy and thought that creating an institutional 'double-hatter' would solve the problem. This was completely wrong," he says.

So, what of the role of the European Parliament? Janis points out that on paper, the Parliament, as the EU's only directed-elected institution, has increased its powers with every new EU Treaty. But in practice, has its role been strengthened or weakened over time?

"The European Parliament was the biggest winner from treaty changes of the past decades," says Herman, adding that MEPs had "enormous expectations about their future role" when the Lisbon Treaty first came into force in 2009. "They thought they would be the central institution of the EU. This created a lot of frustration during my mandate."

"If MEPs had got their act together on who they would support for Commission president, it would have worked, but they were not able or willing to do this, so the European Council took over."

Herman says the European Parliament is in fact playing the role a national parliament plays when you have a coalition government, in this case, a coalition of 27 countries and some 70-80 political parties in those governments.

"If the European Parliament unravels an agreement made by the European Council, the whole system is blocked. MEPs cannot fundamentally change what the European Council has decided, and that is the case with national parliaments too. This leads to a lot of frustration in the European Parliament, as it does in national parliaments," he explains.

However, this is not because the European Parliament is doing something wrong or playing the politics badly, he maintains: it is in the very nature of the institutional structure.

"What we have now is something which, at best, still functions in reaction to crises; we don't have a system that can drive things forward."

Janis echoes this, adding that it is particularly true of the past decade when, "in every moment of the different major crises we went through, the executive played a particularly strong role. It is difficult for a parliament to play a strong role when the system is geared to decisions taken by the executive." But Janis also believes the European Parliament has not helped its own cause because it is "not good at being a strategic actor," despite former President Martin Schulz's best efforts to make it one.

Linked to this, what is their verdict on the *Spitzenkandidaten* process, which worked – on paper at least – the first time it was tried, leading to the appointment of Jean-Claude Juncker as Commission president, but collapsed the second time when Manfred Weber's candidacy was rebuffed?

Fabian says the European Parliament was "flogging a dead horse" and Janis cites this as an example of the Parliament's failings as a strategic actor. "If MEPs had got their act together on who they would support for Commission president, it would have worked," he says, "but they were not able or willing to do this, so the European Council took over."

Herman says the Parliament's approach was based on a "fundamental misunderstanding," explaining: "MEPs discovered that, with that system, you would elect systematically an EPP Commission president. When it came to Manfred Weber, they discovered that they would have to support the EPP candidate, and they were not willing to do so or to put forward another candidate."

Jean-Claude Juncker, he says, was different for many reasons. He was not only the EPP's candidate, with strong backing from Angela Merkel, but was also vastly experienced as a member of the European Council. EU leaders appointed him as their chosen candidate, not because he was the choice of the European Parliament.

All of this prompts Janis to observe: "I am astonished at how simplistically people think about the EU institutions. There is so much more to it than the structure. The political dynamics play into it and some European politicians are very naïve. No one ever really believed, for example, that Weber would become Commission president."

Personalities also matter hugely, argue Janis and Fabian. As the first European Council President, Herman started with a blank piece of paper and made it a very influential role, but it is now less so, showing that it really matters who the person is. It is also key to winning the trust of Berlin and Paris, as Herman did, and "that doesn't come out of the blue," says Janis.

On this issue, Herman agrees that both the Commission and Council rely on Franco-German cooperation and cannot work without it. "Everyone always stresses that the Commission is independent from member states, but what does independence actually mean? It is becoming hugely dependent on the European Parliament and has to look for support in Council for its proposals," especially from Paris and Berlin, he says. "So, it is not the case that the Commission is independent from member states – it needs to be aware of what can be acceptable. It's a very subtle game."

He adds that given how important the Franco-German 'engine' is for the EU to function effectively, the president of the European Council has a key role to play when that engine falters, as it has in recent months amid deep divisions and rising tensions between Paris and Berlin, to bring them back together.

So, where does all this leave the debate on the future of the EU Treaties, particularly in light of the outcome of the Conference on the Future of Europe?

Many of the Conference's strongest champions have insisted all along that EU leaders should not rule out any prospect of changing the EU Treaties. Herman, who had previously argued the Conference should work within the existing Treaties given his concerns about trying to deliver too much, now agrees that some of its ideas that would require treaty change could be taken up.

Indeed, he and the rest of a High-Level Advisory Group to the Conference Observatory, an initiative set up to follow the Conference and make recommendations to feed into its discussions, have called for the creation of a 'Wise Wo|men Group' tasked with identifying core policy priorities and governance reforms.

Fabian agrees that talking about treaty changes before agreeing on the objectives is a case of 'putting the cart before the horse': "What we have now is something which, at best, still functions in reaction to crises;

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we don't have a system that can drive things forward," he says. "We need to have a discussion about what it is we want to do. We have to do that first, and then we can talk about whether we have the right institutions to get there, especially in light of Russia's invasion, which should change our approach."

Herman again draws parallels with national governments and asks: "Do we need to change constitutions at the national level to have better policies?" He points out that Italy, with the same parliament and same institutions as before, had until recently, with Mario Draghi, the most pro-European government. "European institutions are not that different from national institutions, and, in some ways, Europe is the sum of national realities," he says.

But Janis says problems at the national level multiply at the EU level. "What keeps me awake at night? It is the permacrisis; the fear that we are facing all these transitions where we need pro-active policies, and the combination of weakness at the national level and a weak system at the EU level, might create a mixture that could get out of control," he says.

But Herman cautions against too harsh a verdict on the way the EU functions: "The system has to keep adapting to new realities, so we should not be too severe on the European institutions. We are all in the same kind of storm, even if our boats are very different."

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25 years on: The role of think tanks in an ever-changing landscape

In the 25 years since the European Policy Centre (EPC) was founded, the world of EU politics and policymaking has changed profoundly, and so too has the think tank sector.

So, how did Herman view think tanks when he was still an active politician, and how does he see them now, out of office but still a very active contributor to the debate on the key issues of our age? He has a unique perspective after spending eight years in charge of his political party's think tank, and now after seven years as president of the EPC.

Looking back to his time in office, Herman says he, like many leading EU figures, found that the EPC offered real added value because it provided him with a good audience and enabled him to have a broader impact. "That is why European Commissioners say 'yes' when they are invited to speak – they would not say 'yes' if they were not convinced it is worthwhile," he says. "The EPC brings people together; people come to meetings to be informed, to hear what solutions there might be, and to transmit those ideas to their own networks."

Herman says he also found the analysis provided by the EPC very useful. "Receiving two pages of analysis on a key topic was really helpful," he explains, although he adds with a chuckle: "The key is what is in those two pages. If they focus only on the daily political wheeling and dealing, it is not so helpful – I didn't need a think tank to tell me what Angela Merkel or Nicolas Sarkozy had in mind, because I knew that better myself! But it helps to puts things more into perspective."

So why, after stepping down from the European Council, did Herman agree to become president of the EPC when there were so many organisations clamouring for his time and attention? "I thought it was a good investment in terms of time," he explains. "It has kept me stay in touch with European politics, which is important

because when you are out, you are really out – I only saw Donald Tusk four times in his five years in office, and the first time was after one year. I was also convinced the EPC was a good platform for me to share my ideas and receive feedback."

Herman believes think tanks have an important role to play in 21st century policymaking, but he also sees a dilemma: how to balance long-term thinking on difficult topics with focusing on the issues dominating the political debate now, in order to remain relevant. "You can be intellectually interesting but not politically relevant, or politically relevant but not intellectually interesting!" he says.

Fabian and Janis describe how the think tank sector has changed significantly since the EPC was founded 25 years ago. "If you go back to the Nineties, it was a different world," says Janis. But, he argues, things have not changed in a coherent fashion. Fabian echoes this, adding: "The policy environment has changed, the think tank sector has changed a lot (with more competition, different types of organisations in the sector, the arrival of commercial outfits that call themselves think tanks, lobby groups etc.), the way things are done has changed, and the funding environment and what funders expect has changed too."

What has not changed, says Fabian, is what think tanks are for. "For a truly independent, intellectually autonomous think tank, the goal is to impact policy by bringing forward new ideas, providing a platform for exchanges of views, challenging decision-makers in their thinking, and breaking out of silos. Think tanks are part of a healthy democratic system, and the EPC fulfils that role at an EU level," he explains.

Janis says that the "main currency of a think tank is its impact," adding: "We act as a link between academia and the policy world, translating research and thinking into agenda-setting and proposals; being ahead

of our time or keeping an issue on the agenda that would otherwise have dropped off it."

But that raises the thorny issue of how you measure impact. "It is horrendously difficult," admits Fabian. "How do you prove it? The honest answer is: you can't. There are proxies like media mentions, citations etc, but these are very poor measures, and policymakers are often terrible at acknowledging that they took some ideas from us!" he says, although he is quick to stress this is not always a bad thing. "You want policymakers to use your material and not to feel restrained in using it, and if that means they don't refer to us, so be it."

Janis agrees that much of the impact that a think tank like the EPC has is 'invisible'. "The moments you make a real difference are when no one sees you making that difference," he explains, citing the examples of the behind-the-scenes work done to help the Greeks understand Brussels thinking during the eurozone crisis and helping the EU to understand the Greek perspective, or the below-the-radar contribution the EPC has made to the Brexit process.

Going back to the dilemma that Herman highlighted about the balance between being relevant and being interesting, Fabian says, "I don't see that as much of a contradiction. Take the question of relevance and, for example, enlargement: if it doesn't happen, that will have huge implications, so it is relevant even if it is not high on the EU's agenda right now. Enlargement is also about relations with Turkey, the Middle East, and Ukraine. You can't separate these issues out and deal with them in isolation: we are connecting the dots, breaking the silos."

Janis argues that think tanks need both stamina and timing. "You may be doing something because you think it is the right thing to do. It may also be ahead of your time, that you are convinced we should be addressing this because there will be growing awareness further down the line that this issue is important. You need stamina because you might have to wait for a return on your investment, and timing to know when that moment comes. Ukraine and the enlargement question is a good example in this context."

On Herman's other point about the usefulness of short, sharp analyses for politicians, how can think tanks square the circle between demonstrating the depth and quality of the work they have done in a particular area and delivering short, impactful publications that politicians and policymakers can digest easily?

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Fabian says this is a false choice. "What we are writing in those two pages that Herman talked about is a distillation of all the work we have done – the key is distilling it and presenting it in a way that is accessible. That is why we are in a think tank and not in academia; we are doing something qualitatively different. We are trying to answer questions of today, not yesterday (which academics often focus on) – and we can also say things politicians cannot because we don't have to worry about what the electorate will think."

And Janis argues there is "no one trick" to square the circle, and anyway, you do not need to do this. "You do all these things to have an impact, you use all the instruments you have to connect the dots," he insists.

Fabian adds that the role of think tanks also tends to be different from that of academics when it comes to the kind of questions raised by watershed moments like Russia's war of aggression, which is now asking even more of think tanks given the need for long-term strategic thinking on how to respond to its profound impact on a wide range of issues. This kind of structural break prompts policymakers to look for recommendations for future action based not only on an analysis of likely developments but also on an appreciation of what should happen. "At times, the borderline between analysis and advocacy can, and should, be blurry," he says.

Herman agrees that there is a clear distinction between think tankers and academics. "The academic researcher, for the most part, works alone in his or her room; for think tankers, there is a part that is research, but there is also the confrontation with a broader audience, in working groups, events and meetings, formally and informally, which acts as a sort of reality check."

Coming back to the question of relevance, Herman says there is a similar frustration as in politics, although to a lesser degree.

"It may be that one day you can say, 'I told you so', but if you are right too soon, you are seen as a prophet; if you are too late, then you are a historian. In politics, you have to be right at the right time. That is less true for think tanks – they have more time – but they need stamina, stubbornness, and determination."

All three agree that the EPC's membership is an extremely valuable asset. "You have to bring different interests together when you think about certain issues, just as you do in politics, and if our members think what we do is interesting, that is also a valuable check as to whether we are relevant," says Janis.

Fabian also believes the EPC's multi-stakeholder approach is key and distinguishes it from other organisations. "We very consciously have different types of members, and we treat them the same in terms of how they can participate in our activities," he explains. "Our convening power is not separate from our analysis. It really does depend on who you can get around the table: policymakers find outputs developed through a multi-stakeholder approach much more credible."

But this also carries risks. Firstly, involving the membership in the EPC's work could lead to outputs based only on the lowest and smallest common denominator in order to find a consensus. It also links to the question of a think tank's independence and where its funding comes from.

"The era of 'untied' funding is over. If someone is providing funding, it comes with expectations; every funder has an agenda," says Fabian. "You can make a case that it is not good to take money from anyone, but then you would not have any think tanks. The way to ensure your independence and be sustainable is to have a diversity of funding, so that you are not reliant on any one funder."

Janis agrees that attempts to influence think tanks are increasing and that an independent organisation like the EPC must consciously say no to certain things. But, he says, those who recognise the important role think tanks play in our democracies and societies need to help bridge the financing gap. "The other side of this coin is that if you say no, others should step in to support you," he argues.

Herman agrees that this is a crucial issue because question marks over a think tank's funding and, thus, its independence can undermine its credibility and trust, and "trust is the key capital of think tanks – if you lose that, you might as well close the shop," he warns.

The EPC is also wrestling with the challenge of how to adapt to changes in the way European decision-making works and foster more exchanges between member states and Brussels – and that, too, has financial implications. "We need long-term structural support that enables think tanks to do this kind of work. We need funders to come together," says Fabian. "Think tanks will continue to exist even if this doesn't happen, but to realise our full potential, we need support to cooperate with like-minded organisations across borders and foster genuinely transnational debate on the issues facing us all."

As the EPC celebrates its 25th anniversary in 2022 and looks back at the challenges and achievements of the last two and half decades, it is also digesting the lessons of the COVID pandemic, which revolutionised many aspects of the way it works.

"In the past two years, think tanks have been forced to do things that we have been telling ourselves we should do for a long time, such as engaging much more with technology, and becoming more efficient," says Fabian. "The question now is, what do we do with this going forward? There are big challenges ahead for the think tank sector, and to some extent, they are existential."

Janis acknowledges that operating under these conditions "has not been easy," but he adds: "There are a lot of positive things we should take away from this experience: we can attract people who are not in Brussels to work with us if we can also work remotely. Working in this way we have been able to reach out beyond the Brussels sphere much more, which has been extremely valuable. This creates a two-way street: bringing ideas from member states to Brussels and the other way round."

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So, do they think this changed the way think tanks operate forever? "I fear there will be a tendency to go back to the old normal, and that is a tendency we have to resist," says Janis, and Fabian adds: "We have to find a way to get the best of both worlds, but this requires big investments in technology and skills."

Herman agrees that COVID-19 has provided massive opportunities to reach a wider audience. "It gives you huge opportunities to spread your ideas, globally as well, and involve different people from different places inside Europe and outside Europe," he says.

"We have shown a lot of dynamism over the past ten years and without that, the EPC would no longer exist."

But he cautions that in trying to bring new voices to Brussels, think tanks have to ensure that those voices belong to people with a name, a 'reputation', and who are talking about the things people want to hear about – and that brings us back to where we started; namely the issue of relevance.

"Bigger names equal bigger audiences. Europeans are interested in European affairs; Belgians in Belgian affairs, and so on – that is natural. People are only interested in global affairs when they affect their lives," says Herman.

"I hope the EPC will be part of a much more vibrant European sector that has been able to come together structurally, through EU policy debates and real exchanges that cross between capitals. This is what we should work towards."

Where will the EPC and the European think tank sector as a whole be a decade from now? "We have shown a lot of dynamism over the past ten years, and without that, the EPC would no longer exist – it would have suffered a slow, gradual death," says Janis, insisting that it will continue to change by adapting to new realities and needs. "If we don't, then we will become irrelevant and that is the worst thing that can happen to a think tank."

Fabian also believes that ten years from now, the world will have changed and think tanks will have to adapt too. And that, he says, is a good thing. "A think tank has to remain innovative," he insists, adding: "I hope the EPC will be part of a much more vibrant European sector that has been able to come together structurally, through EU policy debates and real exchanges that cross between capitals. This is what we should work towards. Will we also have more enlightened approaches to think tanks that recognise the value they can bring? I hope so."

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TURNING FEAR INTO HOPE

In these conversations, Herman Van Rompuy shares his wisdom on some of the major past, current and future issues confronting the European Union, brought to life as if you are in the room with Herman himself, thanks to the interaction and debate with the EPC's leadership team of Fabian Zuleeg and Janis A. Emmanouilidis, skilfully conducted and edited by Jacki Davis.

The book covers topics such as the euro and migration crises, the legacy of COVID-19, the impact of Russia's war of aggression, the Green Deal, the technological revolution, the EU's institutional set-up, and the role of think tanks in an ever-changing landscape. It considers questions such as: What does the Russian invasion of Ukraine tell us about Europe's future role in the world? Have EU leaders done enough to prepare for future crises? What is the way forward? All this and more - and find out which question sparked the most heated exchanges of all the conversations recorded in this book! An insightful read from three different perspectives on the challenges facing the EU today.