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Europe's moment of truth: United by adversity?

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Table of contents

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Russia's invasion of Ukraine is a major transgression against, and tragedy for, a sovereign country and its people wanting to determine their own future. There is no justification for this war of aggression and the war crimes that Russian troops have already carried out[1] – all driven by revisionist ideology and the neo-imperial ambitions of President Putin and his supporters.

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A watershed moment in European history

The war is aimed at not only Ukraine but all liberal democracies, directly challenging our interests and values and putting into question the European and international order. Russia's invasion is a **watershed** for Europe[2] – or, as Chancellor Scholz dubbed it, a *Zeitenwende* –, signalling the dawn of a new era. All our societies are or will be, sooner rather than later, affected profoundly by this moment, and inaction is not an option. EU and national policies will have to change radically, as the *status quo ante* no longer exists and will not return, no matter how hard some might wish this to be the case. The Union must move forward, and to do so, the EU27 will have to demonstrate both unity and ambition along a concrete reform path.[3] If the EU and its member states do not act now, we will live in a world determined by others, with stifling constraints on our ability to shape our future and defend our values and interests for generations to come.

In response to the 24 February attack, **the EU27 have acted more decisively, united and faster than in any other crisis** since 2007. Contrary to Putin's original objectives, the transatlantic alliance has been reinvigorated, and the US is again fully engaged in Europe (at least, for the time being).[4] Out of fear that this major crisis could spiral further out of control, the EU and its member states have understood that there is no alternative but to counter the full-scale invasion of Ukraine. Not doing so would invite the Kremlin to continue down the path Putin embarked on 15 years ago, and also send the wrong signals in view of future geopolitical or geo-economic crises. While some in the EU (and beyond) have been naive about Putin's intentions, **the age of innocence clearly ended when Russian tanks crossed the Ukrainian border**.

No time for self-congratulation

The EU and NATO have been, and are, rightly trying to avoid a direct military confrontation with Russia to prevent a further escalation of the conflict, which could lead to the use of nuclear weapons or other weapons of mass destruction. But the EU27 have, in conjunction with the US and other like-minded partners, shown real resolve and determination, breaking many taboos. The list of measures is already long: far-reaching economic sanctions; the withdrawal of companies from Russia; welcoming millions of Ukrainian refugees; humanitarian and unprecedented military support to Kyiv;[5] strengthening the transatlantic alliance, reaffirming the US' strong commitment to NATO, and Finland and Sweden joining the Atlantic Alliance;[6] Denmark ditching its EU defence opt-out; granting Ukraine and Moldova EU candidate status;[7] and policy changes across a range of fields, including proposals to increase military spending and decrease energy dependence on Russia.[8]

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Although the EU and its member states reacted more decisively than many expected, this is **no time for self-congratulation**.[9] The EU27 must do more. EU institutions and member states will have to put other taboos to rest, doing what would have been unthinkable only a few months ago.

In the first months of the war, unity in the EU held, despite some differences on particular policy issues, such as the extent and pace of energy sanctions. But there are **worrying signs that the remarkable unity of purpose will not hold indefinitely**.

In recent statements and political interactions among EU leaders, cracks are starting to appear, as demonstrated during the May EU summit on the question of a comprehensive oil embargo. These mounting differences are, in many ways, the result of diverging views within member states and among national capitals on how to deal with Ukraine's future and how to jointly respond to fundamental questions that need to be addressed in reaction to this *Zeitenwende*. Trust among the EU27 is under pressure.

The age of permacrisis

The manifold geopolitical and economic consequences of the war pose a fundamental challenge to the EU and its allies. But even before Russia invaded Ukraine, the Union had been struggling with multiple, interrelated crises (i.e. poly-crisis) over the last decades. From previous Russian acts of aggression to the migration management crisis, from rule-of-law disputes to populism, from the financial and debt crisis to the adverse social and economic impacts of COVID-19, from the 'Greek crisis' to Brexit, the EU and its member states have endured one crisis after another, in a phenomenon dubbed by the EPC as 'permacrisis'.[10] In addition, the Union has been facing profound transitions, including ageing societies, a global technological revolution and the existential threat of climate change, all altered and accentuated first by the pandemic and now by the war in Ukraine.

The EU and its member states have endured one crisis after another, in a phenomenon dubbed by the EPC as 'permacrisis'.

Putin's war of aggression has opened a novel chapter of the permacrisis, forcing the EU27 to react swiftly. But more will also have to be done structurally in the long term: EU institutions and member states should **expect and prepare for the worst to avoid the worst**. This was the approach taken during the COVID-19 crisis, and this motto should once again guide the Union through the accelerating permacrisis. There is no time to 'digest' or wait to see the impact of decisions already taken. There is no time for crisis fatigue. On the contrary, there is a need to intensify the EU's responses and policy actions, and then maintain momentum at both the European and national levels.

EU leaders must have the political will, unity and stamina to prepare the Union for a new era without taboos in any policy area.[11] While the EU managed to survive the previous chapters of the permacrisis, **it did not make the far-reaching structural changes necessary to address the underlying causes and multiple consequences** of the crises experienced since 2007. The EU27 did as much as they had to in order to avoid crises from spiralling out of control.

But this time, they need to seek and identify more durable solutions. Europeans should not find themselves in a position further down the line where we ask ourselves again why we did not act earlier, or decisively and forcefully enough, to tackle long-term strategic questions. Today, we are asking ourselves why we did not draw the right conclusions in 2008 or 2014. This should not happen again, especially when issues of war and peace are at stake. Europe's future will be determined now, and we must avoid entering a situation where we once again regret why we did not do what should have been done.

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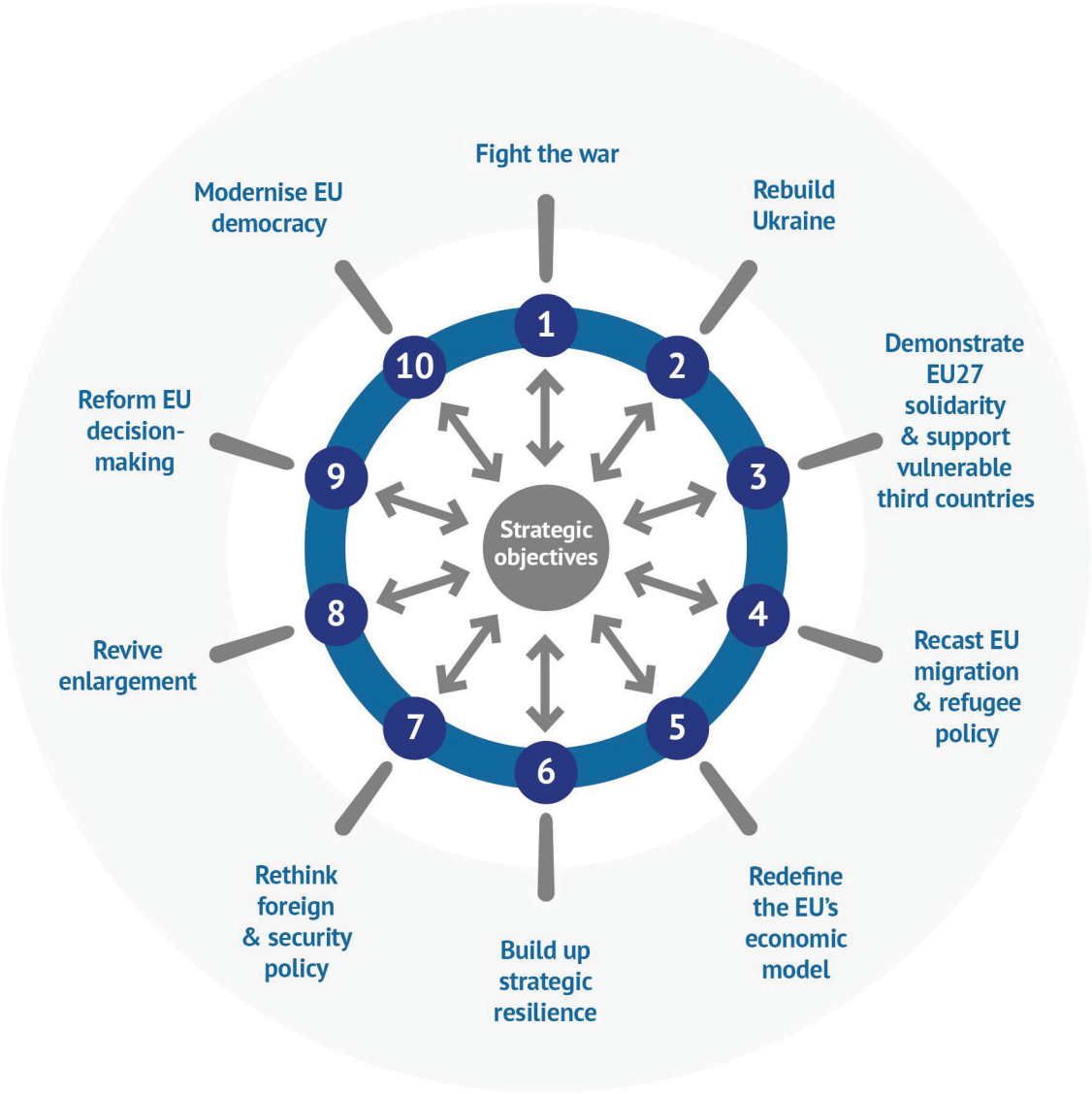
This is especially the case since all these crises are interrelated and given that we are moving seamlessly from one emergency to the next.[12] To put it differently: we are **experiencing a poly-crisis in the context of an enduring permacrisis**. The cost-of-living crisis is battering consumers and decreasing the competitiveness of European industry. Inflation has, once again, become a major issue. This also has a political impact: populists offer simple solutions to complex problems while mainstream actors struggle to counter the effects of the war, including soaring energy prices. Some are starting to put long-term goals, such as climate change mitigation, into question. **Only by addressing these multiple crises strategically and structurally, recognising their interrelatedness, can long-lasting and persuasive solutions be found.**[13]

Fig. 1

SETTING A STRATEGIC DIRECTION TO STEER THE EU'S SHORT- AND LONG-TERM POLICIES



The urgent need for strategic direction

Russia's aggression has shown that only by acting together can the Union hope to remain an effective player that can defend its interests and values. But there is now a need to **look more profoundly at how EU countries will collaborate in the future and how all its policies must be radically adapted** to meet this *Zeitenwende*. This is particularly crucial in the medium to long term. While in the short term, the EU's reactions to the war are largely driven by events, the strategic decisions that must be taken at the national and European levels are hardly discussed. These profound policy choices not only matter for the Union's long-term future. They also determine how the Union can react to the new era in the short term and whether EU27 unity will hold or break.

It was already clear before Russia's war of aggression that the European integration process had to change and acquire a new dynamic. But it has now become unavoidable. The EU has a strategic imperative to develop the capacities and capabilities to react to fundamental challenges quickly, decisively and jointly. This will require not only the development of new crisis instruments and contingency mechanisms but also **changes to the Union's underlying decision-making structures**. Additionally, it will entail finding new ways to combine national powers and capabilities with the supranational strength of the Union's institutions and the Community method.[14] Crucial lessons can be learned from how the EU managed the Brexit process successfully.[15]

The need for action is clear, but the challenge of responding to the new realities in practice is enormous, including finding answers to fundamental questions about the overall direction of travel with profound political implications. The guiding principle ought to be that the necessary actions follow the strategic objectives. In other words, the EU27 must set strategic goals in conjunction and coordination with its allies and Ukraine, and then do whatever it takes to deliver the goals.

The EU27 must set strategic goals and then do whatever it takes to deliver the goals.

A key challenge will be the pervasiveness, as well as the interconnection, of such strategic goals. **Policymaking that needs fundamental rethinking ranges across economic, social, environmental, political, institutional and security**, as well as the EU's relationship with and support for Ukraine. Fundamental changes will also have to be implemented nationally, impacting domestic politics directly.

10 broad areas where the *Zeitenwende* must be reflected are listed below, with an outline of a series of questions for each area that need to be addressed (see Annex). Although all important, fundamental choices on prioritisation and sequencing will have to be made – not all issues can be addressed at once, and indeed, there may be trade-offs between different strategic objectives at any given point in time. But it needs to be clear what the imperative for action is at every step of the way, at every moment in time.

Discussions about the Union's strategic goals and their sequencing must start now and lead to decisive action once an agreement on the overall objectives has been found. It would be delusional to think that we have time to spare. Implementing strategic decisions on, for example, the EU's defence capabilities or the need to enhance the Union's absorption capacity in view of future rounds of enlargement will be cumbersome and, in most cases, take years. And potential international developments, including, for example, the uncertain outcome of the next presidential elections in the US, are putting even more pressure on us to start delivering now. To get things going more forcefully, there is an urgent need to foster strategic debates at the pan-European level, gathering thinkers and key voices that can trigger debates in all member states. Following the Conference on the Future of Europe, a **Wise Wo|men Group should be established to provide a forum for reflecting on Europe's future trajectory, identifying core policy priorities and governance reforms.**[16]

Many objectives can be accomplished based on the existing EU treaties. However, some innovations will also require amending the Union's primary law to ensure that the EU can structurally respond to current and future challenges more efficiently. It is thus **necessary to identify a list of concrete treaty changes as the basis for amending the EU treaties**. Identifying specific amendments could help guarantee that future efforts to adapt the Union's primary law will differ from the European Convention experience in 2002-03, as the process would be based on a more clearly defined mandate and limited timeframe.

Strategic thinking has never been a particular strength of the EU or its member states. So, one can assume that setting strategic goals and implementing them will again prove enormously difficult in the current environment. It will not only require sacrifices, political will and leadership, and the dedication to reach the common goals to the bitter end but also entail breaking old taboos. We can no longer respond to this new era while clinging to outmoded policy responses or national reflexes determined by narrow national considerations. A crucial part of this is recognising that short-term economic interests and even necessities can no longer override strategic geopolitical and geo-economic imperatives.

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Strategic thinking is not in the current DNA of the EU institutions or most member states. Rather, past experiences have shown that the EU27 tend to fall back on reactive 'muddling through'.[17] But **the inevitable outcome of an incomplete and half-hearted response is fragmentation and, ultimately, the EU and its member states becoming irrelevant in this new global environment**. It would imply that the EU27 can no longer respond to new aspects of the permacrisis and, in the end, undermine the freedom, peace and prosperity of current and future generations.

The future is now

The EU is called upon to defend its values and interests. If we fail, liberal democracy in Europe and the world will be weakened – potentially fatally. **We are at a decision point where we must choose whether to do things differently to ensure that we are able to respond to the permacrisis** and Russia's challenge to our liberal democracies, or whether we fall back on the fragmented and ineffective responses of the past. While this war has led to policy reactions that were unthinkable only a few months ago, taking the more difficult route of fundamental change is not a foregone conclusion.

If the EU makes the wrong choices, Putin (or his successors) will damage liberal democracy, regardless of the outcome in Ukraine. Europe is at a critical juncture and must take the right turn. Either it opts for a joint future that enables the EU to not only stand up to Putin now but also address future common challenges, or it will fragment and drift into irrelevance, leading to an inability to defend its values and interests. It is now up to us to decide whether the European integration project can once again become a unique, successful experiment in dealing with major conflicts in Europe and beyond.

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But to get there, the EU27 will have to match the notion of a *Zeitenwende* with strategic choices, ambitious objectives and concrete deeds rather than fall back on traditional and familiar modes of thinking and acting. Europe's future is being determined now, and we should avoid ending up in a situation where we ask ourselves, again, why we did not do what we should have done.

Annex: Guiding questions and strategic choices that need to be addressed across 10 key areas

1. Fight the war

- What support is needed for Ukraine in the long term, and not just militarily?
- What is our strategic goal regarding the outcome of the war, and how can we adapt to different scenarios on the ground?
- Under what circumstances will a ceasefire become possible, and how can it be guaranteed?
- What must be done to prevent a further escalation of the war, now or in future?
- What role do countries not engaged on the battlefield play, in the EU and beyond?
- What can be done to further constrain Russia's ability to act, including embargoes and sanctions?
- What is the right communication towards Ukraine about EU integration and protection, and towards Russia?
- How can the transatlantic cooperation be strengthened in complementarity with EU actions?
- How can unity be encouraged and sustained among EU member states?
- How should we deal with the war crimes committed in Ukraine?

2. Rebuild Ukraine

- What will the needs of the post-war Ukrainian economy be?
- Who will provide the long-term funding for the country's reconstruction?
- How can Ukraine prepare for economic integration with the Single Market?
- How will Ukraine's investment needs, including in security, be met?
- Where will Ukraine source energy and raw materials from, and how will it pay for them?
- How can Ukrainian institutions be constructed to be robust and prevent corruption and mismanagement?
- What clashes might arise between running a war economy and developing a modern social market economy?
- What role will returning refugees and the Ukrainian diaspora play in the reconstruction process?

3. Demonstrate EU27 solidarity & support vulnerable third countries

- What instruments are needed to cushion the impact of Putin's war on the most vulnerable and affected sectors, social groups and countries, especially in the context of the cost-of-living crisis?
- How will the existing instruments need to be adjusted (i.e. cohesion policy, Recovery and Resilience Facility, European Stability Mechanism)?
- How much political conditionality is necessary and desirable? Who will finance transfers, and how?
- How can the war's negative impact on food and energy security in developing countries be mitigated?
- Should the EU use development aid more strategically?

4. Recast EU migration & refugee policy

- Beyond the immediate need to host Ukrainian refugees, what are our goals in terms of integrating them into our societies or helping them return to Ukraine successfully?
- What impact will the arrival of millions of Ukrainian refugees have on the prospects for economic migration and refugee policy for non-Ukrainians, especially from the Mediterranean?
- How can we prepare for the ongoing potential 'weaponisation' of refugees by Russia and potentially others?
- How can we use the changed circumstances to lever a more fundamental structural reform of EU refugee and migration policy?

5. Redefine the EU's economic model

- How will macroeconomic governance need to be adjusted in, for example, terms of inflation, debt/deficits, or public and social investment?
- What is the right balance in fiscal spending, due to higher military/security expenditure?
- Does the EU need a larger budget and/or the ability to borrow permanently?
- Can the EU achieve compatibility between the measures necessary to fight the war and the multiple transitions, particularly the existential threat of climate change?
- What kind of agricultural policy will the EU require in future, also in light of Ukraine's potential integration into the Union?
- How can sufficient investments be generated to address multiple objectives, including EU security?
- Can the negative economic impact of the crisis be cushioned while mitigating the cost-of-living crisis?
- How can we deal with the recessionary trends arising from the war and from an increasingly challenging global economic environment?
- How can the EU27 secure stable supply chains, and what role will the Single Market play in future?
- Should the EU pursue a different and less growth-oriented economic and social model?

6. Build up strategic resilience

- How can we achieve the necessary decoupling from Russian energy and raw materials, and how quickly can we do so?
- How can we address our strategic vulnerabilities and dependencies on other countries in Europe and beyond?
- What kind of industrial policy is necessary to achieve the necessary degree of strategic autonomy, including in future technologies?
- How can our economy be better prepared for economic/global shocks, including via redundancies and contingency mechanisms?
- How can we ensure greater efficiency and effectiveness in military spending?
- What role should we play when coordinating defence investments, and how should the EU27 define the scope of the mutual defence clause (Article 42.7 TEU)?

7. Rethink foreign & security policy

- What role should the EU play in foreign and security policy, including in providing future security guarantees for Ukraine?
- What kind of structural changes are necessary to prepare the Common Foreign and Security Policy (CFSP) for the future?
- What changes to decision-making mechanisms are necessary?
- Will changes to the CFSP involve a stronger focus on potential 'coalitions of the willing'?
- How can foreign and security policy be integrated with other policy areas, such as trade, agriculture, migration or energy?
- How can we create greater complementarity between the EU and NATO, including the Union's relationships with the US and the UK?
- How can we fight hybrid wars in the future?
- What role will Russia play in Europe's future security environment?
- How does the war in Ukraine affect the Union's relationship with China?
- How can the EU prepare for a potential future disengagement by the US?

8. Revive enlargement

- How can the enlargement process be revived and include a realistic (but not immediate) path to EU membership for Ukraine and/or Moldova?
- What does the candidate status of Ukraine and Moldova imply for other candidate countries, especially in the Western Balkans? What does it imply for Turkey or Georgia?
- What are the necessary reforms to be carried out within the EU to prepare for future rounds of EU enlargement, including mechanisms that prevent democratic backsliding?
- Are there useful models of external differentiated integration that can be applied to the current environment?
- Can new models of internal and external differentiation[18] (including the potential establishment of a European political community) provide a way forward for the relationships between EU member states, and with third countries?

9. Reform EU decision-making

- What structural changes are necessary to ensure that the EU can act faster and more decisively to current and future crises?
- Do we need new decision-making mechanisms (e.g. unanimity-minus-one, super-qualified majority voting)?
- What concrete treaty changes are necessary to improve EU governance?
- Are there actions that must take place outside the community mechanisms?
- How can the EU's state capacity be enhanced?

10. Modernise EU democracy

- How can EU democracies be better equipped to fight off internal and external threats, including in the cybersphere, and mis- and disinformation that seek to destabilise governments and societies?
- How should EU democracy be reformed to ensure it can deliver on citizens' expectations?
- How can populations, especially young people, be engaged in the political process and mobilised to defend the freedoms that have been achieved?
- How can the benefits of representative democracy be linked with the need to enhance citizens' participation in the Union's policymaking processes by adding new deliberative instruments to the existing toolbox?[19]
- How can the rule-of-law challenge to European integration be addressed more effectively?
- What is the political response to the populist challenge that will threaten to undermine the EU's response to the war and global challenges (e.g. climate change) in the future?

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NOTES

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The **European Politics and Institutions** programme covers the EU's institutional architecture, governance and policymaking to ensure that it can move forward and respond to the challenges of the 21st century democratically and effectively. It also monitors and analyses political developments at the EU level and in the member states, discussing the key questions of how to involve European citizens in the discussions over the Union's future and how to win their support for European integration. The programme has a special focus on enlargement policy towards the Western Balkans, questions of EU institutional reform and illiberal trends in European democracies.

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