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> Sustainable Integration in a Demoicratic Polity: A New (or not so new) Ambition For the European Union after Brexit

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Abstract: This essay argues that the EU after Brexit needs to heed the British message: we must take what is good about the EU while guarding against its own propensity for over-reach. We need to reshape a Europe that a majority of citizens in every EU member state, including today's Britain, would want to be part of. Such a vision should be labeled sustainable integration, which is most fundamentally about changing the way we change and turning the sustainability gestalt into a broader philosophy of transnational governance. The piece suggests some of the specific ways in which the EU could become the guardian of the long term as a "democracy-with-foresight" and argues that it is plausible to imagine broad majorities embracing the complexity of the task thanks to the simplicity of the vision.

## Guardian of the Long Term

What future for the EU after Brexit?

On March 25<sup>th</sup> 2017, the leaders and citizens of Europe met in Rome to "celebrate" the Union's 60<sup>th</sup> anniversary. Much was fascinating on that day. For a moment, it felt as though people were marching from every piazza of the beautiful city and manifestoes were drafted under every portico. And yet, for every pro-Europeans speaking passionately about how the EU lacks passion, there was an anti-European shouting her disenchantment. To the former's *sixty is sexy*, the later echoed *sixty is passé*. And of course, there was no bridging. Nor was there much said about a Brexit to be triggered four days later. Officialdom in the meanwhile paid lip-service to Juncker's commission call for making variable geometry the new EU narrative. The moment past.

Yet, the perennial question of the future of the EU has changed in tone and gravity since its 50<sup>th</sup> anniversary. While the multi-dimensional crisis besetting the Union since 2008

<sup>&</sup>lt;sup>1</sup> See Phinnemore, David and Alex Warleigh-Lack (2009) Reflections on European Integration, London: Palgrave.

had already raised the stakes, with Brexit, we have truly entered existential territory. If the EU is now demonstrably a polity that can shrink, who is to say that it cannot shrink to nothing? If vast pluralities across the continent echo the feelings of British No-sayers, who is to say where this mood will take us next? Is it possible to bring back to the fold a European public beguiled by the sirens of Brexit? How can European leaders signal to the European public that Brexit or not the European ship is still afloat? And how can European publics re-imagine their role in this endeavor.

The response from officialdom has been predictable along the classic three-pronged wheel of institutions, policies and structural "solutions." On institutions, magic bullets are shot around like an EMU parliament or more Spitzenkandidat (what percentage of Europeans can spell that word?!) as if these were the expressions of democracy citizens most cared about. On policies, leaders predictably promise "concrete progress" - from control of migration and external borders to deeper cooperation in internal and external security or youth employment –but these worthy goals are bound to be betrayed, at least to some extent, some of the time. And on structure, we hear about variable geometry which has been the hallmark of EU integration since Maastricht. But doing more with less countries is not only restating the obvious when it comes to EMU and Schengen, but it assumes that most citizens want to do more in the "core" countries, while most citizens from the "periphery" are happy to be do less.

Here I argue that whatever the partial merits of these various recipes, unless European officials free themselves from the tyranny of dichotomies, where the agenda before us is solely framed as more vs less Europe, there is little chance of reconciling a majority of Europe's citizens with the project. Instead we need to talk about the common goals that requires us Europeans to continue to work together or separately at all levels of governance- we need to talk about substance. As Grabbe and Lehne argue "public debate about climate change, conflict resolution, and aging populations would bust the myth that societies can somehow return to a former golden age when national governments could solve problems by themselves." <sup>2</sup> These great debates are connected by a common thread, a single imperative which all people are coming to understand with increasing clarity: the sustainability imperative.

If in Europe and beyond, we are plagued by short termism - whether governments acting under emergency powers as a matter of routine, or markets wedded to short-term returns - what better to justify anew the process of European integration than to proclaim loud and clear the EU's commitment to long term goals irrespective of short term expediency. I will argue that, the EU is best placed to institutionalise the idea of sustainability, the idea that we must act together if we are going to survive as a species, and that a peace project such as ours can best justify short term sacrifices against long term goals.

Sustaining our polity as the guardian of the future, a means to an end, can be the new core motive for the European project committed to sustaining cooperation among states.<sup>3</sup> I have suggested that such a vision should be labeled sustainable integration,

<sup>&</sup>lt;sup>2</sup> http://carnegieeurope.eu/2017/03/17/closing-of-european-mind-and-how-to-reopen-it-pub-68317

<sup>&</sup>lt;sup>3</sup> On the big picture, see Yuval Noah Harari's masterful Sapiens, A Brief Histor

making the EU the guardian of the long term for its citizens.<sup>4</sup> Such a vision is meant to turn a moral and pragmatic commitment to sustainability as a policy goal into a broader philosophy of transnational governance. It is altogether a practice, an ethos and a state of mind. As a governing idea of integration it calls for pursuing fairer rather than faster or deeper integration, through processes that are politically acceptable across generations.

I define sustainable integration in the EU as the "durable ability to sustain cooperation within the Union in spite of the heterogeneity of its population and of their national political arrangements." One way to think about this definition is embrace the fact that sustainability calls for eschewing simple temptations that close rather than open long term horizons, such as blind trust in a leader or blaming our neighbours.

In other words, sustainable integration calls for embracing the complexity of the task thanks to the simplicity of the vision.<sup>5</sup>

The need to think about sustainable integration was made abundantly clear by the ways in which the financial crisis rendered visible for all the flaws of EMU in 2010. As EU turns 60, commitment to sustainable integration has become more plausible and yet remains too narrowly defined, under-operationalized and under-theorised.

In the wake of Brexit, sustainable integration could be seen as a truism: integration is about staying together over time by definition. Except that it is not. Integration is only sustainable if it is about staying together by choice over time. The idea that the peoples of Europe can exercise their right to leave democratically if they so wish is a truly good thing. Such a right of exit is what makes the EU a federal Union rather than a federal State. Yet, Brexit may be good as exemplifying a worthy potential but it is bad thing to imagine an exit-domino where the unravelling of the union leaves everyone worse off. Sustainable integration then starts with warding off disintegration, stating loud and clear to the world and to ourselves that the EU is here to stay, even if and perhaps because its peoples, like the UK, are free to go.

As a result, the key to thinking about sustainable integration is to ask what kinds of policies and institutional arrangements together constitute an equilibrium overtime, which may make the exercise of exit less palatable. If we assume that such arrangements need to be adaptable in the face of internal and external shocks, sustainable integration is about changing the way we change in the EU. Change in the EU needs to encompass goals and processes that take into account the differential impact of a changing world on various arrays of citizens, groups and countries *in the longer term*. Emergency decision-making can be necessary but it is never sufficient even in the here and now.

This in turn brings us back to the question of legitimacy.

<sup>&</sup>lt;sup>4</sup> This was my conclusion as we attempted to draw the early lessons from the Euro-crisis in a European Council "wiseman group" chaired by Felipe Gonzales. See Nicolaidis, Kalypso. (2010) EU 2.0? Towards Sustainable Integration. Open Democracy. (https://www.opendemocracy.net/kalypso-nicola%oC3%oAFdis/project-europe-2030-towards-sustainable-integration); Nicolaidis, Kalypso (2010), "Sustainable Integration: Towards EU 2.0?" The JCMS Annual Review Lecture, Journal of Common Market Studies, Volume 48 Annual Review: 21–54. On the wise man group process see also Kalypso Nicolaidis, Project Europe 2030: Reflection and Revival, Open Democracy, May 2010, and http://kalypsonicolaidis.com/2015/07/26/europe-2030/

<sup>&</sup>lt;sup>5</sup> Innerarity, Daniel. "What kind of deficit? Problems of legitimacy in the European Union." *European Journal of Social Theory* 17.3 (2014): 307-325; For a recent discussion, see Martinico, Giuseppe: The Asymmetric Bet of Europe, *VerfBlog*, 2017/3/12, http://verfassungsblog.de/the-asymmetric-bet-of-europe/, DOI: https://dx.doi.org/10.17176/20170313-101421.

Activists and scholars agree that the EU is in dire need of more meaningful democracy but disagree on what this means exactly because no solution out there seems to avoid the Scylla of complexity without stumbling on the Charybdis of simplistic mimetism (reproducing state like institutions at the EU level). I argue here that focusing on sustainable integration allows us to chart a way through this aporia. First, by accepting as unavoidable fact that the EU is democratically-challenged, in spite of all its worthy mechanisms for representations, delegation and checks and balance. Second, by turning this flaw into an asset: because the EU is a sum of governments which cannot be collectively impeached, it ought to be about democracy-with-foresight, partially shielded from the short-term ups and downs of electoral politics, yet solidly grounded on participatory networks and attuned to the overwhelming desire of the public to preserve our world for our children and grandchildren. To atone for its current shortcomings in collective accountability, the EU must become accountable to those who are not represented today as well as to the aspirations of contemporary publics to break free from the prison of St Augustin's eternal present.

In other words, to those who are bothered with the EU's dissemblance with classical national democracies as we know them in our individual member states (flawed as they are) the argument put forward here is: this may be true, but there is a silver lining to the EU's complexity. And to those who argue that such complexity is unavoidable and par for the course, this is an invitation to resist complacency: the complexity of an unimpeachable governing structure must offer a recognizable payoff which is not simply paternalistic (eg you don't understand how we decide but let us do what is good for you).

A number of us have sought to theorize the novel kind of transnational democracy which the EU calls for under the label of demoicracy. Accordingly, democratic sustainability is predicated on giving up the idea that European democracy can and should take the form of national democracy writ-large. Instead, the EU needs to be gradually perfected as a demoicracy in the making, which I define as "a Union of peoples, defined both as citizens and states, who govern together but not as one." This credo is based on the belief that the EU has since its inception approximated (and at times like now subverted) a new political form predicated both on the autonomy of its peoples' governing arrangement and on their radical openness to each other. In other words, a demoicracy is a terribly ambitious ideal, which does not call for the core democratic sign post present in its member states: when unhappy, the people can throw the rascals out.

It is easy to see why this ideal represents an unstable equilibrium: an equilibrium sociologically, because it represents a third way between opposing forces – those who prefer to centralise the management of interdependence and those which prefer to minimise interdependence; and an equilibrium normatively, in translating for a democratic era the Kantian requisite for "perpetual peace" as a law-based arrangement between self-governing states. But this equilibrium is unstable, precisely because the opposing forces of sovereignism (today translated in new populist movements) and federal messianism (typically EU officialdom and idealistic pro-European movements)

<sup>&</sup>lt;sup>6</sup> Bellamy, Richard. 2013. "An Ever Closer Union Among the Peoples of Europe": Republican Intergovernmentalism and Demoicratic Representation within the EU. *Journal of European Integration*, 35 (5): 419-516; Nicolaïdis, Kalypso. 2013. European Demoicracy and its Crisis. *Journal of Common Market Studies*, 51 (2), pp. 351-69; Cheneval, F., Lavenex, S. and Schimmelfennig, F., 2015. Demoicracy in the European Union: principles, institutions, policies. *Journal of European Public Policy*, 22(1), pp.1-18; Lindseth, 2013; also Bellamy in this volume.

pull the project apart. In this context, the proposition which I defend here is that explicitly and recognizably adopting the overarching goal of sustainable integration may help legitimise the novel demoicratic form that is the EU and turn it into a more stable equilibrium than competing alternatives.

Below, I succinctly explore the implications of a commitment to sustainable integration in a demoicratic polity on the three fronts of institutions, policies and structure.

## Institutions: Democracy of a different kind

While in the last decades too much political energy has been spent on discussing institutional distribution of power and decision making rules in the EU, the alternative is not to simply come back to a "Europe of results." To ask what a polity is about is to ask who is doing the asking and how action is pursued. Output legitimacy depends on input processes which set the ambition of collective action. And while is a testimony to the staying power of EU institutions that they have hardly been reformed since the EU's inception, they have nevertheless permitted a dangerous drift away from the demoicrat's attachment to non-domination between demoi and individuals – in the lack of restraint of big states in overcoming the preferences of smaller states, the rising coercive proclivities of the centre, the technocratic monopolization of power and the depolitization of decision-making..

This means first that a shared commitment to fostering a sustainable integration culture could go a long way in reasserting the shared leadership and ownership that has been lost. The lasting power of EU institutions will certainly be bolstered if they best allow the conduct of our affairs today in systematically self-reflexive ways, even when emergency action might be required. EU actors would pool their different comparative advantage in systematically assess short-term actions against long-term goals when bargaining over EU action. This could start by shaping bolder and more political versions of current tools such as the Strategic Environmental Assessment or Regulatory Impact Assessment as well as methods involving foresight, horizon scanning, scenario development and visioning. In time, the tradeoffs and predictions involved would be at the heart of public debate across the EU.

Second and as a result, beyond policy-making and legislative processes, beyond even demands for transparency and participation, sustainable integration requires a much deeper democratic aggiornamento to the extent that it demands of citizens that they act on not only their rights but also their responsibilities, and more generally that they connect more self-consciously their actions in the political, social and private spheres. It is interesting that the UN describes the sustainable development goals as "an Agenda of

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<sup>&</sup>lt;sup>7</sup> For a discussion in political theory see for instance Caney, Simon. (in press). 'Political Institutions for the Future: A Fivefold Package' in A. Gosseries and I. González Ricoy (eds) *Institutions for Future Generations*, Oxford: Oxford University Press.

<sup>&</sup>lt;sup>8</sup> The Commission could make full use of its own strategic long-term foresight capability (EPSC), of the European Strategy and Policy Analysis System (ESPAS) and of other relevant agencies such as the European Environmental Agency and the Sustainable Development Observatory (SDO). It could extend the remit of the Regulatory Scrutiny Board (RSB) in assessing the sustainability of Commission proposals against the economic, social and environmental impacts. The EU Statistical Office needs to develop better indicators beyond GDP and could use existing European Semester as Sustainability Drivers and monitors of Corporate Social Responsibility. And at different levels, the practice of sustainability ambassadors could be extended too. See Falkenberg, op cit.

the people, by the people and for the people." In other words, for such an agenda to be politically sustainable, *how* it is implemented is a prerequisite to *what* is pursued. Years of learning-by-doing have shown that such ambitious long term goals need to be applied through empowerment rather than centralization, through the channeling of local democratic energies, in the spirit of the groundswell of 'bottom up' climate action pledged under COP21 fourth pillar. <sup>9</sup>.

If sustainable integration is best grounded in the decentralised enacting of transformative strategies by people individually, in groups or as national communities, then it must rely on the separate if overlapping democratic spaces that constitute the demoicratic polity. This is less about organized subsidiarity as a top-down criterion for refraining to act at the center than organic subsidiarity as a citizen-centred concept of EU democratic dynamics. Politics-across-borders must mirror the potential and restraint called for by contemporary patterns of technological innovation. <sup>10</sup> If it is to enroll young generations, the EU could do much to harness networked forms of cooperation central to our virtual times, with emphasis on empowerment, resilience, robustness, distributed intelligence and adaptive learning. <sup>11</sup>

Under these condition the EU can be involved in the coordination of state powers needed for sustainable integration without the kind of centralisation that will continue to elicit mass contestation. And under such conditions we can hope to entrench greater transnational solidarity – a necessary ingredient to keep alive the demoicratic vision of a community of peoples that are "bound together, but not obligated."

#### Policies: Sustainability across the board

Sustainable integration privileges certain policy fields over others. It builds on our avowed commitment to sustainability as a goal for our global environment as well as for 'sustainable cities', 'sustainable security', 'sustainable welfare states', 'sustainable agriculture,' 'sustainable landscapes,' 'sustainable cultures' or in UN parlance, 'sustainable development goals (SDGs). Crucially, the EU is now itself under the obligation to pursue the 17 sustainable SDGs spelled out in 2015 by the United Nations, building on lessons learned from the previous Millennium goals from which the developed world had been exempted. That these goals are now applicable to the EU rather than a standard that we somehow for the rest of the world is a move whose implications we are only just beginning to explore. The "transition to sustainability" is about the ways in which how all nations are (or should be) repositioning their economies, their societies and their

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<sup>&</sup>lt;sup>9</sup> Hale, Thomas. (2016). "All Hands on Deck": The Paris Agreement and Nonstate Climate Action, *Global Environmental Politics*, Volume 16 (3).

<sup>&</sup>lt;sup>10</sup> Henning Meyer, Five Filters Moderate The Technological Revolution, Social Europe, July 2016

<sup>&</sup>lt;sup>11</sup> See inter alia Slaughter, Anne Marie. (2017). The Chessboard and the Web: Strategies of Connection in a Networked World, New Haven: Yale University Press.

 $<sup>^{12}</sup>$  In addition to the 17 goals, there are 169 targets and 230 global indicators. 'Sustainable development' was put on the UN agenda in 1987 by the Brundtland report.

<sup>&</sup>lt;sup>13</sup> A remarkable Commission report on sustainability explains: "This Agenda sets longer term policy objectives. It is an opportunity for the Commission to re-focus on the big picture, to be a space for innovative global thinking, a place for foresight to avoid short-termism and reflect about a long-term project for the European society." Falkenberg, Karl. (2016) "Sustainability Now! A European Vision for Sustainability" European Political Strategy Centre. (<a href="https://ec.europa.eu/epsc/publications/strategic-notes/sustainability-now\_en">https://ec.europa.eu/epsc/publications/strategic-notes/sustainability-now\_en</a>). See also O'Riordan, T. and Voisey, H. (eds.) (2013) The transition to sustainability: the politics of Agenda 21 in Europe. London: Earthscan.

collective purpose "to maintain all life on Earth, peacefully, healthily, equitably and with sufficient wealth to ensure that all are content in their survival."<sup>14</sup>

Two points need to be made on the relationship between the (political) idea of "sustainable European integration" and the (substantive) "transition to sustainability". First, that the implementation of the SDGs require a profound change in mind-set on the part of European institutions, governments and publics which can be best informed by a broader philosophy of sustainable integration. Second, that sustainable integration is a holistic conception which is includes but is about more than delivering policies classified under the UN-related sustainability goal. In other words the latter both is both conditioned on and embedded in the former.

Sustainability covers all aspects of living together but calls for emphasizing the underlying features of society which make such togetherness easier, from equal rights and rule of law to economically reasonably egalitarian societies and early life equal opportunity. A sustainable society is one where economic growth is compatible with planetary boundaries and distributed fairly among its citizens, the rapidly growing developing nations and the younger generation. In the words of Pope Francis: "Today, however, we have to realize that a true ecological approach always becomes a social approach; it must integrate questions of justice in debates on the environment, so as to hear both the cry of the earth and the cry of the poor."8 Continued growth is and will remain the best cure for poverty, and there is of course a vast literature about the ways in which growth must gradually change in quality with the development of new concepts around green growth, natural capital, circular economy, ecosystem services or green bonds. These debates must become mainstream across the political spectrum in Europe and beyond.

In some abstract sense, the policies advocated at EU levels seem to chime with sustainability goals. The 2017 Rome declaration calls for a "prosperous and sustainable Europe" which delivers all good things from growth and jobs to a Single Market embracing technological transformation, to a Union where economies converge, energy is secure and affordable and the environment clean and safe. But the driving narrative occupies the defensive end of the sustainability spectrum, emphasizing the need for a "resilient" and "protective" Europe. Resilience to future shocks through measures that would allow societies to bounce back rather than just reactively respond is necessary; but it is a second best, assuming as it does that sustainability strategies have failed. And protection, not only in security terms but also socio-economic protection, is also critical; but it runs the risk of overreach. It means a Europe equipped with more powers, tools and resources to achieve the kind of protection people feel they need from Riga to Nice - the federalists' dream of a Fiscal Tsar and a Migration Minister as well as an EU border policy, an EU FBI, an EU army. While no-one fears that the EU will become a Leviathan on a continental scale, we all know how historically state machineries have been set up and allowed to grow precisely in order to "protect" populations from internal and external rifts. This should not be the EU's destiny. The greatest protection we need is against a dystopian future for our kids.

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<sup>&</sup>lt;sup>14</sup> O'Riordan, T. and Voisey, H., 2013. Op cit.

<sup>15</sup> Falkenberg, op cit.

<sup>&</sup>lt;sup>16</sup> See the work of the Stockholm Resilience Centre. 'The EU Global Strategy: 40 Expert Opinions' European Institute for Strategic Studies. (https://europa.eu/globalstrategy/en/eu-global-strategy-expert-opinion-no40-11-march-2016)

Sustainability starts in the here and now. Finding a lasting solution to the well-known shortcomings of the single currency continues to be a prerequisite for the kind of investment strategies that such ambitions require. To be sure, more financial integration is desirable in the long term to spread risks and resources across Europe, including through a more effective banking union and capital markets union. Member states must learn to agree on counter-cyclical macro-economic intervention. But this does not mean that the EU needs to radically centralize its fiscal, regulatory and supervisory functions. The German government insists that risk-sharing - stuff like macro-stabilisation, bank supervision and resolution or a deposit insurance scheme - must go hand in hand with risk reduction - through policing government budget deficits. The debate has been above all about what should come first: when creditor countries ask why they should share the risk if debtor countries have not reduced it first, debtor countries reply by asking why they should accept interference with their democracy without the reward of risk-sharing.

In the end, however, and from a demoicratic viewpoint, EU leaders need to ask 'what is the minimum integration necessary' to sustain a common currency among national economies which will remain heterogenous for the foreseeable future, not only in terms of levels of development but in terms of social contracts and state-society relations.<sup>17</sup> From a sustainable integration view point the answer will be found in reconciling decentralized self-government *and* greater pooling of ressources.

One one hand, European officialdom can no longer shy away from dealing with the main structural reason for EMU's failures, namely the tension between national ownership - the aspirations and positions expressed in democratically legitimated politics - on the one hand and the inter-dependence of European economies and societies on the other. The old colonial trope of governing at a distance is unsustainable in a demoicracy whose sustainability requires that reforms and policies be democratically sustainable in its separate constituencies. Democratic sustainability requires informed debate on the part of national publics and genuine mutual recognition between their polities.<sup>18</sup>

On the other hand, resources can be better pooled provided they are are not necessary managed at the centre. Who doubts that sustainable growth requires sustained public investment in research and development, schools, healthcare and social services, transport and infrastructure and most fundamentally a strategic approach to innovation in the EU. <sup>19</sup> But there is still not enough strategic support for funds and other long term investors in the EU. Some have called for removing public capital expenditure from the national deficits monitored by the Stability and Growth Pact, or even for financing such expenditures through some version of a European Treasury that would enable Member States to decide together public investment across the EU. <sup>20</sup> One way or

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<sup>&</sup>lt;sup>17</sup> Nicolaidis, Kalypso and Max Watson. (2015). 'Sharing the Eurocrats' Dream: A Demoi-Cratic Approach to EMU Governance in the Post-Crisis Era'. In Markus Jachtenfuchs, Damian and Christian Joerges (eds.) *The End of the EUrocrat's Dream*, Cambridge: Cambridge University Press; Begg, Iain, Annette Bongardt, Kalypso Nicolaïdis & Francisco Torres. (2015). 'EMU and Sustainable Integration'. *Journal of European Integration*, 37(7), pp. 803-816.

<sup>&</sup>lt;sup>18</sup> See Kira Gatziou, Nicolaidis, Kalypso and Claudia Schrag Sternberg (2016) *Mutual Recognition Lost: The Greco-German Affair in the Euro-Crisis*, Oxford: Palgrave-Macmillan, Pivot.

<sup>&</sup>lt;sup>19</sup> The EU innovation agenda, notably through European Research Council is discussed extensively in Robert Madelin and David Ringrose (eds) *Opportunity now: Europe's mission toinnovate,* The Publications Office of the European Union

<sup>,</sup> July 2016

<sup>&</sup>lt;sup>20</sup> Jean-Claude Juncker's <u>Investment Plan</u> for Europe is the embryo for such a strategy. See https://www.socialeurope.eu/2017/04/european-treasury-one-answer-eus-economic-woes/

another, the EU as a whole should leverage its capacity to borrow money on capital markets at low interest rates while Member States would retain control over their own investments as well as their debts which do not need to be mutualised.

Finally, Brexit and the concurrent populist wave have finally brought home the fact that it is time it is time to focus our attention on the long term consequences of openness for individual voters. A system in which states have given up control of crucial aspects of regulation (e.g. banking, food production, online markets) to international bureaucrats, in the belief that this will allow them to achieve efficiencies in trade in goods and services is not democratically sustainable. Rather than an exogenous force that is filtered through national cleavages, globalisation is a force that can radically change the political issue space as well as the institutional opportunities available to political actors. Sustainable integration is about harnessing but also taming this force.

### Structure: Flexibility without fragmentation

Finally, much has been made of the idea that more 'variable geometry' would significantly help the EU survive its midlife crisis. <sup>22</sup> In Rome, the heads of states dutifully affirmed that they would "act together, at different paces and intensity where necessary, while moving in the same direction, as we have done in the past, in line with the Treaties, and keeping the door open to those who want to join later." Beyond the irony that ever closer union may require an ever smaller union, there is little doubt that the EU can only survive if it embraces the kind of flexibility which is called for by the widely heterogeneous character of its economies, and widely diverse range of social, legal and political systems. This is not an original thought, especially when we note that asymmetric federalism has historically been the rule rather than the exception, whereby the constituent units in the system relate differently to the whole, with different degree of autonomy and even different status.

But not all types of flexibilities necessarily serve sustainable integration. If the cooperative drive has largely been based on diffuse reciprocity and linkages across issues, sustainability implies that we learn to deal fairly with the externalities we create for each other over time, which in turn calls for more not less inclusiveness. Asymmetry of the wrong kind can also translate in a sense of powerlessness on the part of citizens who are under-represented at the centre. Arguably, both versions of structural differentiation – a core "federalized" Europe or permanent institutional structures for different groupings of states – could be the harbingers of fragmentation and permanent divergence between member states. Especially when considering the fact that cleavages among states and actors in the EU crisscross possible alternative groupings. And of course, the financial implications of flexible cooperation create an additional source of conflict.

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<sup>&</sup>lt;sup>21</sup> Farrell, H. and Newman, A. (2017). BREXIT, voice and loyalty: rethinking electoral politics in an age of interdependence. *Review of International Political Economy*, pp.1-16.

<sup>&</sup>lt;sup>22</sup> The old idea was bottled anew by the Commission in the run up to Rome, pitted against the straw-scenarios of 'muddling through', focusing on the single market or federalizing further. For an overview see for instance, <a href="http://www.praguesummit.eu/docs/sustainable-european-integration:-eu-for-the-21st-century-223.pdf">http://www.praguesummit.eu/docs/sustainable-european-integration:-eu-for-the-21st-century-223.pdf</a>

<sup>&</sup>lt;sup>23</sup> Rainer Bauböck United in Misunderstanding? Asymmetry in Multinational Federations, ICE-WORKING PAPER SERIES, No26

For the sake of sustainable integration we need to imagine overlapping agendas and differentiated approaches inside a single framework, rather than concentric circles or core-periphery dichotomies. The asymmetry produced by flexible integration should serve the balance between the forces of fusion and fission which will always affect the Union. Against structural approaches to differentiation, enhanced cooperation with flexible opt-in and optout clauses can be seen as a form of open-ended experimentation with cooperation whereby some actors can afford to be trail-blazers.

This calls for the respect of the untouchable core of the EU through constitutional safeguards.<sup>24</sup> It means that forms of 'enhanced cooperation' are open and transparent. And it also means that differentiation can occur even while *all* member states participate in a cooperative scheme as long as no country, whether insiders or close outsiders, can just pick and choose among a body of law that is a shared good among European peoples. Differentiation needs to be principled not ad-hoc. For this to be a plausible proposition, these laws must be sensitive to local and national specificities and adjusted to conform to the precept of sustainable integration. For instance, the same norm of free movement of labor has a radically different impact in different states and different labor markets, which is why states require leeway in their interpretation. Similarly, a European refugee regime must balance member states' shared commitment to free movement with the unequal distribution of integration spare-capacity within each of them.

What does this all mean for a country like the UK which claims that it is leaving the EU but not Europe? What the British saga over Europe has taught us is that if the EU as a whole does not sufficiently take account of the unequal impact of its principles and laws, if it does not offer differentiated and flexible approaches, then it is the member states and their citizens who will take such differentiation in hand, unilaterally. And that, we have now learned, can mean walking out and shaking the whole edifice in the process. Brexit raises the interesting prospect that a kind of flexible integration that could not be worked out with an existing member might be devised for a third country.

Finally, sustainable integration is obviously embedded in the web of relations between the EU and the rest of the world. Unsurprisingly, flexibility is already a major feature of foreign policy and defense cooperation and has served the member states well, whether through smaller intra-EU coalitions regarding the Iran deal or the Minsk process or the differential participation in a Europe of defense. Some countries like Poland are likely to continue more interested in flexibility on the external front than internally, which demonstrates that a more fluid approach to differentiation allows for deals to be struck along new kinds of division of labor within Europe.

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It is not anti-European to read Brexit as a warning that political leaders must give up the kind of integration by stealth which has so damaged the integrity and popularity of the EU project. The EU will likely continue to lose support amongst the public if it simply goes on muddling through without substantiating why and under what conditions the quest for "more EU" is a credible response to Europe's woes. British leavers were generally not bigoted, racist or ignorant. Unfortunately, and faced with what they perceived as the complacency of the London and Brussels elites, they were no longer ready to give the EU the benefit of the doubt.

<sup>&</sup>lt;sup>24</sup> Martinico, Giuseppe: The Asymmetric Bet of Europe, op cit

In this essay, I have argued that by proclaiming loud and clear that the pursuit of democratically and socially sustainable integration is its raison d'etre, the EU might most credibly sign on for another sixty year stint. This means changing the way negotiated change occurs in the EU, reconnecting the project to its citizens' aspirations and recognizing that inter-governmental deals need to be sustained by inter-societal and inter-generational bargains. It means that flexibility, differentiation and opt-outs need to serve inclusiveness not organize exclusion because a mosaic EU is more appealing than pushing half of its states to the brink of exit as has alas happened with the UK. Under these conditions, peace in Europe may not be perpetual but it could outlast all of us.