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How the EU lost its way

Brussels was never meant to have so much power.

By GIULIO TREMONTI AND THEODORE ROOSEVELT MALLOCH | 3/25/17, 4:35 AM CET



Dark winter sky over the Berlaymond Building in Brussels | Olivier Hoslet/EPA

On the bright spring day of March 25, 1957, at the Palazzo de Conservatori, on Capitoline Hill in Rome, Belgium, France, Italy, Luxembourg, the Netherlands and West Germany signed a treaty that signaled the birth of a new institution, a customs union that would become known as the common market.

Today, every liberal democracy — from the United States to New Zealand — has cause to celebrate the achievements of the Treaty of Rome. By lowering barriers to trade and encouraging peaceful development, it set the stage for an era of expanding prosperity.

And yet today, two different ideas of Europe have come into conflict. One aligns to the original idea behind the Treaty of Rome. The other deviates from it, and calls for a centralization of power in Brussels.

The political reasoning that inspired the treaty was a combination of two principles: sovereignty and subsidiarity. The treaty was signed by countries that only made concessions on their sovereignty when absolutely necessary. These were measured, deliberate and slight additions to national entities, not attempts to delegate competencies to supranational institutions.

With this in mind, the European Common Market was designed not to overreach into nations' sovereignty. Brussels, the first of what should have been a rotating venue for EC institutions, was conceived as a minimal force for coordination and was never supposed to become the permanent capital of a new, let alone enlarged, European Union.

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As we celebrate its anniversary, this foundational document should be seen for what it was: a confederal design to encourage market-based solutions to everyday problems, particularly in trade. The tradeoff in sovereignty was minimal and had major returns.

The treaty was based on twin pillars of peace and prosperity — a well-intended and necessary mandate following the decades of war that had torn apart the continent — not an elitist mandate from on high to create a supranational entity.

Today, the bloc's newest iteration has followed a dirigiste, centralizing impulse. Little by little, over the 1980s and 90s into the present, this impulse has reversed the basic and sound architecture of the Treaty of Rome. This process was not democratic process and it failed under scrutiny — including referenda in which citizens rejected the EU's anonymous decision-making.

Nonetheless, it has continued unabated. More and more, centralizer have exercised their will over the people, with little concern for their agreement. Suddenly, there was a single currency. Suddenly, the EU doubled its membership. Suddenly, a large managerial socialism emerged.

In 2016, European regulation amounted to more than 30,000 pages — and a total of 151 kilometers of paper. There is little that is left untouched by Brussels today.



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Over the last 20 years, the EU has failed to understand and manage major political and economic phenomena, as it pushed ahead with its plan to transform an entirely economic body into a political one.

First, Brussels missed the chance to manage globalization. It was caught unprepared, too busy perfecting an internal market to compete with various types of economies. First, a financial crisis, then an economic crisis, and finally, a political crisis. Each evinced a decreasing faith in the project and left Europeans increasingly anxious.

The European project also made the mistake of giving in to nostalgia and romanticism. Today's politics can perhaps be best understood as a longing for a past order and a restoration of lost symbolic value, as societies disintegrate and the civic, religious and family bonds that have held Europeans together have become unglued — a radical atomistic individualism on the one hand, and a Brussels-centric statism on the other.

As we celebrate the Treaty of Rome, the EU and its allies should call for a return to the sanity and legitimacy of that original treaty and its vision for Europe

In the process, intermediary institutions, where people actually lived their lives and flourished in the past, were thrown on the proverbial ash heap of history. All the while, immigration transformed Europe's nations and the very definition of European identity.

Today, the EU is in a deep crisis. Yes, the Treaty of Rome was an important milestone. But the bloc largely disregarded its values over the next 60 years. Now, it finds itself at a crossroads: let the project erode or centralize even more. Neither option is attractive.

Of course, the hypothesis of returning to individual European nation states is itself archaic and dangerous. Countries are no longer isolated and are vulnerable to global financial powers that are by definition transnational.

There is, however, a viable alternative.

Europe could return to the original Treaty of Rome, to the very model of confederation that was so laudable 60 years ago. Uniting on only essential matters, such as defense, security and cooperation on a customs area, it would leave the rest to its members.

As we celebrate the Treaty of Rome, the EU and its allies should call for a return to the sanity and legitimacy of that original treaty and its vision for Europe.

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