

Europe at the Crossroads

Justice and Peace Europe: Concerted Action 2017

The project for a peaceful and unified Europe now stands at the crossroads. This has been shown, not least, by the Brexit-referendum in the United Kingdom in June 2016, which has opened up a period of doubt and uncertainty. It must be seen as an alarming sign of a widespread dissatisfaction and malaise, which calls for convincing answers.

The story of the European Union is a success story. It seemed like a miracle when in the *annus mirabilis* 1951 – only six years after the end of World War II with 50 million dead and many more injured – farsighted politicians created the European Coal and Steel Community (ECSC) on the basis of the 1950 Schuman declaration which itself was inspired by ideas developed between the two World Wars. Thus, a bold and farsighted political process of reconciliation was set in motion between countries, which had fought each other in disastrous wars. Setting up common institutions contributed to peace and prosperity.

Since then the process of European integration has continued sometimes more and sometimes less rapidly even under great difficulties. The number of states increased and the legal, political and also cultural integration of large parts of the continent intensified. Furthermore, today countries, particularly in the West Balkans, want to join the EU so as to create a basis for stable peace and prosperity in the region.

However, on this journey the purpose and finality of the European project itself became more and more blurred. Declining rates of approval in practically all Member States, coupled with tendencies towards re-nationalisation and a more or less outright rejection of the EU by nationalist parties are alarming signs. The aim of *an "ever closer union"* as stated in the Treaty of Lisbon no longer seems to inspire the hearts and minds of many European citizens.

This is partly motivated by the perception that the European Union does not respect cultural diversity but operates mainly as a common market.¹

The "process of creating an ever closer union among the peoples of Europe, in which decisions are taken as closely as possible to the citizen in accordance with the principle of subsidiarity" and needs to "deepen the solidarity between their peoples while respecting their

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¹ Cf. Pope Francis in his address at the conferral of the Charlemagne Prize: "Forms of reductionism and attempts at uniformity, far from generating value, condemn our peoples to a cruel poverty: the poverty of exclusion. Far from bestowing grandeur, riches and beauty, exclusion leads to vulgarity, narrowness, and cruelty. Far from bestowing nobility of spirit, it brings meanness. The roots of our peoples, the roots of Europe, were consolidated down the centuries by the constant need to integrate in new syntheses the most varied and discrete cultures. The identity of Europe is, and always has been, a dynamic and multicultural identity. (...) The true face of Europe is seen not in confrontation, but in the richness of its various cultures and the beauty of its commitment to openness."

history, their culture and their traditions" as it is stated in the preamble of the Treaty of the European Union, is an urgent task not only for the heads of state who signed it.

In this situation, the political "muddling through", which for a long time has been a fairly successful strategy, no longer suffices. If the European project is to be revived, there is the need for a clear vision of its outstanding merit combined with a European-wide public discourse about its identity and future as well as the values it stands for.

European peace and prosperity, as past and current generations have experienced them, are not given once and for all. They need to be preserved and creatively enhanced through continuous efforts under changing (geo)political conditions. The success of the European project is in the interest of all European citizens and states, whether they currently belong to the European Union or want to join. The commitment for the common good in democracies is not only the responsibility of politicians, but also of civil society institutions as well as the churches and of each and every citizen. They are all called to find ways to overcome the present stalemate and to work towards the fulfilment of the original promises; under harsher political and economic conditions the European Union must prove that it is not a project only for fair weather conditions.

On the basis of these premises the European Conference of Justice and Peace Commissions (*Justice and Peace Europe*) makes the following ten policy proposals:

- 1. The apparent inability to solve urgent problems in a spirit of solidarity has become evident during the refugee crisis that intensified in the summer of 2015. The closure of borders between EU Member States showed the regression into re-nationalization and the lack of political determination. The lack of a common solution for the refugee crises is a challenge for all Europeans; all the more since migratory movements will remain a permanent feature of the globalisation process. In order to maintain the universal right of asylum the common European Asylum system urgently needs to be reformed. For us the following principles must be respected: an unrestricted right to apply for asylum; the sovereign right and obligation of those states who signed up to the Schengen agreement to collectively supervise their common external border; solidarity in sharing administrative costs; and humane efforts to welcome asylum seekers. Furthermore, the EU and its Member States need to agree on a new policy for legal migration. The integration of immigrants is a task for Member States and there should be recognition of the efforts of religious communities, including Christian Churches, in helping people who come from a different cultural and religious background to integrate in a new environment.
- 2. Market liberalisation within the common market is not an aim in itself. It may further economic growth and jobs, but it may also deepen uncertainty and inequality. It thus must be complemented by adequate social measures to support those who are economically and socially weak, particularly in times of crisis. Therefore, we fully support the proposal for the European Commission to develop a European pillar of social rights, which should act as a reference framework for all citizens. We will also continue to support the "Turin Process" for the European Social

Charter launched by the Council of Europe, in which Justice and Peace Europe is strongly involved in cooperation with other accredited INGOs

- 3. On behalf of its Member States the European Commission currently negotiates several free trade agreements. We understand the rationale for establishing bilateral trade rules when binding agreements within the multilateral framework of the World Trade Organisation cannot be secured. We can also see the positive impact a rules-based system may have for trade in goods and services and for the promotion of economic growth and jobs. However, set against that, many European citizens fear that diminishing trade barriers threaten their jobs and unfairly favour companies which produce their goods in countries with very low or non-existing worker's rights, safety and environmental norms. There are also widespread reservations concerning rules for the settlement of investor state disputes. We therefore suggest that the European Commission insists to obtain full guarantees from their negotiating partners concerning the respect of these rights and norms and the transparency of legal proceedings in order to restore trust in a rule-based trade regime.
- 4. In the near future the European market economy will be transformed by the so-called digital revolution. The European Commission is currently pursuing its plan to create a digital single market. It should carefully take into account the huge differentials in basic Internet skills across Europe and propose appropriate measures. Furthermore, the prospect of digitalisation and industrial robotisation generates many questions regarding the future of work. We therefore propose that the European Commission and the European social partners trade unions and business organise a European Labour Conference in order to examine ideas relating to wage subsidies, wage insurance and the job creation. Concerned organisations of civil society and experts from the academic world could be invited to the conference. The European Parliament and the Member States should address the recommendations of the European Labour Conference.
- 5. The persistent crisis of the monetary union requires a convincing response as to how to integrate economic policies in order to restore trust in this core project of the European Union. In principle, there is an agreement on stronger European oversight of economic and fiscal policies of Eurozone members and the need for some form of a Eurozone treasury and a federal budget. Since this requires difficult to achieve changes in the European Union Treaty, a way forward could be the negotiation of an intergovernmental agreement among the Eurozone countries on the outline of a Euro 2.0 which would include strong criteria in terms of economic and fiscal policy to be respected before its entering into force. A similar process has been suggested in the Five President's Report published in June 2015. The regulations for the banking systems have to make sure that financial stability as a public good is being respected, so that the core functions of banks and capital markets work in favour of the real economy, contributing to the creation of wealth for all instead of serving mainly the owners of large fortunes. To reach this aim European integration "requires coming up with new, more inclusive and equitable economic models, aimed not at serving the

few, but at benefiting ordinary people and society as a whole....the social market economy encouraged by my predecessors" as Pope Francis recently stated.

- 6. One negative aspect of globalisation is the race to the bottom in the taxation of multinationals and very rich individuals.³ Tax evasion and tax avoidance by the big players do not result in level-playing fields for market participants. They also decrease state revenues and increase everyone else's tax burden diminishing the funds available for the providence of public goods and infrastructure projects. In 2012 the shifting of corporate profits between jurisdictions in order to reduce effective taxation was estimated at €600bn. Nearly all Member States of the EU take part in this global carousel. In 2016 the EU made some progress in tackling tax avoidance. However, the European Commission needs to affirm its role in guaranteeing effective corporate taxation; ensuring that all forms of state aid comply with EU law is part of this role. We expect and hope that EU Member States can agree in the course of 2017 on a single set of rules for companies to calculate their profits, the so-called Common Consolidated Tax Base, which the European Commission re-launched in November 2016. Furthermore, we underline the need to address the problem of uncollected VAT, which amounted to nearly €160bn in the EU in 2014. On a different but nevertheless connected issue we continue to hope that ten member states engaged in a procedure of enhanced cooperation will finally agree on the introduction of a Financial Transaction Tax and implement it swiftly.
- 7. In his encyclical letter *Laudato si'* Pope Francis called for a 'cultural revolution' with respect to our life style and its consequences for the environment. Indeed many European citizens today support ecological progress. Changes towards a more sustainable lifestyle take place at the grassroots level on a daily basis. The European Union and the governments of its Member States played an important role at the Climate Conference in Paris in December 2015 (COP 21). The implementation of the Paris agreement at the UN climate summit in Marrakesh in November 2016 was a further sign of hope for the world and all European can be proud of the contribution of their negotiators to this outcome. In order to underpin the efforts for a more sustainable life style of its citizens we hope that EU governments and the European Parliament reach a strong climate compromise in 2017, which should include the reform of the Emissions Trading Scheme after 2020, the proposal for an effort sharing decision on emissions stemming from sectors such as transport, agriculture, buildings and waste, as well as recent proposal for renewables and energy saving. Thus, the European Union would be able to comply with its

² Cf. Pope Francis speech on the occasion of receiving the International Charlemagne Prize on May 6th 2016 in Rome

http://en.radiovaticana.va/news/2016/05/06/pope_francis_receives_international_charlemagne_prize/1227869 (13/5/16).

³ Cf. Concerted Action of Justice and Peace Europe 2016 "Growing economic inequality and taxation", http://www.juspax-eu.org/de-wAssets/docs/concerted action/2016/2016 JPE annual action Basic text.pdf.

⁴ "Nobody is suggesting a return to the Stone Age, but we do need to slow down and look at reality in a different way, to appropriate the positive and sustainable progress which has been made, but also to recover the values and the great goals swept away by our unrestrained delusions of grandeur. (114)"

obligations under the Paris agreement and enhance the trust of citizens in its capacity to come up with real decisions.

- 8. The respect for Human Rights and support for developing countries are a cornerstone of the European project. It is the responsibility of the "European Union to advance the dignity of the person, both within the Union and in its relations with other countries." This includes social rights and the rights of the most vulnerable in Europe as well as globally. In this context we support the idea for a European External Investment Plan as proposed by the President of the European Commission Jean Claude Juncker in his State of the Union Speech in September 2016. Member states and other partners should come up with their contribution to this plan in order to reach an amount of 88 billion euro and to contribute to implementing the 2030 Agenda on Sustainable Development.
- 9. In order to defend Europe against terrorism and to contribute to preventing and ending armed conflicts in the world and especially new interstate and intrastate conflicts in its geographic neighbourhood, the European Union needs to reinforce its common security and defence policy as well as its soft policies in peace promotion. It also needs to reinforce its efforts for disarmament, non-proliferation and the control of arms exports. The expectations of citizens in this respect are high. The European Union needs to make a more effective use of its soft power, including support for reconciliation initiatives as well as interreligious dialogue. Better sharing of information among intelligence services of Member States is necessary and we firmly ask them to overcome the reticence and mistrust which seem to remain a major obstacle.
- 10. The European institutions are also regularly attacked as being undemocratic. As a general critique this is wrong. All political representatives of the European institutions are either directly or indirectly chosen through a democratic process. All governments of the EU Member States who hold the key role obtain their powers through democratic elections. However, things can and should be improved. Thus, one idea supported by a majority of Members of the European Parliament is to elect at least 10% of the members of the European Parliament from transnational party lists starting with the elections in 2019. We support further debates on this proposal.

Politics is more than the pursuit of self-interest by strategic and tactical means. In a rapidly changing world a dynamic re-interpretation of Europe's role and responsibility is needed. The motto of the European Union "unity in diversity" calls for a strong commitment to common values and for effective actions. These must have their basis in deep moral convictions. The engagement for the common good is its basis, as are the respect for the rule of law, the ability to compromise and the search for humane and realistic solutions. This is particularly

⁵ Cf. Pope Francis' speech before the European Parliament, https://w2.vatican.va/content/francesco/en/speeches/2014/november/documents/papa-francesco_20141125_strasburgo-parlamento-europeo.html (13/5/16).

important in a community of states that are strongly interlinked. The political system also needs the commitment to a long-term vision that guides everyday politics. Solidarity, justice and peaceful conflict resolution are needed in order to strengthen the European institutions in accordance with the principle of subsidiarity. For this, Europe needs to enhance its capacity "to integrate, to dialogue and to generate" as Pope Francis put it. New efforts must be made to strengthen the political and cultural capacities for dialogue and exchange. Different historical experiences play a crucial role for the self perception of people and societies. A better mutual understanding of these experiences is urgently needed. Therefore the European Union is not lacking a new narrative but a reliable culture of dialogue based on listening, solidarity and mutual respect.

The Catholic Church, together with the other churches as well as other religious communities and indeed all who strive for the common good, has to play an important role in this process by strengthening the ethical foundations of the European project, playing the role of a mediator building coalitions and bridges to other religious communities through interreligious dialogue. It can help to revive the European spirit of peace through carefully planned and intelligently thought out initiatives of social and national integration that have 'spiritual' as well as material components. It can enhance the capacity to integrate, to dialogue and to generate⁷ so as to revive the political and cultural dynamism so urgently needed in the present state of Europe.

⁶ Cf. Pope Francis speech on the occasion of receiving the International Charlemagne Prize on May 6th 2016 in Rome

http://en.radiovaticana.va/news/2016/05/06/pope_francis_receives_international_charlemagne_prize/1227869 (13/5/16).

⁷ Ibid.