



# TIMES

European  
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FEATURES  
PROFILES  
OPINIONS  
BOOKS

Interview:  
Piketty  
the  
Optimist

Privacy:  
Sacrificing  
Benjamin  
Franklin

Migration  
Crisis:  
Sinking  
Leadership

Syriza,  
Scylla and  
Charybdis

The Great  
European  
Insurance  
Policy

Introduction

Welcome to this special print issue of *EUI Times*, the electronic magazine from the European University Institute in Florence.

On the event of the State of the Union Conference 2015 'Confronting the Future of Europe,' we are pleased to offer readers a selection of articles showcasing the people, ideas and research exemplary of the activities of the Institute. All of these articles, and more, are available on the *EUI Times* website at [times.eui.eu](http://times.eui.eu)

You will find ample room for debate in the arguments covered in our Features section. Among others, we interview EUI economist Evi Pappa and political scientist Zoe Lefkofridi on Greece's economic choices; Migration Policy Centre Director Philippe Fargues on the immigration crisis in the Mediterranean; EUI trade experts Bernard Hoekman and Petros Mavroidis on TTIP, and Law Professor Martin Scheinin on the use of mass surveillance. We are also pleased to offer an in-depth interview with Thomas Piketty, who shares his strong views on how he thinks European leaders should pursue economic equality.

As usual, we also take an in-depth look into the research interests of individual members of the Institute's academic community, profiling in this issue Professor Anna Triandafyllidou, Marie Curie Fellow Neil Howard, SPS researcher Lewis Miller, and visiting Robert Schuman Fellow Professor Will Kymlicka.

This issue's op-ed section offers articles written by Law Professor Martin Scheinin, Political and Social Science Researchers Lars Erik Berntzen and Manès Weisskircher, and Law Researcher David Kleimann.

As ever your thoughts and comments are welcome and can be sent to [times@eui.eu](mailto:times@eui.eu)

I hope you enjoy this issue of *EUI Times*.

Stephan Albrechtskirchinger  
Director, Communications Service



4 **Features**  
**SYRIZA, SCYLLA AND CHARYBDIS**  
 Greece's choices in rough economic waters

10 **Features**  
**SACRIFICING FRANKLIN**  
 Mass surveillance, security and freedom

17 **Profiles**  
**TREADING THE TIGHTROPE OF ACTIVIST RESEARCH**  
 Neil Howard

20 **Profiles**  
**THE PROGRESSIVE'S DILEMMA**  
 Will Kymlicka

23 **Opinions**  
**UNDERSTANDING GERMANY**  
 David Kleimann

6 **Features**  
**THE GREAT EUROPEAN INSURANCE POLICY**  
 A New Schuman Declaration

12 **Features**  
**TRANS KAFKA**  
 Views on the Transatlantic Trade and Investment Partnership

18 **Profiles**  
**THE ROAD TO EUROPE**  
 Anna Triandafyllidou

21 **Opinions**  
**THE SPREAD OF ANTI-ISLAMIC PEGIDA**  
 Lars Erik Berntzen and Manes Weiskircher

24 **Publications**  
**Highlights**

8 **Features**  
**SINKING LEADERSHIP IN THE MEDITERRANEAN**  
 Border control isn't enough

14 **Features**  
**PIKETTY THE OPTIMIST**  
 An interview with Thomas Piketty

19 **Profiles**  
**INTERGOVERNMENTAL FORUMS**  
 Lewis Miller

22 **Opinions**  
**WHY ELECTRONIC MASS SURVEILLANCE FAILS**  
 Martin Scheinin



ON THE COVER: INTERVIEW, THOMAS PIKETTY AND NICHOLAS BARRETT, JANUARY 2015

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# Syriza, Scylla and Charybdis

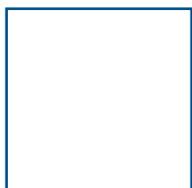
Many of the greatest minds in politics and economics have, for the last five years, been consumed by the tragic plight of Greece. Now Syriza has stormed to power as the most radically left-wing government to be elected in Europe for 70 years. They are demanding debt relief and an end to the years of miserable austerity and they have the mandate to do so. But capitulation by their creditors could start a fire of left-wing populism across Italy, Portugal and Spain, (who would be encouraged to demand similar tolerance) as well as fanning the flames of right-wing isolationism in northern Europe. But what appears to be a Catch 22 may in fact be an illusion that challenges everybody's perception of our political free will.

"Greece cannot payback its debt in full, even if Tsipras or any other politician wanted to" claims Evi Pappa, a Professor of Macroeconomics born in Athens during the rule of the military junta of the 1970s. For her, the antidote can only come in the form of investment, "As Greece cannot count on the market for serving its debt and at the same time perform expansionary fiscal policies that would bring back Greek dignity, as the new prime minister put it, the only feasible alternative is the possibility of a new deal."

Pappa is understandably worried about Greek exit from the Eurozone. She's now making an effort to maintain her optimism, which is currently hinging on the abilities of Tsipras as a strong negotiator. "The government and many Greek enterprises that borrowed in Euros will be unable to pay" she warns "and this will create panic and a possible stop of payments. Couple this with the uncertainties about monetary policy and money printing. And what about a possible embargo of Greek products after a Grexit? What if people say 'don't holiday in Greece after they took our money and run away?'"

Events are moving quickly and even discussing the possibilities is starting to feel as easy as drawing a map during an earthquake. As it stands, Berlin has hinted that there will be no debt forgiveness. Meanwhile, Tsipras has told his supporters that the age of austerity is over and that Greece will not default on its debts, telling his cabinet "we won't get into a mutually destructive clash but we will not continue a policy of subjection." But what seems like a story of an unstoppable force hitting an immovable object may lend itself to an unavoidable compromise that almost nobody wants. Greece may get a "debt holiday" to allow for some modest growth and could also be afford an extended period to pay back its debts. But it's hard to know if this will be enough to appease Greek voters or whether Tsipras will risk further suffering in the pursuit of what has now become a moral and symbolic crusade against the perceived post-democratic dominance of neoliberal economics.

Pappa argues that Tsipras cannot have it all. He should get the best out of it, humanitarian help and some debt forgiveness in the short-run and new debt-linked to GDP growth for the longer horizon. At the same time, the new minister of Finance, Varoufakis, has to understand that the only feasible direction may be the unpopular road of structural reforms. For Pappa, output growth is what matters most to Greece and all the countries in fiscal troubles in the Eurozone right now. This would involve reforms that increase the competitiveness of exports, attract foreign direct investment, and promote product and service market deregulation as well as fighting corruption and tax evasion. According to Pappa, there is no point in rehiring unproductive low skilled public employees this says Pappas, would only serve to cultivate short term popularity. But the government could, she argues, gain greater support by finding ways to stimulate growth and help the unemployed (who now make up 27% of the population) to find productive jobs more efficiently.



**Evi Pappa** is Professor of Macroeconomics in the EUI's Department of Economics.

**Zoe Lefkofridi**, a political scientist, is a Max Weber Post-doctoral Fellow in the EUI's Max Weber Programme.



Evi Pappa



Zoe Lefkofridi

“when [...]the economy is damaged and there is no perspective, people radicalise. And when they see that no matter who you vote for there is no change then they distrust democracy.”

The situation seems to be one of two competing dystopias. For much of Europe, a Greek exit from the Eurozone would lead to more pain within the country and create economic chaos on the continent from which nobody would be immune. For Tsipras and his supporters, austerity is already a kind of dystopia but beyond that they are keen to echo a fear that if Syriza fail, the political momentum will shift towards the extreme nationalists.

Zoe Lefkofridi is a Greek Joint Jean Monnet-Max Weber Fellow at the RSCAS-EUI and Assistant Professor of Comparative Politics at the University of Salzburg studying democracy, representation and European integration. Like Tsipras, she’s worried about the potential of the far-right stepping in if the far-left were to fail on behalf of the Greek electorate and cites it as an incentive for Europe to listen. “I think there will be a deal” she explains, “because if there is none then they will have to talk to Golden Dawn afterwards and we’ve tried all the democratic ways out of this misery.”

But does this amount to a form of political or emotional blackmail? Evoking the fear of fascism always sounds sensational, not least when there is a general understanding that antagonists are German. So is this a serious threat or just a cynical ploy? When asked about this Lefkofridi is incredulous “when you have such high unemployment and the economy is damaged and there is no perspective, people radicalise. And when they see that no matter who you vote for there is no change then they distrust democracy so it’s very dangerous. It’s not a joke or a negotiating card, people are scared in Greece.”

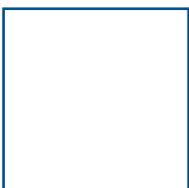
On the night of the election Golden Dawn only garnered 6.3% of the vote, which was even less than they achieved

in 2012. But this could be because Tsipras so successfully monopolised the country’s anti-austerity sentiments on a pro-European platform. If Syriza were to collapse then Golden Dawn could conceivably capitalise from a radicalised electorate that had been made to feel invisible in Brussels and Berlin.

They will have to compromise,” argues Lefkofridi, “this is the European Union it’s a system of compromises. I think if Greece gets out now this will be a very bad message for the rest of the member states, for the markets and for the eurozone. I don’t think anybody wants to take this responsibility and go down in history as the political class that destroyed Europe.”

Lefkofridi ponders the continent’s democratic design, which she claims has made politicians too parochial and turned Brussels into an international rhetorical scapegoat. “National parties” she says “are dependent on their own electorates and they’ve done a very bad job selling Europe to the people because they took credit of the achievements and blamed failures on Brussels.” It is for this reason that Lefkofridi has become an advocate for synchronised national elections, which as she admits, sound like “science fiction” but aim to make the EU more accountable and inclusive. “At this point of economic integration, if you don’t have democratic integration you have a democratic deficit.”

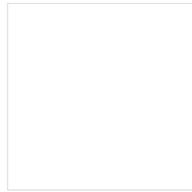
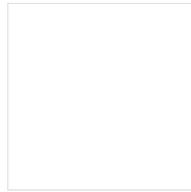
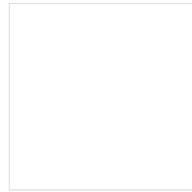
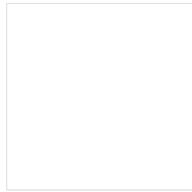
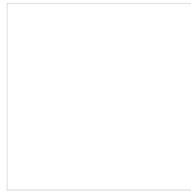
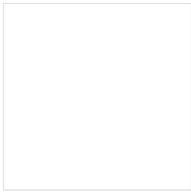
Syriza also argues that Europe is founded on a principle of democracy and that if the Greek electorate are ignored then the EU may have to reconsider its ideological identity. This is a powerful idea and it’s conceivable that almost any action could be undertaken to defend it in the name of the desperate Greek people.





# The Great Insurance

# European Policy



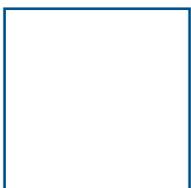
Brigid Laffan

On the 9th of May 1950, the then French Foreign Minister Robert Schuman laid out his post-war vision of a supranational community of European countries. His vision would become known as the European Union and his speech as the Schuman Declaration. 65 years on, Europe is no longer defined by the trauma of the Second World War but the political unity which Schuman envisioned remains in the midst of what is arguably its greatest existential crisis so far. Those working to preserve the Union have to know what exactly it is that they are fighting for. To help them Giuliano Amato, Élisabeth Guigou and Vaira Vīķe-Freiberga will soon present ‘a new Schuman Declaration, what they call “a new narrative for Europe” at the 2015 State of the Union Conference. But what should this new declaration do?

“Europe has been through a very traumatic six years of what really was an existential crisis,” says Brigid Laffan, Director and Professor at the Robert Schuman Centre for Advanced Studies. Since the Eurozone crisis, European resolve has been tested like never before. The EU, says Laffan “is like a patient who’s coming through a bad accident. There are lots of problems but the patient has actually survived and has appeared to be much more resilient than one would have anticipated.”

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When Robert Schuman wrote his declaration, he envisioned a “the pooling of coal and steel production” between France and Germany with the ambition of making another war between the two countries “not merely unthinkable, but materially impossible.” Mission accomplished. When Laffan delivered her keynotes address at the 2014 State of the Union, she was keen to stress that the Europe that had erupted into flames exactly 100 years earlier, simply didn’t have the institutions capable of expressing the shared interests of Europeans. Now she thinks a new Schuman Declaration should set out to express “a narrative about why



**Brigid Laffan** is Professor and Director of the Robert Schuman Centre for Advanced Studies, and Director of the Global Governance Programme at the European University Institute.



*The Schuman Declaration, 9 May 1950, photo © European Union*

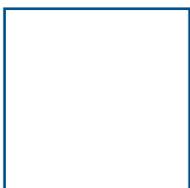
integration and close cooperation is as important in the 21st century as it was in the immediate aftermath of the Second World War.” It all sounds like a choice between the EU and chaos, which would be quite seductive if the last six years hadn’t felt quite so volatile.

A relative calm after the storm appeared to have developed after the bailouts of 2011 and 2012. The rioting in Athens went from being a daily event to a weekly event before more or less dying out. Gradually, the newspapers and television talk shows become less apocalyptic in their descriptions of the European outlook. Catastrophic youth unemployment characterised an appalling economic hangover, but politically the Union had survived. Then, David Cameron promised an “in-out referendum” on Britain’s membership. A year and a half later and the elections for the European Parliament produced a tidal wave of victories for populist anti-EU parties. As the Eurozone economy continued to stagnate in the shadow of Obama’s recovery, any previously held pretence of a political consensus collapsed when Alexis Tsipras stormed to power in Greece on a radical platform of ending austerity on the continent. If the European Union is trying to sell itself as a geopolitical insurance policy, isn’t it going to struggle on its current record?

“It is an insurance policy” retorts Laffan, “you don’t get mass migration from Europe to the rest of the world. It still has a magnetic attraction to people from very diverse cultures.”

Laffan describes the original Schuman Declaration as “the transformative declaration that set the western half of the continent on a route towards ever-closer union and integration.” She does, however, concede that “we’re now in a very different time.”

Robert Schuman’s ambition emerged from what some have described as “the midnight of the century,” a period that saw the rise of fascism, communism, industrial warfare, industrial genocide and nuclear tension that define the cold war. It was the same unprecedented climate which inspired the nightmares of Aldous Huxley, George Orwell and countless other political thinkers to imagine that almost anything could happen next. Europe escaped this dark time, but only after having totally transformed its identity. If it manages to escape today’s current malaise, it may have to do so again. In the meantime, Laffan admits that “muddling on might be the best it can do,” before pausing and adding “but there are better and worse ways of muddling.”



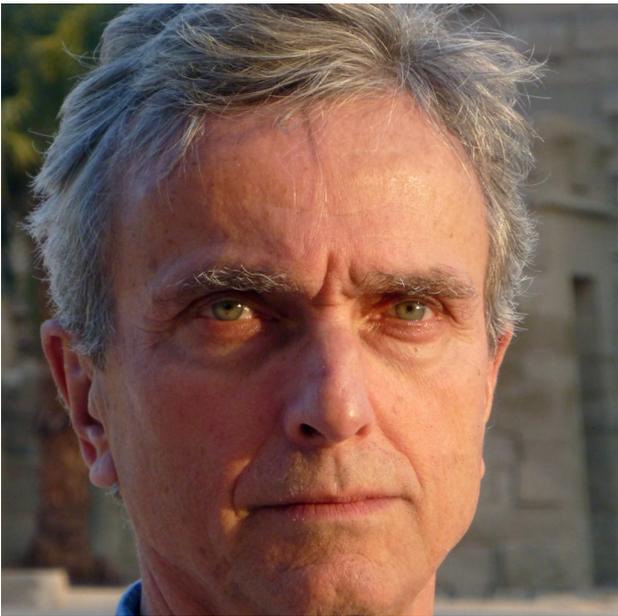


# Sinking Leadership in the Mediterranean

On Tuesday, the 14th of April approximately 400 migrants drowned off the southern coast of Italy when their rickety boat capsized. On Friday the 17th, when a rubber dingy carrying 100 Africans over to Europe began to sink, 12 Christians who refused to pray to Allah were thrown overboard to their deaths. 48 hours later, news broke that another 700 had drowned after another boat capsized. And on Monday the 20th April, as European ministers met for urgent crisis talks, reports emerged of 20 fatalities from a sinking boat holding over 300 more migrants. All this was just one week of the deadly ongoing struggle to cross the Mediterranean Sea.

It is hard to know precisely, of those who have drowned, and those who will inevitably soon join them, who or what each of them were fleeing. It is however, safe to assume that many who make the journey out of Africa are merely trying to find a way out of some of the poorest countries on earth. It is also fair to guess that many others will be seeking to escape the violence and repression in Eritrea, Iraq, Palestine, Syria, Yemen and Libya itself.

The crisis has been growing since Syria descended into civil war and Libya collapsed into a state of near anarchy. And yet, last year the Italian search and rescue operation, named Mare Nostrum, was drastically scaled back. “Clearly the morality is just not acceptable”, complains Professor Philippe Fargues, the founding Director of the Migration Policy Centre. “Last year we had Mare Nostrum” he laments in an interview with *EUI Times*, “the Italian Navy was going right up to the Libyan waters. It has been replaced by Triton, which is much cheaper. There is a paradox that instead of just Italy, Europe has combined on an operation that is much less efficient.” This lack of efficiency is partially intentional. In October, the British government blamed Mare Nostrum for an ‘unintended pull factor.’ This theory suggested that the



Philippe Fargues

best way to save migrants was for them to watch the bodies of their fellow refugees pile up on the beach. Fargues says such claims are impossible to verify, and it’s becoming increasingly clear that scaling back the operation has done nothing to deter people from fleeing the shores of Libya. “Europe,” he says, “has turned a search and rescue mission into border control.”

Last year Fargues co-wrote a paper exploring the issue, titled ‘When the best option is a leaky boat’ and is highly sympathetic to the migrant’s unenviable fortunes. “Life is just terrible before they cross” explains Fargues, “once they arrive many of them will not stay in Italy because they won’t have a prospect for earning an income, and they might have relatives in France, the UK, Germany and Sweden.” He’s now arguing that



**Philippe Fargues** is Professor and founding Director of the Migration Policy Centre at the Robert Schuman Centre for Advanced Studies, EUI.

we don't have to simply sit back and await more bad news. So what can be done? "We need to increase the search and rescue efforts," insists Fargues. "We have to spend more money but we also have to operate at an earlier stage. We have to open visa facilities for them in their countries of asylum and invent a more effective way of using our embassies." He also believes in taking responsibility for overseas intervention, as opposed to just walking away. "Iraq was the starting point for this chain of events. I would say the West, in particular, the US, have responsibilities in world affairs. As great powers, it's a mistake to close our eyes." But as ever, the debate has focused on the symptoms instead of the causes of the disease and the prognosis is hardly helped by the hostile political landscape of Europe's economically pressed societies. Last year, approximately 220,000 made the illegal journey (over 3,000 of them died at sea, the equivalent death toll of the 9/11 attacks) and Fargues feels that Europe, with a population of over 500 million, has the ability to absorb them, for now. "It's a price for Europe" he concedes, "But the price would be bigger if the entire Middle East collapses. Imagine Iraq with no state, Syria with no state, Lebanon with no state, it would mean terrible insecurity for Europe. It is also in our interest to try and avoid a terrible destabilisation of this part of the world." Tolerating the status quo could arguably be manageable, but it certainly isn't sustainable. The idea Europe can engineer a friendlier frontier will leave many feeling sceptical.

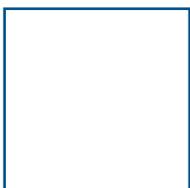
“If you're a leader you have to explain things, otherwise you're not a leader.”

It is clearly frustrating for Fargues to read about tragedy after tragedy while searching for elusive political allies in a continent that currently exhibits increasing levels of hostility to almost every form of immigration. Mainstream political parties have had to appease and accommodate a growing number of voters flirting with the likes of Front National, UKIP and the Swedish Democrats. "I can't see any political leader in Europe today with any kind of courage on this issue" remarks Fargues, adding "you also need a bit of political courage to explain to your citizens that we need to open the doors wider otherwise people will continue to die at sea."

The ongoing tragedies of the Mediterranean should disturb anyone with any interest in the identity of Europe. But for Fargues and many others, the rusty boats are becoming the symbol of a crisis of confidence in a world of retail politics. If legislators are afraid of expressing the values of Europe, then both the politicians and the European Union will risk becoming meaningless in eyes of the public. Or as Fargues puts it – "If you're a leader you have to explain things, otherwise you're not a leader."



Immigrants arriving in Lampedusa, Italy. Photo courtesy of the Istituto Nazionale per la promozione della salute delle popolazioni Migranti e per il contrasto delle malattie della Povertà (INMP)





# Privacy: Sacrificing Franklin



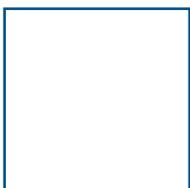
Martin Scheinin

‘Those who sacrifice liberty for security deserve neither’ is an old truism attributed to Ben Franklin. This quote has been in healthy circulation since the terrorist attacks on New York in 2001 and has done much to polarise the debate around privacy and civil liberties. Luckily it is a simplification what he actually said; after all we all sacrifice a little liberty for a little extra security every time we are forced to stop at a traffic light. What Franklin actually wrote in 1755 was that “Those who would give up essential Liberty, to purchase a little temporary Safety, deserve neither Liberty nor Safety.” Here the key term is “essential Liberty”, which leaves plenty of room for compromise and discussion. The problem with the word “essential” is that it may be completely subjective. (Franklin himself owned seven slaves for much of his life; he later freed them all and became a prominent abolitionist.) So what is an essential liberty and how then should we regard non-essential liberties?

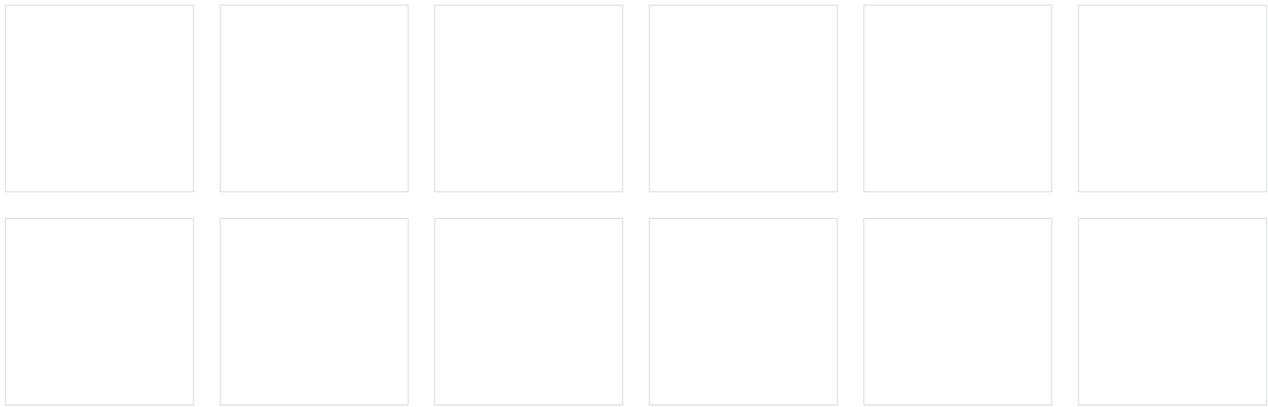
In an attempt to tackle this classic dilemma, teams of European researchers have set about to analyse the legal and ethical implications of surveillance, including the kind of mass surveillance programs that were revealed by the American whistle-blower, Edward Snowden in 2013. Privacy is a perfect example of compromised liberty. We all have to balance it on an almost daily basis. The SURPRISE project, funded by the European Commission and involving the EUI, has consulted citizens across Europe in ways that attempt to transcend and escape the old Franklin dichotomy.

Professor Martin Scheinin was heading the EUI team in SURPRISE but also coordinates another project, SURVEILLE, which has sought to understand and explain the nature and extent of European government surveillance through parallel expert assessments performed by technology specialists, ethicists and lawyers. He has previously served as a UN Special Rapporteur on Counter-Terrorism and Human Rights and will discuss the group’s findings at the State of the Union conference. Scheinin is keen to warn of the dangers of a discussion dominated by security “in the public debate, fed by politicians, we have the abstract metaphorical balance; what’s more important the rights of an individual or security for everybody? And the balance will always be struck the same way, in favour of security if the question is posed that way.”

Since the rise of the Islamic State (IS), Europe and America have been on high alert for a so-called “lone wolf” attack in the west. These nightmares were justified during the attacks on Charlie Hebdo in Paris, which along with the coverage of IS, has informed the debate regarding surveillance in the run-up to American’s re-negotiation of the infamous Patriot Act. (The legislation which paved the way for the NSA’s Orwellian overseas expansion.)



**Martin Scheinin** is a Professor of International Law and Human Rights in the EUI’s Department of Law. He directs the Framework 7 funded research project ‘SURVEILLE’

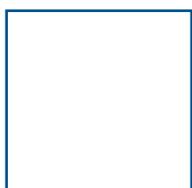


“In the public debate, fed by politicians, we have the abstract metaphorical balance; what’s more important the rights of an individual or security for everybody? And the balance will always be struck the same way – in favour of security – if the question is posed that way.”

This is where Scheinin believes the SURVEILLE project could be helpful. “We’ve developed a more analytical and multidisciplinary framework actually trying to measure how to score surveillance methods as to whether they actually deliver security and at what financial cost, how to map and grade the ethical concerns that result and how to measure the intrusion into privacy and other human rights. In short we’ve developed a three-dimensional method of measurement.”

So if we quantify our way back towards Franklin, from a smarter and more informed position, can we better answer the question? Does the cost to our collective liberty justify the extra security our governments claim it will deliver? Scheinin, it seems, is not in the business of certainty. “Our answer is that there is no general and automatic answer to that question, you can’t simply say that because intrusion is bigger than the benefit to security that privacy should win, but we do say that when the intrusion is bigger than the benefit then we must go back to drawing board. In addition, we are able to demonstrate some red lines beyond which the ethical and human rights problems are too grave. One way to characterise those situations is to say that they represent the inviolability of essential liberty.”

When those red lines are not crossed, SURVEILLE recommends going back to the drawing board. The mission of the project is to alter to context and tone of the debate. For Scheinin, this may involve embedding the concept of privacy into our surveillance and security measures. “Privacy by design becomes the crucial factor because by introducing the feature of privacy by design into a surveillance technology, we can improve the technological benefits and reduce the human rights intrusion. So I think that’s the way a rational discussion of proportionality should go.” Articulating an agreed vision of limited surveillance and establishing a benevolent regime of trusted watchmen won’t happen overnight. In the mean time learning how to best advance the discussion of this timeless negotiation is vital because it certainly won’t be going away.





# Trans Kafka: The Debate on TTIP

The Transatlantic Trade and Investment Partnership, often referred to as TTIP is, according to Colin Crouch, former chair of SPS at the EUI, “post-democracy in its purest form.” This sounds quite alarming but it is, in a strange way, almost impossible to have any kind of opinion regarding TTIP whatsoever. It is yet to be finalised. Due to its confidentiality the negotiating positions of each side are almost unknown and there is no single person, government or organisation currently in control of its direction. There are only bargaining positions and a collection of national demands for industry exemptions across the continent. So what is TTIP and what can its stuttering progress tell us about the state of today’s European Union?

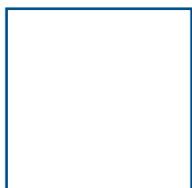
At first glance, TTIP appears to be an attempt to boost trade between the EU and the USA by standardising regulatory norms across the North Atlantic, that’s the main aim. But critics have characterised it as an undemocratic giveaway to multinational companies buried under mountains of legal bureaucracy. There are two prominent concerns.

Firstly, there is the claim that TTIP’s aim of synchronised standards will create a regulatory race to the bottom. Crouch is worried about an “overall decline” in protections involving Labour rights, banking, food and drugs etc. “This is partly” he writes “because any compromise between a higher set of standards and a lower one necessarily implies loss for those starting at the higher level. But partly it is also because, in the present business-dominated climate, we know that the most powerful interests will be pushing to use this negotiation to aim for a new, generally lower level of regulation and protection of standards.”

“I don’t see that happening” retorts Professor Bernard Hoekman, a research area director at the Robert Schuman Center for Advanced Studies who has written articles in defence of TTIP. “I could see a race to the bottom if we were negotiating with Congo,” he suggests, “where they have lower standards. But with the US and EU, we have the same objectives. The average American cares as much about their health as the average European.”

Hoekman’s view is shared by Petros Mavroidis, Professor of Global and Regional Economic Law at the EUI, who is keen to lampoon the notion of disingenuous regulatory practice. “You cannot expect the US to have relaxed aviation regulation” he remarks, “and run the risk of 10 planes falling from the sky, it’s unrealistic. It’s in the interest of the US investor to take care of those externalities.” Aviation may be a rather extreme example, but these statements are indisputable, and yet to apply either of them universally will strike TTIP’s detractors as politically naive. After all, nobody wants to live in a corrupt country and yet it is hard to find a government or industry on earth devoid of any conflicts of interest. In a perfect world it would be insane not to have standardised international regulation, perhaps our opinions on this matter come down to a question of optimism.

The second overarching concern regarding TTIP is a lot more controversial, this regards the Investor State Dispute Settlements (ISDS). They are the main reason why over 1.5 million people have already signed an international petition against TTIP without even being able to read the final agreement. An ISDS is a clause in a contract between a state and major investor that allows the investor to sue the state in the event of lost earnings, potentially for those that resulted from a change of government policy. The hearings to decide these cases usually take place in the murky world of international arbitration courts far from the public eye. Examples, of this include Vattenfall, a Swedish energy company currently seeking €4.7 billion in compensation from the German government following their decision to abandon nuclear power in the wake of the Fukushima disaster in Japan. Hoekman seems relaxed about this, “I think if you have a company who has invested, just hypothetically, a billion dollars in a plant that is halfway there and the government changes its mind, it’s fair.” And if the electorate changes its mind? What then? “Then the electorate should compensate the firm” replies Hoekman, “you can’t just expropriate companies. That would have all kinds of consequences for investment.”



**Colin Crouch** is Emeritus Professor at the University of Warwick, and was Professor of Sociology and Chair of the EUI’s Department of Political and Social Sciences



Colin Crouch



Bernard Hoekman



Petros Mavroidis

But some cases are much more extreme. The tobacco giant, Philip Morris, is currently suing the government of Uruguay for \$25 million in compensation in response to a new law regulating packaging of cigarettes. “In these cases,” writes Colin Crouch “the matters at hand are a far cry from expropriation; indeed, they seek to extend the concept to include any actions by governments that might reduce the profits of foreign investors.”

Hoekman thinks that cases like that of Philip Morris are absurd and will be deservedly laughed out of court and he’s ready to admit that there are people out there giving ISDSs a bad name. “There have been some really crazy examples” he says “with developing countries where a firm has said that because the government has introduced a minimum wage, it’s regulatory taking and therefore the government owes us money.... they’re completely ridiculous and the provisions of those treaties don’t allow firms to do that.”

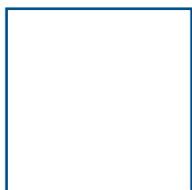
But the idea of international courts judging the legislation of sovereign states behind closed doors has rattled activists, journalists and NGOs. If ethics are what you do when nobody is looking then the question becomes one of whether we can expect these faceless judges to rule in favour of citizens or merely to protect private interests. But for Mavroidis the big question is simpler. “Do I have one agreement for what is happening in all EU states so American investors can go to one court when they have an issue? What’s wrong with that? I don’t understand why it’s such a big issue. The EU has signed treaty after treaty giving the right to Europeans to sue foreign governments.” It can sound fairly innocent but with so much being made of low voter turn outs and the so called “democratic deficit in Europe” it may be worth asking whether the EU really has the mandate required to legitimately sign such important deals on behalf of 500 million people.

Mavroidis thinks that TTIP, or something very similar is an inevitability in today’s world. “We should be excited and we should be sceptical” he says before adding that “I cannot see how you can have deep integration across the world on a multilateral basis, it is unrealistic. So TTIP or TTIP-like agreements are the next step towards integration in this area.”

Hoekman isn’t quite as optimistic. He thinks the political landscape is too messy “I don’t think it’s all that likely to happen” he remarks “It was always a risky endeavour.” There are it seems, simply too many necessary compromises. “The EU doesn’t want the deal to include entertainment, so that’s off the table. The EU really wants the US to commit to regulatory cooperation in the financial services sector, that’s not going to happen. There are lots of sectors that are off the table and no longer part of the deal. At the end of the day there’s not much else left... The Americans will be asking themselves, what they’re actually getting out of this.” With so many stakeholders potentially affected, pushing through something as big as TTIP was always going to be a mammoth task. The alternative would be to have two autocratic agencies on each side of the Atlantic, each negotiating on behalf of hundreds of millions of people in secrecy. This is already a widely held perception among TTIP’s many critics.

The whole idea, Hoekman suggests, was a panicked reaction to Obama’s so called ‘pivot to Asia’ and the Trans-Pacific Partnership, (TPP) another secret negotiation currently fighting to escape the notorious gridlock in Washington. Meanwhile, TTIP is being held up by a myriad of parochial interests and he’s worried that it’s failure is about to become a huge source of European embarrassment which could undermine our efforts to trade with the rest of the world. “The US” he says “is very much focused on Asia and there was a sense in Brussels that they had to do something with America or the rules of the world economy are going to be written by the US and Japan in an Asian context. To me, that’s the potential downside of TTIP blowing up. Because if we can’t do it with America, we’re certainly not going to be able to have that kind of discussion with the emerging economies.”

TTIP it seems is now serving to highlight the maladjustment of Europe’s confusingly multifaceted political hierarchies and the inadequacy of its unspoken Washington-esque aspirations. (It’s worth remembering just how dysfunctional American politics is right now.) While the EU remains the largest economy of earth, it is now struggling to react as the emergence of China and India catapults billions of people into the world economy. Concerns regarding diminished voter turnouts, the Eurozone crisis and the ominous sound of Putin knocking on the cold Baltic door have all forced the EU to ask itself some very serious questions about its place in the world and how many hands there should be on Europe’s steering wheel.



**Bernard Hoekman** is Robert Schuman Chair Professor at the RSCAS and is Co-Director of the RSCAS' Global Governance Programme's (GGP) Research Area Global Economics: Trade, Investment and Development.

**Petros Mavroidis** is joint professor of Global and Regional Economic Law of the Law Department and the RSCAS, and is Co-Director of the GGP's Research Area Global Economics: Trade, Investment and Development.



# Piketty the optimist

It's hard to imagine a better moment to talk to Thomas Piketty. The renowned economist visited the EUI only hours after Obama's State of the Union call for "middle class economics", one day before the ECB started its unprecedented program of quantitative easing across the Eurozone and four days before another Greek election. It was also the week of the World Economic Forum in Davos. Meanwhile, Oxfam had just predicted that the combined wealth of the top 1% was on the verge of exceeding the combined wealth of everybody else on the planet put together.

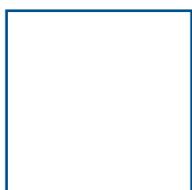
In the eye of this storm, Piketty reserved the harshest words of his lecture for the new president of the European Commission. "The future of Europe does not lie in national tax optimization" he said, adding "Juncker's model was to steal taxes from his neighbours." This was a reference to leaked documents revealing Luxemburg's years of offering multinational corporations minimal tax rates in return for a home in the EU, much of which was executed under Juncker's leadership. Remarks like this can travel far and wide. Since the publication of his book, *Capital in the Twenty-First Century*, Piketty's voice is as loud and influential as any other economist around.

Speaking to *EUI Times*, after delivering his Max Weber Lecture, Piketty was keen to extol proposals laid out by Barack Obama the night before. The President had touted higher taxes on the wealthy in order to subsidise students studying at community colleges. "I think this is exactly the right policy" enthuses Piketty, arguing that in America "a big part of the rising inequality in recent decades is due to the fact that they have very good universities for top students and wealthy families but the bottom part of the population basically doesn't have access to good education." As he goes on he starts sounding less like an economist

and more like a political communications strategist. "The plan is not sufficient" he remarks, "progressive taxes at the top could be increased much more than he proposed, but this is the right direction and I think it's important to tie the tax increases on the rich with investment in the education of the entire population, making clear that this is why you want to increase taxes on their income, in order to finance higher education."

Piketty, it seems, isn't delving into politics to defend his economic vision, he may in fact be doing the opposite. When asked about his youth he freely admits "I wasn't interested in economics as such. From the beginning, going into economics was a way to study politics." He goes on to describe the start of a journey that ended with his 696 page volume selling over 140,000 copies and quickly becoming seminal in the field. "In France we have a training system that's very much based on mathematics" he explains, "so at first I did maths because it's what you are supposed to do in France when you're good in school but I didn't want to be a mathematician, I was much more interested in literature and history. So going into economics for me was a way of going into political and social issues."

Using century's worth of data and a trove of literary examples, Piketty has argued that when the value of capital grows faster than the economy, the rich, who usually own the capital, are able to accumulate vast amounts of wealth without having to innovate. Wealth and capital, he predicts, will be predominantly inherited instead of earned as the gap between the rich and the rest widens. On top of this, tax havens and tax breaks mean that this concentrated wealth does little to benefit the rest of society. Piketty's answer to this is a "global wealth tax" on capital, which he once regarded as politically improb-



**Thomas Piketty** is Professor at the École des hautes études en sciences sociales (EHESS) and Professor at the Paris School of Economics. He delivered a Max Weber Lecture at the EUI on 21 January 2015.



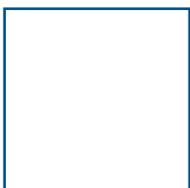
Thomas Piketty, Max Weber Lecturer, 21 January 2015

able; but that was before his research became a New York Times bestseller. As a book, *Capital* can feel bleak because the direction of travel reads like a one way street and it's easy to imagine the author, with little faith in the possibility of his own reforms, to be an abject pessimist.

Meanwhile, the influential Marxist philosopher Slavoj Žižek has accused Piketty of the precise opposite, branding him “a utopian”. He was recorded telling a room that, although he agreed with *Capital's* diagnosis, the notion of anything approaching a global wealth tax was simply naïve. Žižek argued that “if you imagine a world organization where the measure proposed by Piketty can effectively be enacted, then the problems are already solved. You have a total political reorganization, you have a global power which effectively can control capital. We already won.” In effect he was arguing that if democracies and governments had the ability to impose such an agreement then the revolution would already have happened. The last time the rich experienced sustained declines in their share of wealth involved factors like the great depression, the world wars and the end of colonialism. Now, according to critics like Žižek, the economic and political systems are inexorably weighed in favour of the wealthy.

When asked about this Piketty is resolute in his tone. “I think it's possible to have the long-term target or the ideal target in mind... global government, perfect cooperation but of course that's not going to happen but it's important to have these targets in mind so we can make step-by-step progress in the right direction.” It feels as if the success of *Capital* and the acceptance of its core message by world leaders have given the author a greater sense of historical optimism. He's keen to cite international progress on climate change that many had previously considered as political folly, “if we look at global warming, the EU has reduced its carbon emissions over the last 20 years, why did we do that? If we were selfish then we would never do it because the rest of the planet is polluting, so why would we make an effort?”

Progress, he claims, is possible in the world of finance too. “Look at bank secrecy in Switzerland” he says, “five years ago people said it would be like that forever and it just took a few US sanctions against Swiss banks for Switzerland to agree to change its banking law. We can move slowly towards more democratic and automatic exchange of information about who owns what in the banks of the different countries, which is a precondition if we want to have wealth taxation on cross-boarder financial assets.”



“I think it’s possible to have the long-term target or the ideal target in mind [...] global government, perfect cooperation but of course that’s not going to happen but it’s important to have these targets in mind so we can make step-by-step progress in the right direction.”

These relatively recent developments do seem to widen the scope of what political action can perceivably accomplish, but, as any economist anywhere will tell us, there is still much to be done. Sometimes the scale of the world’s systemic dysfunctions can seem overwhelming and working within its accepted parameters can feel like a futile endorsement of the broken status quo. Among younger people, despondency is understandably widespread. According to Piketty, there is little to lose by trying. “I’m certainly not saying that we should wait for a perfect global utopian government to exist before we start doing anything and we certainly shouldn’t use this as an excuse for not doing what we can do with our national governments, who aren’t perfect, but we can do a lot.”

Since its publication and subsequent translations, *Capital* has become a strange symbol of both pessimism and hope. One comment it always provokes is that of its size. In hardback, it dominates the landscape of every table and tests the structural integrity of every bookshelf. To commit to it is to purge weeks and months of literary competition from your planned reading. Is it really something the public can rally around to effect democratic change, or is it destined to live on as a centrepiece of economic seminars and socialist symposiums? Piketty certainly hopes not, “I believe in trickle down analytics” he says, “I believe in the power of books and ideas but you have to be patient.” You certainly do have to be patient, although the propensity of charts and cultural examples mean that *Capital* is a lot easier to understand than its intimidating appearance suggests. “I tried to write a readable and accessible book” explains the author, adding “the success is beyond expectation. I think that what this shows is a strong demand for a democratization of economic knowledge.”

So has a ghettoization of economics alienated the public? “I think many people are tired of hearing that this is too complicated for them. That the issues of income, wealth

and capital are too technical and only a small group of specialist economists have developed a science that is so sophisticated that the rest of the world cannot understand... this is a big joke.”

He goes on to offer his own analysis of the book’s success, here he is not just arguing for an end to an elite concentration of wealth but to an elite concentration of experts too. “We are all in the social sciences” he explains, “I think many people are ready to hear this message and find material in this book that helps them talk back to economists... but of course it will take more than just a book. It takes a political movement, it takes political action.”

“Economists” he laments “have done a lot of harm in the past by pretending to have the perfect models or the perfect science – that more market deregulation is always better. These supposedly scientific claims are in fact very ideological.” And this he claims is why public understanding is so important and why public engagement is vital.

Thanks to Piketty we now have a formidable blue-print of what doing nothing looks like. It may be up to the rest of us to write another.





# Treading the tightrope of activist research



There is a certain paradox to the modern academic career, especially to one dealing with politicised subjects. The purpose of academic research is to pursue a cold and clinical objective truth, but many researchers who find themselves delving deep into the crux of a political issue are driven by a profound sense that something is wrong with the status quo and that something ought to be done about it. And yet, there is a widespread stigma against 'activist research' which is often considered biased. Meanwhile many believe there is also something slightly deceptive about concealing a strongly held conviction. So somehow, a balance must be struck.

One researcher treading this tightrope is Neil Howard, a Marie Curie Fellow working on abusive and exploitive labour migration. By day he examines the misconceptions that he says surround the issue and undermine policy. He tells *EUI Times* about a study he conducted regarding migrants moving from Benin to work in Nigerian mines. "The domi-

nant discourse was that these boys were kidnapped or coerced in some way, which was false; the reality was that the vast majority of these kids were moving because they didn't have better options. The policy world completely misunderstood and misrepresented them."

Howard claims that failures of understating like this render most anti-trafficking policy "a waste of time." He calls it "deeply technocratic and hollow" and argues that those in power have to zoom out and address the cause of the illness instead of merely treating the symptoms. "Lack of social protection policies, lack of redistributing policies" are, he says, partly to blame "Benin's cotton producers are facing off against the might of huge American cotton subsidies. These are all causal factors and they're never ever addressed by policy." In an effort to steer the debate, Howard has helped found a new section of *OpenDemocracy.net* called *Beyond Trafficking and Slavery*. Over the next twelve months he plans to explore the power structures lurking behind the issue, explaining that "if we're going to understand forced labour, we have to understand the politics that underpins it."

Clearly he is passionate about his subject, but does having all his cards on the table affect the perception of his work? Politically he is on the left and unafraid to show it. By night he updates his very own 'Anti-Politics Blog' for the EUI where he writes about trafficking, slavery and more general political trends with a critical attitude towards

neoliberalism. He also edits *Columnf.com*, an online magazine with a "radical left-wing perspective."

According to Howard, academics have a duty to be as candid and as vocal as possible. He also finds it "enormously frustrating" when experts back away from a contentious position. "Being an academic" he says "is still a profoundly privileged social position. To not use that for constructive social ends is morally troubling."

For many, the authority of academic research derives from a perception of non-partisan objectivity and a notion of emotionally detached experts presenting a set of hard definitive findings. (Whether they like those findings or not.) This ideal gives politicians, NGO's, journalists, civil servants and others the confidence to bring scientific research into the public sphere. But as far as Howard is concerned the findings should always be able to speak for themselves. Optimistically, he believes the research should be judged in its own merit, regardless of the authors. "Some of the harshest critiques of austerity have come out of the IMF. Good research is good research, whoever does it."

It is hard to believe that academics working on political issues don't choose to pursue theories that correspond to a set of ingrained subjective beliefs. But as long as we can keep the fields diverse then we need only ask ourselves one simple question. Are we ready to give the other side the benefit of the doubt?

**Neil Howard** is a Marie Curie Research Fellow at the EUI's Migration Policy Centre. His Marie Curie project, funded by the EU, is entitled 'The Anti-Politics of Anti-trafficking: A Comparative Study of Anti-trafficking Policy and Practice in Benin and Italy'.



# The Road to Europe



Since the Arab Spring started in 2010, those living in the countries around the edge of Europe have endured unprecedented levels of political and economic uncertainty that has, across the region, resulted in bloodshed and instability. As violence escalated in North Africa and the Middle East, populist anti-immigration rhetoric has steadily proliferated throughout Western European politics in the wake of the Eurozone debt crisis. This has created a political landscape hostile to any kind of pro-immigration legislation and fostered a desire for each country to protect its own narrow economic and social interests.

These two factors are converging to brew a perfect storm in the Mediterranean sea, where Europe's liberal values are being tested like never before. The Italian navy is waning under the pressure and the EU border agency Frontex, is stepping in to replace their costly search and rescue missions, which have so far saved approximately 150,000 lives at sea. But

Frontex cannot rescue refugees in international waters and there is now a political justification for not doing so.

The UK government faced strong criticism in October after suggesting that the Italian rescue operations had created an "unintended pull factor" that encouraged people to seek asylum in Europe. Many dispute this, citing conflict as the reason for migration while condemning the alternative, which appears to simply consist of allowing refugees to drown in the sea. So what should Europe do?

One person looking for an answer is Professor Anna Triandafyllidou, director of the Cultural Pluralism Research Area at the RSCAS. Triandafyllidou has been watching the issue closely. "The Mare Nostrum operation is certainly not encouraging people to risk their lives," she tells *EUI Times*. "People are fleeing poverty, destitution as well as war, violence and insecurity in general. They have very good reasons to leave and certainly they do not prefer to. They would rather stay at home with their loved ones than die in the Mediterranean."

Ending the Italian operation, named Mare Nostrum, will almost certainly lead to the loss of many more lives, but the mission also leaves the Italian taxpayer and navy shouldering the weight of those displaced everywhere between Benghazi, Asmara and Mosul. To make matters worse, the Italian Prime Minister Matteo Renzi, not unlike most Mediterranean leaders, is already under sustained international pressure to drastically cut state spending. But Triandafyllidou

describes Mare Nostrum as the "right medicine for Europe's southern borders' condition" and believes it should be supported by a greater sense of continental solidarity.

Triandafyllidou also worries that our perceptions of people from North Africa and the Middle East have been obscured by negative assumptions inflated in the press. Not only do these assumptions erode compassion for migrants, but they also undermine the free movement of people within the EU itself. "There is" she says "a climate of fear towards settled migrants in Europe, particularly when they are Muslims."

"The media" Triandafyllidou argues, are known to "anchor any piece of news to long standing frames of interpretation. So the fact that a handful of young European converts go to fight with ISIS and apparently are among the blood-thirstiest of all fighters there, is communicated as a symptomatic symbol of the fact that all Muslims are deep down inside fanatic, and potential extremists."

To reverse the flow of migrants ready to risk their lives to get to Europe is probably beyond the control of any one power. The southern countries of Europe must deal with the initial flow while the northern countries find themselves as the preferred destination for hundreds of thousands of migrants every year and even while this is going on, Tunisia and Egypt must stretch their resources to accommodate those waiting to pass. The Lampedusa dilemma, it appears, is much bigger than any one island or one country.

**Anna Triandafyllidou** is Robert Schuman Chair Professor and Director of the Research Area on Cultural Pluralism at the Global Governance Programme, Robert Schuman Centre for Advanced Studies.

*This article was originally published on 11 November 2014.*



# Intergovernmental Forums - Emerging from the shadows

Imagine the following scenario. You're a European minister and you want to meet your continental counterparts. But if you talk to them at an EU meeting, every journalist, lobbyist and political enemy you have will be watching you like a hawk and the EU will be obliged help them do it. So to avoid the cameras and notepads of the press and the strenuous procedure of Brussels, you form your own clubs to discuss with finance, regulation, transport, energy or whatever policy area you want to talk about.

These are called intergovernmental forums. They operate outside the traditional EU framework and have raised serious questions about legitimacy and transparency. But over time these disparate forums have slowly and quietly crept out of the shadows and into public life, becoming noisy actors on the European stage. So why are groups that were designed to stay backstage becoming so conspicuous? One man who might know the answer is Lewis Miller, a British researcher in the Department of Political and Social Sciences.

"I look at intergovernmental forums in the EU" he explains while sitting down for coffee with *EUI Times*. "They're basically bodies where all the ministers in a particular policy area will come to meet." That sounds simple enough, but Miller is interested in the evolution of these groups, which has become something of an academic blind spot in our understanding of



European politics. It seems, according to Miller that these groups tend to evolve into the kind of thing they were designed to be separate from. "They set these bodies up outside the EU, to keep the EU's influence small but over time they become more like other institutions in the EU. So I explain why these governments would create an organisation but then begin to let go of the original principles that make it different to the other groups."

One of his favourite examples is the Eurogroup, which consists of Eurozone finance ministers. "It was informal" Miller explains, "but since the crisis they've started putting out huge press releases, hosting big press conferences, they now have a president and involvement from the Commission to help them make policy."

This is odd because from first appearances, it might seem like the whole point of an intergovernmental forum is to avoid bureaucratic procedure

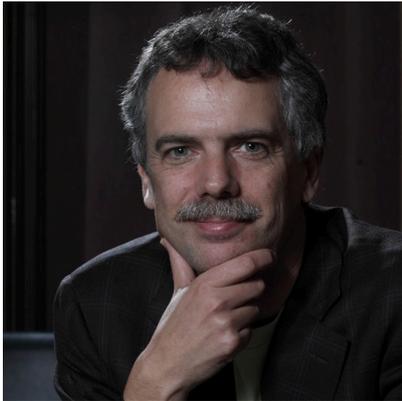
and to stay under the radar. "Informal organisations don't have a huge amount of rules. So if we want to discuss things, we don't need a big rulebook telling us what we need to do, we can just get down to negotiating straight away. They tend to be more secretive as well because if you just have an informal meeting you don't need a room and staff as so on. So it allows us to be frank and talk about things in secret."

It's interesting to hear Miller rhetorically meander between referring to the groups as "they" and "us", even if he is just being hypothetical. Are these insidious smoke filled rooms or just a natural and normal fixture of 21st century politics working on our behalf? And are they trying to have their cake and eat it too by speaking up in Europe? The only way to answer these questions is to find out more about them. Watch this space.

**Lewis Miller** is a Researcher in the Department of Political and Social Sciences.



# Welfare chauvinism and the progressive's dilemma



How can robust and dependable welfare states be maintained in diverse societies? It sounds as if it shouldn't be a problem, but many are now starting to worry that multiculturalism has inadvertently undermined the foundations of our shared sense of responsibility. "This has been called the progressive's dilemma" says Professor Will Kymlicka, "that there has to be a trade-off between recognition of diversity and the welfare state."

Kymlicka is the Canada Research Chair in Political Philosophy at Queen's University, and is now at the EUI as a visiting Robert Schuman Fellow. He is the author of *Multicultural Odysseys*, which studies the shifting political grounds surrounding diversity.

Speaking to *EUI Times* prior to his talk at the EUI Forum's Mobility in Crisis conference, Kymlicka explained the concept of welfare chauvinism. "The idea" of welfare chauvinism he explains is "that a society should have a

strong welfare state but that it should be primarily for its citizens rather than for newcomers and that therefore it's permissible and appropriate to make it harder and harder for immigrants to gain access."

According to Kymlicka, the popularity of welfare chauvinism goes beyond the ascent of economic uncertainty. He is keen to cite research that showed a popular preference to have fewer economically active immigrants as opposed to a greater number making a tangible contribution. "The crisis" he claims "just reveals cultural anxieties that were there all along."

It is certainly true that political parties critical of immigration and the free movement of people have flourished across Europe since the emergence of the global economic crisis. The growth of far-right parties like Golden Dawn in Greece, the Front National in France, along with other movements like the UK Independence Party in Britain, became impossible to ignore after their unprecedented success in the 2014 European parliamentary elections. So is this new climate to sceptics merely a phase or could it be the new normal? What if the decades of historically unparalleled levels of tolerance in the EU's formative years were just an aberration?

"One reason for optimism" Kymlicka suggests, is that "younger people today are just much more comfortable with diversity. They take it as normal and natural that they live in ethnically

mixed areas (and) go to ethnically mixed schools. That's the world that they've known, they don't experience diversity as an unnatural change."

For Kymlicka, the situation is actually pretty ironic. "The people who stand the most gain economically" he explains "are older people... dependent on working age people and our pension schemes would go bankrupt in many countries without an influx of working age immigrants. But resistance to immigration is often highest amongst the elderly."

"The debate on immigration in most countries is very parochial" he laments, "We don't try to learn from other countries, I've been banging my head against the wall trying to encourage people in my country (Canada) to think about the benefits of comparative scholarship on issues of immigration."

It is for this reason that he savours the chance to work in an international institution where he can talk to other experts about his research and his experiences of the debate in Canada.

"The EUI is obviously perfectly located to be a forum for sharing of experiences. There are actually a lot of success stories and failures across Europe and across the world on how these issues are dealt with. So often I see countries reinventing the wheel, they could have actually learned from what has actually worked and what hasn't worked in other countries but we don't tend to look at each other very much."

**Will Kymlicka** was a visiting Robert Schuman Fellow in the Global Governance Programme at the RSCAS in January and February 2015. He is Canada Research Chair in Political Philosophy at Queen's University, Ontario, Canada.



# How anti-Islamic Pegida spreads across Western Europe



Lars Berntzen



Manès Weisskircher

Pegida groups have now been set up in many Western European countries in what looks to be the quickest spread of far right and anti-Islamic activism on record. Following wide media coverage, online groups first started to crop up beyond Germany in December and continued to spread in the wake of the jihadist terror attacks in Paris. Some Pegida activists tried to latch onto the broader wave of sympathy demonstrations under the monicker “Je Suis Charlie” by co-opting this message.

Established in Dresden in October 2014, Pegida stands for Patriotic Europeans Against the Islamization of the Occident. They portray themselves as a “humanist protest movement against Muslim immigration and the influence of Islam”. Their mobilization has resulted in one of the largest waves of demonstrations in Germany since the fall of the Berlin wall, explicitly referring to the protests against the GDR in 1989 by staging their demonstrations on Mondays using the slogan “Wir sind das Volk” (“We are the people”). Because of their ability to draw massive crowds in Dresden, they have

been viewed as a predominantly local phenomenon. Although the local basis is important to understand why they were able to draw crowds of up to 20,000, this take misses the bigger picture. In fact, the efforts by the various Pegida groups represent the largest transnational mobilization among anti-Islamic and far right groups in Western Europe during the last decade. There are now over 150 online groups carrying the Pegida label, ranging from transnational groups to local ones.

Pegida is the latest transnational incarnation of anti-Islamic activism in Europe. One of the first instances was the rise of the Stop Islamization groups following the first Muhammed Cartoon crisis in 2006. This was followed by the gradual diffusion of ‘Defence League’ groups starting with the English Defence League in Luton in 2009. Another important case was the Identitaire groups originating in France.

As with the older anti-Islamic groups, Pegida has been much more successful at drawing people online than on the streets, where there has been a much larger variation in mobilization capability. This underscores the need to view online and street mobilization as partially distinct phenomena. Even in their most successful attempts outside of Germany, Pegida organizations could never gather more than a few hundred supporters for their “walks”.

Wherever they have sprung up, Pegida has consistently been outnumbered by counter-demonstrations of the autonomous left, anti-racist groups as well as organizations connected to mainstream political players and religious organizations. This even holds for places where Pegida so far has failed utterly in the streets, such as in Switzerland and Sweden. The huge gap in mobilization speaks to the high cost and stigma associated with marching in the streets under the banner of a group labelled by many as extreme.

The places where they have been able to muster any sizeable crowds are also those places where the older anti-Islamic activist groups have a presence, such as Austria, Denmark and Norway. Interestingly, these countries all have electorally successful far right parties as well. This breaks with key findings on mobilization during the last decades, when a strong far right presence in parliament has curtailed street mobilization by their sympathizers.

Pegida is not an isolated or solely German creature. It should be seen as the latest iteration of anti-Islamic mobilization that has been gradually growing in momentum over the last decade. Even if they should fade away within a short time period, their quick diffusion has probably strengthened the future mobilization potential of the wider movement.

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## Why electronic mass surveillance fails... drastically



Since the Edward Snowden revelations emerged in June 2013, there has been a continuing public debate on electronic

mass surveillance and how it affects the privacy rights of ordinary people, including in Europe. Within SURVEILLE, (Surveillance: Ethical Issues, Legal Limitations, and Efficiency) an EU-funded project coordinated by the EUI, we believe to have shown in a paper just released that electronic mass surveillance, including the mass trawling of ‘metadata’ and ‘content’ by the United States National Security Agency (NSA) fails drastically in striking any ‘balance’ between security and privacy.

Over two and a half years our consortium has conducted multidisciplinary assessments of surveillance technologies as to the ethical issues they raise, the legal constraints there are – or should be – for their use above all on the basis of privacy and other fundamental rights, and their technical usability, including cost-efficiency. We are subjecting a wide range of surveillance technologies to three separate assessments undertaken by three parallel expert teams consisting (mainly) of engineers, ethicists and lawyers. This work is informed and commented upon by our two end-user panels, one consisting of law

enforcement officials and the other of representatives of cities and municipalities. Surveillance technologies are being assessed in context by looking at their use in a sequence, in an evolving scenario simulating real-life experiences of the use of surveillance. The scoring approach applied in SURVEILLE primarily represents an effort to combine different disciplines and their specific expertise into the assessment of surveillance technologies. The technology assessment team and the legal team produce numerical scores, while the ethicists use colour codes (green/amber/red) to signal the severity of ethical concerns.

Our newest paper contains a terrorism prevention scenario that evolves step by step and in which six different surveillance methods are applied for the detection of a terrorist act possibly in preparation. The two first forms of surveillance represent electronic mass surveillance, namely the bulk collection of ‘metadata’ and content’ through the splitting of a submarine fiber-optic cable and the subjection of the trawled data to analysis through algorithms. The scenario continues with more targeted surveillance measures, some of them traditional (non-technological), some electronic. Our technology assessment experts gave the highest usability scores to traditional surveillance methods and only mediocre scores to methods of electronic mass surveillance. Remarkably,

the assessments by the technology experts coincided with those by our team of ethicists. What worked best in terms of usability also raised the smallest ethical concerns. The gravest ethical concerns were identified with the same three methods of electronic surveillance that gave the lowest usability scores.

Furthermore, also the assessments by the EUI’s legal team in SURVEILLE largely coincided with this consensus. The three methods of electronic surveillance that gave low scores on usability and red ethical alerts, also produced the maximum score for privacy intrusion. In contrast, the two traditional surveillance techniques both gave a very low intrusion score. The scoring approach, the numerical scores obtained, and the ethics assessments are all presented in the paper just released. We believe that our methodology and findings can make an important contribution in the public debate, as to whether there is a ‘balance’ between surveillance and privacy, and what could be a meaningful framework for assessing how that ‘balance’ could be measured. For the NSA methods of electronic mass surveillance, the verdict is highly negative.

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## Understanding Germany- Advancing Europe



David Kleimann

It is an inconvenient truth that Angela Merkel's ill-conceived Euro crisis management is rooted in a recently accelerating renewal of German collective identity, which has resulted in a narrowing definition of Germany's role and interests in Europe and the world. Merkel's otherwise inexplicable hesitance to shape the European integration process more proactively during the crisis years is largely owed to a dramatic shift in domestic political sentiment. Germany's insistence on short-term national economic interests has both coincided and collided with external expectations of late-20th-century-style German political cooperation. Alienating and preposterous external references to Nazi Germany or allegations of German hegemonic ambitions have further reinforced defensive and nationalistic postures.

The narrative that underlies contemporary German self-perception stands on a number of well-known pillars: the guilt-ridden post-war decades; Germany's role as the atoning paymaster of the European Community; Helmut Kohl's checkbook diplomacy; the massive efforts devoted to post-reunification East German economic development; historical peaks of unemployment in 1995 and 2005; Gerhard Schröder's divisive 'Agenda 2010' social security and labor

market reforms; two decades of competitiveness-driven wage restraint; and a fast post-Lehman crisis recovery. This historical context has shaped a simplistic popular German response to the sovereign debt crisis: "We had enough! Get your own house in order!"

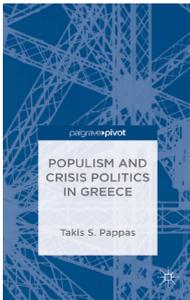
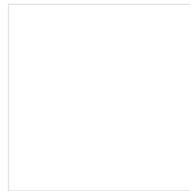
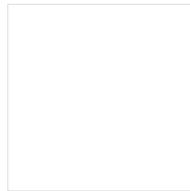
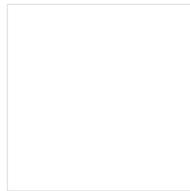
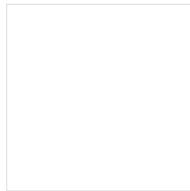
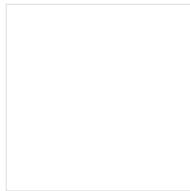
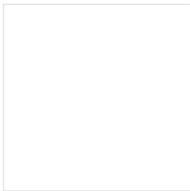
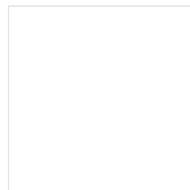
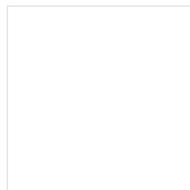
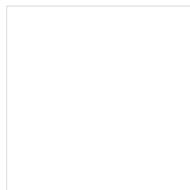
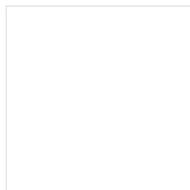
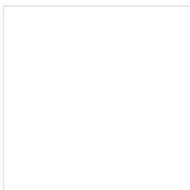
Guided by the opportunistic objective of political survival, Germany's ruling centre-right political class has turned its back on Europe and pursues a reactive foreign policy that hedges narrowly defined national interests against external demands for an unconditional political and financial commitment to Euro crisis resolution. In light of the numerous challenges that lie ahead of the Union and the Eurozone, the ad-hoc leadership style of what Radoslaw Sikorski calls Europe's 'indispensable nation' could not come at a worse time. Sikorski, then Polish Foreign Minister, conceded in 2011 that he now feared "German power less than I am beginning to fear German inactivity."

Sikorski's concerns are highly justified. A year later, the forceful but controversial SPD Spitzenkandidat in 2013 federal elections, Per Steinbrück, told Merkel and the German Bundestag: "Germany's future is in Europe. And we have to invest in this future, just as we have invested in the reunification. To tell and to explain this to the citizens of our country, Mrs. Chancellor – this is your duty!". Merkel's principal political skill, however, is her sensitive yet populist managerial responsiveness to the sorrows of German voters

rather than the education of public opinion through thought-leadership. Indeed, German voters cared little for Steinbrück's big-picture explanations. Instead, voters went beyond expectations in acclaiming Merkel's carefree all-inclusive wellness politics, yet challenged her rightwing flank by nearly voting the rising euro-skeptical AfD into the Bundestag. At the centre-left, the SPD was served the party's second worst election result since 1949.

A second inconvenient truth is that Germany's increasing inward-orientation is as worrying for Europe as it is democratically legitimate. Shaping Germany's foreign policies from the outside must start by acknowledging the legitimate concerns and collective identity of its citizens. Such recognition can help centrist German political forces to reignite Germany's shared leadership towards an ever-closer Union in its well-understood own interest. Understanding German political sentiment and encouragement of a proactive German foreign policy are key to overcoming the immense challenges that lie ahead of the Union. Confronting the maturing 21st century Germany with old-fashioned rhetoric and expectations, in contrast, risks undermining the indispensable German popular support for the European project. It remains a paradox that the extent of European Angst of German power is only matched by the degree of Germany's reluctance in exercising it in the Union's best interest.

David Kleimann is a Doctoral Researcher in the EUI's Department of Law.



*Populism and Crisis Politics in Greece*

Takis Pappas

Palgrave, 2014

Over the course of 2011 and 2012, Athens became the flaming jewel in the crown of the Eurozone sovereign debt crisis. A climate of punitive austerity measures and near daily rioting brought the systematically dysfunctional nature of Greek politics to the

world's attention. The country had run a budget deficit every single year since 1973 and the toxic debt to GDP ratio that has existed ever since was hardly even addressed until the outbreak of the recent global financial crisis. How could democratically accountable leaders fail to address the country's unsustainable finances year after year and decade after decade until it was all too late?

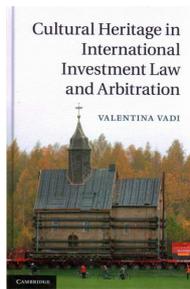
Professor Takis S. Pappas points the finger squarely at populism. In his new book *Populism and Crisis Politics in Greece*, Pappas charts the historic proliferation of irresponsible spending commitments following the fall of the military junta in 1974 and the transition to democracy that followed.

According to Pappas, the emergence of two high-spending populist parties, each taking turns in power, created and maintained an uncontrollable precedent of excess. And because each party was able to effectively satisfy its own political constituency with more spending, there was nobody left with an incentive to speak out. In an interview with *EUI Times*, Pappas explains that "The state, far from being an impartial promoter of public welfare, became a resource to be appropriated by individuals eager to enhance their own private wellbeing. Yet, because of the alternation in power of the major parties, the system was anything but a zero-sum game. In reality, all members of society gained when it was their turn."

This, says Pappas, is how the party managed to roll on uninterrupted for decades before the titanic hangover of

2012. One might be forgiven for wondering if Pappas is lamenting the lack of a Thatcherite/Reaganite figure to reign in a culture of big government, but that is far from the picture being painted here. For Pappas, Greek spending was usually closer to bribery than it was to socialism and represents a stark warning that "when voter behaviour is motivated by populist (illiberal) values, systematic prejudices, and the pursuit of short-term self-interests at the expense of the public good, society is eventually left worse off – and prone to crisis."

With populist parties now gaining ground across the continent, Professor Pappas could become a vital and controversial authority regarding the future of European democrac



*Cultural Heritage in International Law and Arbitration*

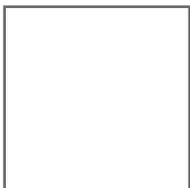
Valentina Vadi

Cambridge Univresity Press, 2014

In 2007 a German church in the vilage of Heuersdorf was wrapped in steel corsets, torn from the earth before being taxied 12 kilometres down the road. Today, Heuersdorf no longer exists.

Anyone attempting to visit with an outdated map will find themselves standing on the edge of a huge coalmine and over 7 miles away from the church, the existence of which was first noted in 1297.

Moving the church cost the coal company €3 million and it is the sight of God's caravan on wheels and in motion that features on the front page of Valentina Vadi's new book *Cultural Heritage in International Law and Arbitration*. "The images and video of the holy journey crossed boundaries" she says, in an interview with *EUI Times*, "The church on wheels epitomises the vulnerability of cultural heritage. That is our memory of the past, vis-'a-vis economic development... When everything has to go, there is something that remains. In the words of a poet, what we love shall remain, what we love is our true heritage."



It is this, near universal, tension between development and heritage that Vadi became keen to explore after discovering an interest as a researcher at the EUI. Vadi explains how she picked up the interest while working on her main thesis, “I came across a large number of cases dealing with different aspects of cultural heritage. I started investigating this phenomenon and publishing shorter pieces alongside my PhD commitments. After the PhD defence, I realised that the time was ripe for moving the cultural heritage project forward.”

“Globalisation” Vadi explains “is going to make heritage a key theme of the 21st century. The protection of cultural heritage is not only a key element for promoting sustainable development but also a crucial tool to address the key challenges of the future.”

Using numerous case studies for around the world Vadi follows the front line of what is now a global struggle between cultural heritage and economic growth. This involves exploring the legal and cultural implications of foreign investment, local preservation and state protectionism. We now live in a hyper-connected and globalised world with each country developing in a state of constant competition. These themes now look likely to touch every political and economic landscape on earth and as old and established as international investment law is, it will have inevitably have to move down the road to meet these challenges.



*LGBT activism and the making of Europe: A rainbow Europe?*

Phillip M Ayoub and David Paternotte (eds)

Palgrave Macmillan, 2014

In December of 2013 Alexei Pushkov, chairman of the Russian foreign affairs committee, warned Ukrainian protesters about an expansion of “gay culture”, which he then described as “the official policy of the EU.” It is with this ominous quote that Phillip M Ayoub and David Paternotte start their new book, *LGBT activism and the making of Europe: a rainbow Europe*.

Both Pushkov and Putin have evoked a “moral foundation” of “traditional families” as a defining contrast between Europe and Russia. (The preference to support “traditional families” is widely regarded as a dog-whistle code for homophobic policy.) This characterisation of Europe is also prevalent in Africa and the Middle East where many deeply religious communities have sought to identify themselves in contrast to western values. It is this association between gay rights and the European identity that interests Ayoub, a Max Weber fellow and assistant professor of political sciences. He tells the *EUI Times* that he and Paternotte co-authored the book to “better understand the emergence and the historical develop-

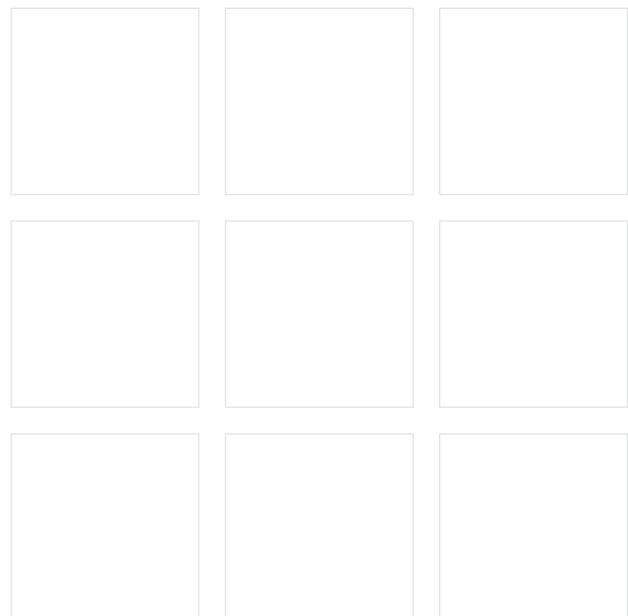
ment of the special relationship that unites issues of sexuality and Europe.”

In the book, Ayoub and Paternotte contend that gay rights were initially linked to the idea of ‘modern Europe’ by civil rights activists who often travelled across borders to campaign across the continent. “Our research” Ayoub explains “showed that LGBT movements were inspired by specific ideas about Europe (democratic values and a responsibility towards human rights), which they sought to realise through activism.”

Today, Europe is considered to be among the best places in the world to be gay, and yet LGBT rights did not simply emerge overnight. It took years of effort by activists, fighting for the recognition of a sceptical political class to achieve the rights that many of us take for granted today. According to Ayoub and Paternotte, “the earliest notions of the idea that Europe had a special relationship to LGBT rights first appeared in activist discourses long before it was adopted and championed by European national institutions.”

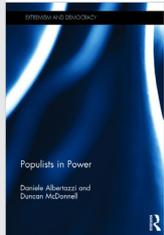
Ayoub tracks a history of nomadic campaigners, who often had to convince politicians to support their cause in the face of public opposition, not only did they change Europe forever, they also redefined it in the eyes of the world.

There is still a long way to go. Discrimination and hate crimes remain far too prevalent (this will be true until they are confined to history) and Ayoub does not consider total equality as a certainty, nor does he expect history to move in one uninterrupted direction. He warns that “backlashes are very common in response to LGBT legislation” and notes that “it remains risky to think of progress as an inevitable and linear trajectory.” It may be that his work comes to act, not just as a history book, but as a manual too.

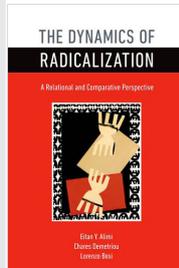


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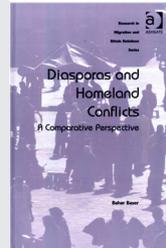
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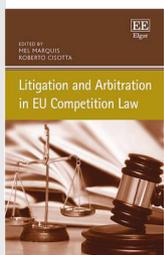
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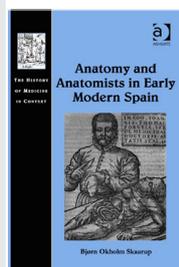
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