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QI Panel:

The Further Expansion of the European Union and the Euro

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Anatol Lieven 0:08

Hello, everyone. I am Anatol Lieven, director of the Eurasia program here at the Quincy Institute for Responsible statecraft. The Quincy Institute, as I trust people know by now, is a relatively new Institute in Washington, DC, dedicated to the pursuit of restraint and prudence in us, foreign security policy. In our webinar today, we are going to discuss the question of the further expansion of the European Union, the position of Ukraine in this regard, and the the sort of offer of a halfway house so far rather undefined, which has been made the question of the further expansion of The euro currency, but also the role of the European Union and the impetus for internal transformation of the European Union created by this new world that Canada's premier Mark Carney talked about at at Davos, and the role of middle powers in this new world, including the European Union, and what this will mean for the European Union questions. I hope you will have questions. Please place them in the Q and A at the bottom of your screen, and I will pass on as many of them as possible.

So today I'm joined by an extremely distinguished panel Lord Robert Skidelsky, British economic historian, fellow of the British Academy and a member of the House of Lords as an independent crossbench. And Robert has written an award winning biography of John Maynard Keynes and held positions in history and political economy at several universities, and is a leading commentator on economic and policy issues including the Ukraine war and relations with Russia. Professor Wolfgang Streeck Is Director Emeritus at the Max Planck Institute for the Study of societies in Cologne, Germany. Also a member of the British Academy, of the Brandenburg Academy of Sciences, a good Prussian Prussian name, and of the academia European. He's the author of several leading books on international political economy, include and his most recent book, taking back control states and state systems after globalism, was published in 2024 Wolfgang writes frequently for the New Left Review, the London Review of Books and other publications. Rada Laykova is a Bulgarian politician from the revival party who was elected to the European Parliament in 2024 where she sits as part of the Europe sovereign nations group, and as she serves on the European Parliament's economic and monetary committee, and Dr Laykova holds an MA in European Studies From the Humboldt University in Berlin.

So welcome everybody. So I thought I would begin first by asking about this question of the future status, the future position or role of Ukraine in the European Union. Because first these, it seemed to me, I have to say, and vast majority of experts I've talked to, ridiculous proposals were made that you're that Ukraine could be in the European Union by 2027 or 2030 now this

has been scaled back to a proposal so far pretty undefined, that Ukraine could be a member without being a member, if you see what I mean with so many you know, with multiple reservations and exclusions. So I'd like to begin by asking you, Wolfgang, do you regard this as a serious proposal for Ukraine, or is this actually just a diplomatic face saving SOP? Is it likely to be a real path to full membership of the European Union, or will it be a recipe for Ukraine finding itself in a new version of a halfway house? What do you think Wolfgang?

Wolfgang Streeck 4:42

I think most of those that are involved in making these decisions don't really know what they want and what they want to do. There's a very fundamental issue here that nobody ever addresses, which is that in many ways. Is the membership of Ukraine in the European Union would be a substitute for Ukrainian membership in NATO. And that touches on this very fundamental issue of what the relationship between the European Union and NATO is. In many ways, the EU is now trying to sort of step in and serve as a substitute for NATO. But then you see, NATO is a deeply integrated military command structure. There is no way the European Union can, in any way, sort of substitute for this, the admitting Ukraine to to the European Union is a, is a project that also, that also is sort of a condition on the part of the Ukrainians to agree to any peace settlement or or any other settlement of this sort, but, but nobody knows. Now, the Italians and the Germans have come out, and they have said that this is not going to there's no membership for Ukraine. The ridiculous idea was January 120, 27 that is completely impossible. They would have to rewrite the budget for the next seven years. Which is, which, which is a huge would be a huge thing, as you say.

Anatol, now the discussion is about sort of second class, second rank membership, but, but remember the days of of Brexit, when, when this was several times suggested as a possibility to keep the United Kingdom inside the European Union, without making everything that the European Union decides binding on it as a member. It turns out that among European countries or EU members, there was not much interest in doing such a thing, my explanation is that that the moment you open up, this, this, this problem, you're beginning to really discuss the fundamentals of the fundamental assumptions on which the European Union is now founded, namely the idea of European integration. What is European integration? And and then one would have to say, is it economic? Is it military? What? What is it the other several different statuses available. You can be less integrated or more integrated the moment you begin to to develop such a status, then someone like Hungary or someone else might want to sort of step back into a second, into onto the second level.

So my general statement answer to your question is that this is undecided, the leaders. Of the countries of the European Union are in a state of panic. They don't know what is going to to come out of the so called peace negotiations in Ukraine. They have no idea of how their own relationship with NATO is going to is going to develop, and now they pretend that they know something. But in fact, what they are doing is they are sort of piloting without, how you say on without seeing anything. It's like blind flight.

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Anatol Lieven 8:58

Yeah, Robert, the the New World, described by Mark Carney at Davos. What are the implications of this for the European Union? Is this you think going to be a major driver of European integration and strengthening the European Union in order to to play a role, to defend itself in this new world of middle powers.

Robert Skidelsky 9:29

Well, it should be. But first of all, let me refer back to something that both going said and which I'm strongly in agreement with. I mean, the European Union is trying to solve its problems by releasing balloons of words which mean absolutely nothing. I mean, in other words, a security a NATO. NATO value security guarantee to Ukraine, without Ukraine joining NATO now we have, you know, a European guarantee. Kelley without quite joining the European Union. So these are all words, and until you actually think, find some try find some content in these words. It's just a way of saving face. It's a way of producing an agenda for 15 or 20 leaders to meet on a stage, be photographed smiling and absolutely nothing at all resulting from it. It's a world of make believe, and that is what the European Union has become now, As for whether it can strengthen itself to survive in the carny world of medium sized states without the United States as the constant backstop, which has been for the last 5060 ever since 1945 Europe has been a protectorate of the United States, economically and also politically. Now the United States is saying, Enough is enough. We don't want to do this anything. It's up to you. So they finally maybe have to face reality. Maybe assuming Trump isn't just blustering as well, but maybe they have to face reality.

And what is that reality? The reality should be that they move towards a political union. And that's always been the problem with Europe. It's a creep towards a political union that never quite gets any momentum. Now they're confronted with the urgency of having to create a state, a state, and call it a state, and that means that they have to have in order to deal with the economic challenges, they have to have a fiscal union. They've never, never grasped that particular nettle. And without that fiscal union, they cannot give powers to the European Central Bank that the European Central Bank would need to manage a European Monetary System properly. So they're faced with this now, is there is the other words up to this reality, or are they trying to evade it as well?

I must say, on the on the issue of Ukraine and EU membership, it's terribly wrong to even give a thought to a Zelensky condition that we will give up territory if you allow us into the European Union. European Union should not depend on that kind of bargain at all. I mean, you know, it's a value to be in the European Union, and the Ukraine are going to give up the territory anyway, whether they're in the European Union or not. That's the that's the fortune of war. So the whole thing is these words, words, words envelop us. I mean, they're silly.

Anatol Lieven 12:50

Yes, well, as I say, not for the first time, but rather, I take it that you and and your block would be strongly opposed to greatly strengthening the Central Powers of the of the European Union in this regard?

Rada Laykova 13:08

I would firstly like to underline what the previous speakers said that I completely agree with that the European leaders are really in a state of panic. We can see that throughout their actions and what happens right now with the statements and the intentions of the commission is nothing more than words. Because maybe for the better, we see that this European Commission with the Ursa von der Leyen actually failed on its own big proposals that it really was pushing for. For example, the combustion engine ban until 2030 This is completely off the table. The whole green agenda in Europe, this commission has not filled its own promises. So the membership of Ukraine right now is really utopian, from my experience here as an MEP, and from what the commission has been able to deliver on its on its own objectives, and furthermore, a membership in the European Union is related to something called a key communitaire, or different conditions that the judicial system, the economic system of a country has to fulfill, to align with with the current member states.

And this is a very lengthy and objectively difficult process that my country, Bulgaria, went through, entering the EU in 2007 but right now, this is a very political topic with Ukraine, so I I suppose we're not even going to look at any of the criteria because they were completely overlooked. For example, with the Bulgaria being forced to join the eurozone because the master criteria that the budget deficit. It was completely not matching what is written in the treaties. So the further expansion of the EU is not linked to actual European interest or even to the European treaties, but is a very current elite European project, and also going back to those criteria from from my work in the Committee on Economic Affairs, something we discuss very, very often is the scrutiny of the European agencies of their work, of what they're planning. For example, the anti money laundering authority. This is one of the four big money agencies, and they have lists of countries that objectively fall under scrutiny or are considered discussed for inclusion, for high risk third countries that are related to money laundering or corruption.

And at the moment, Ukraine, despite extensive reports of corruption, of money laundering, even in very pro Ukrainian media, is this very systematic? We're not seeing this from from the recent past. No, it has been documented, and this, these structural issues, are not even considered so this country is is is not on the list, is not even considered to be on the list. But we have other countries that are put on on this conditions that actually block trade with the European Union for political reasons. So in my opinion, if they push forward with that, it will be a very wishful thinking political project, and on the own interests of big European powers like France, for example, it would be very difficult to justify such a realist, realistically justify such a decision.

Anatol Lieven 16:58

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Yes, Wolfgang, I must say, I after what happened after 2008 with with Greece, I was very surprised that people that the European Union is still pushing the expansion of the Euro, Germany has gone along with this. But is Germany? Is the German public truly committed to support the Euro whatever it takes and wherever it takes?

Wolfgang Streeck 17:46

Now one has to see this admission of Bulgaria to the euro as part of an attempt to form an anti Russian Alliance in Europe, that that is in in many ways, I think what von der Leyen and her gang have discovered is that the first thing you need in order to build a state is an enemy to fight, and and, And in that sense, as in any war or preparation for war, costs don't matter. They know that if Bulgaria suffers from being in the Euro because they can no longer devalue their currency, then the European Union will have to help out. But Bulgaria is not big, and they think, well, there's enough money around. And if there is not enough money around, we can print it and borrow it from somewhere and then send some sort of handouts to Bulgaria in order to treat the suffering, so to speak, in I think everything that they are doing now in Brussels needs to be seen in terms of and that that gets back to the Carney speech as the attempt to build Something that on this Eurasian on this Eurasian continent, can maintain a hostile border with with Russia, if you want a second a second a second, Cold War, long term Iron Curtain thing where the the Eurasian continent is divided into hostile parts by the at the Russian western border.

Now, now that's the dream of of the present Finnish government. It's the dream. Dream of the Baltic states, it's the dream, the dream of Kaya Kallas and many, in many places in Europe, this is seen as as the the answer to the question of European integration. It hasn't worked before. It hasn't worked after covid. It has it hasn't worked then this and that it hasn't worked on environmental policy. Now maybe it works on war. Now, this is an extremely dangerous operation. It is also extremely costly, but in a war, the war, a war, is a situation in which you can sort of turn hot air into money, and because it's a deadly, deadly you have to kill or be killed, and and I think everything that they are Doing now needs to be seen from the perspective of this idea of building a militarized super state that can can be hostile to Russia without needing to rely on the United States.

And if I, if I may add this, I think that in Germany, you were asking for the German public. In Germany, this is not no longer, or this is not going to be any longer an economic but a political problem. Remember when Matt had this ridiculous idea that if there were to be troops stationed in in Ukraine is a security guarantee Germany would be, would not go into Ukraine, but would be, would locate its troops at some countries sort of near to Ukraine and and I think, I think they are now beginning to really get nervous in a potentially even productive way. Germany has no nuclear arms. It has, however, the most, the by far largest conventional troops, if there was a war around Ukraine, provoked either from inside Ukraine or from some Baltic, Baltic countries, then Germany would would bear the brunt of this without having a nuclear cover, without having a nuclear umbrella and and that must that I feel, I think I feel that there is now some sort of sensitivity to this growing inside Germany. The economic madness always was a possibility, but, but military madness, that's a different, a different dimension.

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Anatol Lieven 22:56

Well, because we have a question from the audience about, you know, basically saying, if the European Union were truly serious about all European countries were truly serious about about building themselves as a great military power, they would reintroduce conscription. And of course, there have been certain moves in that direction in Germany. But from what I can gather, this is, shall we say, not, a universally popular position among German youth.

Wolfgang Streeck 23:25

Yes, I think, I think the first step that the that the new European leadership will will take is to build up some sort of professional army admitting anyone who, who can, who can hold a gun. It's a volunteer. I mean, not, not based on, I mean, the actual fighting operations. You can, you can hire a lot of people from a lot of countries to serve, yeah.

Robert Skidelsky 23:57

Can I? Can I reply to that? I mean, I think it's not serious this stuff. I mean, it's, again, we're in the realm of words. I mean, Wolfgang has said that rightly, that the project of building up the Euro strong euro is an anti Russian project, but it's, of course, also an anti American project, because Trump has said that he wants a weaker dollar. He doesn't want the dollar to be go on being the world's reserve currency, because that means a hollowing out of American manufacturing capacity. It means running, you know, keeping reserves. America has about 50, just over 50% of the world's reserves. At the moment, it's down from 70. There is a slow diversification going on. But of course, it that will continue as the dollar. Weakens and tariffs start adjusting the American current account. But what? What are the consequences of running both an anti American and an anti Russian policy simultaneously? I mean, I'm not talking just about the dollar and the ruble, but about the military balance. I mean, are they living in a completely mad world? These people to imagine a superpower facing on equal, roughly equal terms, both America and Russia? What are they thinking about? What lunatic asylum is large enough to contain them?

Wolfgang Streeck 25:50

Well, rather, may I, may I say that just, just to add this to what Robert says, we have 40,000 American troops in Germany. We have the most sophisticated military command center in the world, which is located in Wiesbaden, where the Americans are conducting their Middle East operations. From there, we have this enormous military base where, during the war on terror, which will never end, of course, during the War of terror, on terror, they use this as a switchboard for all these, those people that they sort of collected all over the world. They were all taken to Germany and and for first interrogation, if you can call it that this is sort of American presence in in Western Europe. Will they go? Will they go?

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Robert Skidelsky 26:50

You think they're there and that it's bluff to that it's a Trump bluff, that Americans won't actually surrender their position in Europe. Is that your view?

Wolfgang Streeck 27:03

My view is that Trump may think that, but if he goes down to really tell the American army to give up these positions, then we actually might have a deep state revolt against the political leadership. I cannot imagine that the Joint Chiefs of Staff will sort of peaceful, peacefully evacuate Germany, which is the prime achievement of the Second World War. It is like, it is like Okinawa. Okinawa is also roughly 40,000 American troops, and now you see how this reverberates in in Japanese domestic policy, the Japanese are now have now learned that if the Americans are going to attack China because of Taiwan, they better be on the on the right side.

Robert Skidelsky 27:56

So America has never relinquished interest in the Pacific. In fact, it is pivoted to the Pacific, and Okinawa is part of that pivot, if you like, and even but it has renounced interest in Europe. I mean explicitly, it said that what happens in Ukraine is of no interest to America. What happens in Europe is of no interest to America. It's only possible intervention in Europe is to support far right parties who alone embody the true European spirit against the decadent elites who run Europe. I mean, that that's, that's the Trump rhetoric. Do take that just for words, or is it sort of an indication of policy?

Anatol Lieven 28:48

Well, but we, you also have to keep in mind, I mean, as Wolfgang was saying, we are still useful as airstrip one, as as Orwell, called England. And I think you would find strong opposition as well from the Israel lobby, if America because, of course, American bases in Europe are also pretty vital to projecting American power in the Middle East and supporting Israel.

So I, I mean, look, I think what Trump wants is, is the minimal possible commitment to Europe while maintaining, you know, American bases, which, of course, lands Europe with the worst of of all worlds. Rather, I would like to ask you, you live in the lunatic asylum now in Brussels. You're based there. Not saying you're one of the one of the inmates, of course. But do you do you see it as a lunatic asylum? Do you agree that that you know, the Brussels establishment is now simply producing bubbles of words?

Rada Laykova 29:57

I think it is clear that the current established. And this isolating Europe from the world, we've seen that with complete ban of diplomatic connections, relations to Russia, also partially to China. But now the new trend is to be opposing Trump, And by opposing Trump also relations to

the US. And yes, Professor Skidelsky already mentioned that. But from my perspective as an MEP, I see that in in current policies that are being developed here, and this is the justification, also, for example, for the introduction of a digital Euro. This is become the main driver behind digital Euro now that we would like to be completely independent from the United States, and we're very afraid, I mean, the parties who want to introduce that we have very critical stance on the digital Euro, because it introduces a lot of possibility for control that the European Central Bank and the Commission like to exert on citizens, on also political, politically, not very on opponents like debanking and things like that.

So this has become their arguments. Europe is really not working even for the European interest, because you cannot isolate yourself at the same time from the east and from the west and on the anti Russian Alliance that's as a symbol of the Eurozone, especially coming from Bulgaria, we have a historic relationship with Russia. It's quite different to other European countries, and this has been in the narrative during the debate in my country for joining the eurozone, which is supposed to be an economic decision, it had nothing to do with economy. The Russian card was played by large, and this really shows the extent to which ideology and politicizing economy is really harmful for the European Union at the moment, because it has nothing to do with defending or even being interested in Russian affairs if you want to join a club at the euro, and this was one of the main, so to say, emotional arguments that they tried to use against us, because my political family in Bulgaria, we wanted to actually conduct A referendum on this topic, because it's such an important decision that will influence generations. And we had 100% legal proof right to conduct this referendum, and had a lot of support in the population on that but we were, we were denied that referendum, and furthermore, the whole process of joining also in the European Parliament had nothing to do with the separation of powers, because the governing party actually provided its own numbers, provided its own data to the European institutions, and the same people from that same party as politicians here were responsible for adopting a decision.

So this is really turning the European Parliament into a circus, not into a democratic scrutiny of institutions and not, not as the only actually institution that's responsible for guarding the matric criteria, which are mathematical criteria put in the treaties. They're not even related to politics. So this now has a direct effect on the situation in Bulgaria, on the inflation, and it also led to the collapse of the government. So we are looking for two elections again in Bulgaria, but actually the government that we had, and is still quite powerful, is very intertwined with the European establishment. So this was something that was useful for the political Europe project and Bulgaria, it's not a very big economy or something that would make a big difference for the Eurozone. So it was really instrumentalized politically to join this club.

Anatol Lieven 34:28

Wolfang, once again, political developments within Germany and Germany will, of course, be critical to whatever happens in in Europe. I mean, how much do you see, in the end, the German majority of the German population simply rebelling against this, whether for Die Linke or for AfD?

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Wolfgang Streeck 34:56

Germans don't rebel normally, they. It. They just do what they are being told. But, but no, no, I, I think, I think the the first things are being seen, you can see in the elites, the see if, if, up to now, Germany could sort of hide behind France. Of this idea of the European Union being governed by two countries at the same time, the tandem, Germany, France, that is now gone now. Now Germany is alone, so to speak, Home Alone. Yeah, what? What do they do now? And for example, if Ukraine became a member of the European Union, then Germany would not be able to form a blocking minority in the in the council without the French coming to their help. Yeah. Now the French are not predictable anymore.

The Germany, on the one hand, wants the qualified majority principle on foreign policy in the European Union, but they thought that this would be good for them to be able to act on behalf of Europe, because then Hungary and all these other people would not be able to veto decisions. Now, the possibility arises that others would form a majority, and Germany would no longer could be outvoted. Now, now then it becomes a real problem if you're the biggest economic power, if you're the biggest military power, and others tell you what to do, then then the sort of arithmetics of European policy become a little threatening to to the German government.

Now, Germany is not used to formulating something like a German national interest. That's something ideologically being done by by AFD, basically, but in part, also by BSW, by the party which, which is also beginning to discuss this, this, this. This issue. What is the German the German interest and and in my mind, I find it hard to imagine Germany in Europe pursuing something like a German national interest without including in that interest some sort of posh, more with with Russia, some sort of settlement with Russia would be a precondition for Germany as a country not to be instrumentalized by unpredictable French foreign policy, covered by covered by a nuclear umbrella not being instrumentalized by American Middle East policy, needing a basis to do the good things that they are doing there.

Anatol Lieven 38:11

Yeah, and not being instrumentalized by a Polish policy because I was struggling

Wolfgang Streeck 38:19

Kaja Kallas in the European Commission, who always dreams of cutting Russia into four pieces. Yeah, the only power that can do this is German tanks going to going to Moscow. It has been tried before. It has been tried before and it didn't work. Yeah. So, so if, if you don't want to try it again, then what you would have to find out is how, with this country that is now going to win the Ukrainian war, and as a result of this, will become pretty demanding in terms of the of the terms of a settlement, how you can work out some sort of rapprochement with that country. And I think I'm not a friend of Friedrich Mads, quite to the contrary, but, but I think, unlike his predecessor, Scholz, he may actually be able to understand the dimension of this problem without having an answer already in his pocket, but at least being willing to think about it. My point here would be,

if I was I would dread the situation in which Schultz appearing in Washington next to Biden, and Biden telling the press that he knows how to finish, to finish off the German pipe gas pipeline with Russia, even if the Germans don't want to, I don't think Mads want to, wants to be in a situation like this.

Anatol Lieven 40:06

There is talk now from several European leaders of the need to re establish contacts with Moscow, and these reports about making the former Finnish President An envoy. But I mean, what I'm told by the Russians is, sure, you know, we're willing to talk, but talk in itself is meaningless. Europe would have to come, come up with actual, concrete proposals in terms of suspending sanctions, restoring things. But of course, the question is, is the European Union capable now of of doing this, or are the forces within the European Union so strong you know, in favor of continued hostility to Russia that the European Union is now stuck on its present course? And is Germany capable of, if you like taking a Oh, dear one, shouldn't use this word. Sonderweg, yeah, it's, it's foreign policy, yeah.

Wolfgang Streeck 41:10

I don't know how the other participants see this, but, but looking at it from inside Germany, and also with some sort of experience with the European Union. I think if something major is going to happen here, Germany will have to make a first step and and then the European Union will follow. But going to a European Council meeting in Brussels and convincing the 26 other heads, heads of government that now has come the time to think seriously about Gorbachev and the and the common European house and and this Eurasia from from Lisbon to Vladivostok, no German Chancellor would say that he would start doing working on it, but, but, and then the others would follow. But what do you think?

Robert Skidelsky 42:12

Can I can I intervene here? I don't think the Europeans are going to play a decisive part in the peace process. I think the peace process will be come about through conversation between the United States, Russia and Ukraine. I think all European interventions have been in favor of prolonging the war in some way or another. I mean the ridiculous idea of boots on the ground as a condition of a ceasefire. I mean, that was never going to run. Why did they put it forward only to sort of make themselves seem relevant? That was the only because, then they hadn't talked to the Russians at all. They were out of the Trump Putin loop, and they were and yet you and then yet your Ukraine is on their on their doorstep, is part of Europe, in fact. So they were irrelevant in their own continent, and they've been trying to recover relevance.

But I have one point which emerged earlier on, which is about the the way the Europe, the way the European Union, is made more and more flabby by having more and more members. And so a country like Germany can't really is a natural leader of this grouping. But it not, not, not at all sure of getting its way. A very, very clever German finance minister of a previous generation,

I think he was called Wolfgang staubel, had this proposal for a variable geometry Europe. He said, You know, let's have a core which can make decisions, and then others in some form of association that was never taken up. Yet, it's, it's surely, it's surely the thing to think of doing. Now, if you want a decide, a Europe that can make up, can decide on something, then a Europe of eight or nine at most, and of some area is required of the Northwest Area, and then others could be in association. Now, it may be too late to do this, because you already have a European Union with full acquis of, I don't know how many 18 members or more.

Anatol Lieven 44:44

Also, of course, you have the euro,?

Robert Skidelsky 44:48

Yeah exactly. So it may be, it may be too late, but it's still a formula that one might want to consider with Ukraine. And it. It would be harmless in a way. And, you know, so I don't know. I think they've got themselves into a hole. And the one point I did want to make is that I don't think the Europeans will be vital at all to the Ukrainian peace process,

Anatol Lieven 45:17

By the way, an intervention from the audience by a very distinguished but also highly independent minded American soldier on the subject of the American Air Base Ramstein. Ramstein will never be surrendered. I think you can take that as the as the also the view from within the but rather, I wanted to ask about this, this idea of, you know, concentric rings of Europe. Now, I mean, in one way, this is something, I take it that, that your party, your block, would favor because, at least for Bulgaria, because it would be much looser.

It would be, you know, not under this tight control of of Brussels, but on the other hand, of course, there is this deep fear, which I've, you know, heard from Balz and others of you know, being relegated to a second class European status, and of course, in my view, very damagingly, this whole idea of full membership of the European Union has been, in effect, equated to civilization in the discourse of the West. You know, Europe is civilized. Europe equals the European Union. You're in, or you're out. If you're out, you're a barbarian. How do you do you see this from Bulgaria's point of view, this question?

Rada Laykova 46:51

You touched on a lot of important facets here, and I think that our mission here as Europe of sovereign nations and as revival, and by the way, not only our smallest group, but we cooperate a lot with the other patriotic forces here in the European Parliament, is to fundamentally change the direction in which this European Union is headed. And this is a mission that we've been given from our voters. I mean, we're not alone in this idea, because we're looking at things as

veto right being off the table such such proposals into turning a Europe in a federation, and I don't know how this will function if you have a two tier Europe.

This is just something like just words, because the current establishment is interested in centralization, is interested in a federation, is interested in all those aspects that completely change the way we live in Europe. And when I was listening to Professor Streck, I really have to agree that Germany, we cannot expect a revolution or a rebellion there at the current point. But this will, this is the economic and political power that will change the course of politics in Europe, and we really hope for that. We're waiting for Germany to rebel. I have experience living and working in German parliament for a couple of years as a political advisor, and I know there is an anecdote when the Germans go on a rebellion and they're at the train first, they will buy a train ticket.

So we are kind of waiting for that to happen here, because economic reality cannot be just ignored. And this is what actually this European Union is also doing, also with countries like like Bulgaria, like Hungary. How do you make them comply? How do you make a Hungary comply? Well, you refer to things like European values that are supposedly stipulated in the treaties, but they're very vague. There is no such thing as as European values that you could point in the treaty and say, Hungary, you're not fulfilling that. So we will stop the phones. So this is, this is the way that that this commission operates through coercion and through forcing political decisions. So I think we're working to change the direction of the European project and not to to tier Europe in terms of sovereignty.

Anatol Lieven 49:44

Wolfgang, you said, Well, several people have said that Germans don't rebel, but I mean, viewed from the standpoint of the present German establishment, AFD does represent rebellion. A kind of revolution now, I don't know. I mean, does it? And do you see AFD rising further and becoming a determinative force in German politics in future?

Wolfgang Streeck 50:14

See, I'm, I almost was firmly on the left, so to speak, of German of German politics and politics generally. But I have to admit that there is something that this party or the parallel parties elsewhere have, something that needs to be taken seriously. And this is that Europe is a very diverse part of the world, where different countries have have their own histories and their own historical experiences and their own different capabilities, and that in order to organize peace, peace and cooperation in this part of the world, central centralization, centralism, governing from the top, hierarchical state system, is not the thing that can be sustained for a long time, and that can be legitimate with the with the peoples of of Europe, as they are called in the treaties.

So, so the question actually is, or what is unfortunate is that a party like the AfD, which sort of articulates this sentiment in one way or other at the same time, it articulates too many other

stupid sentiments that that, and in addition, they have no they have no real idea of how Europe should be better organized than now. See, Schaible was mentioned by by Robert, there's a long discourse here. He had this idea of a German French corps that organizes sort of circus around them of countries that are more or less willing to follow the German French lead. Remind you that that was from southwestern Germany, close to, close to France, and he had this, almost this sort of French thing that he thought was, was, was the future. Now we see that precisely these nationalist tendencies in France as a as a bigger power than Germany, politically and militarily, that this can no longer be sustainable. We cannot think of German, French, Europe that organizes other countries around it.

Now, the problem is a different one. And in my view, if you want to be if you really want to look to a good future for this part of the world, then one would have to recognize the individuality of these European countries, while at the same time you recognize the need for them to cooperate with each other, but voluntarily. So then it's not just a problem of a core Europe that makes other countries follow into some sort of integrated future, but it is a problem of if you want, if you want, me to simplify this of changing Brussels from a directorate into a consulting agency for European countries willing to carry out common project and to cooperate, let's say, in the building of a railway, of a railway line from Bucharest to wherever in Europe. And you need for this, for the for something like this, you need very sophisticated capabilities of mutual cooperation, planning, financing, which is something that you could develop on a on a voluntary basis, with the help of a of a consulting agency, which is called the European Union.

Robert Skidelsky 54:53

Yeah, I think, I think that's utopia. I mean, yeah. Yeah, that is probably what depresses me, is you have this dream you had the First World War, which a second world war, two world wars attempt to unite Europe by force, then you have the dream of a Europe created voluntarily by agreement. And that was the Europe that sort of took shape, but it never got to its ultimate point, which have a democratic European state. In other words, a state with a with a with a parliament accountable to a democracy of the whole of Europe. It never got to that point, and perhaps that was an impossible dream, yeah, but the question now is, do we have to regress all the way back to the 1930s or is there a halfway point, which I think Wolfgang was suggesting, whereby we achieve a voluntary cooperation based on the individual individualities of the different countries.

You see to my mind, I don't think that that's possible, because the kind of public goods that would have to be secured by this cooperation seem to me beyond the reach of cooperation. They require an actual state to enforce them. I mean, it's if you have rules, you immediately ask, who is going to enforce the rules? And that is the argument for state. We haven't got the possibility of a state in Europe, and therefore, I don't see what, how, how the process unfolds without a regression to something we dreamt we had overcome in 1945.

Anatol Lieven 56:54

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On that score, Robert, a provocative question from the floor, given present developments in Europe and with hindsight, was Britain correct to leave the European Union?

Robert Skidelsky 57:12

Well, I was against Britain leaving the European Union. I thought it should have gone in there and and fought the battle for European unification within the European Union. However, I did realize there were very, very strong historical obstacles to Britain remaining a member of the European Union. And these finally came out. Mrs. Thatcher once used to say, and I quote what she said to me, he said, the trouble with Europe is that we visit and they're there that goes back, that goes back a long, long time now, a long way in history.

Wolfgang Streeck 57:55

Yeah, I'm a little bit more optimistic with respect to to this prospect of a new kind of of regional, of regional state system, that's basically the problem. How would that state system in this region, Western Europe, be organized and and there are historical precedents, to some extent take the Nordic Council. The Nordic Council was a wonderful instrument after the Second World War to organize cooperation between the Scandinavian countries without a central authority. They have open borders. They have complete cooperation in sort of policing everything they you can think about, they do it together now, in in Europe, I think if we want to, I think Robert, you could say that it would be desirable to have a state, but then you could also say it is not possible to have a state, which you just said.

Then the question is, what is? What is? What is there and and, why not think about something like the, what used to be the OECD, the the Organization for Economic Cooperation and even and and in Europe, this structure, anatomy helped me what the, what the English name is That that was set up to monitor the the relation, relationship between Russia, the Soviet Union, and Western Europe. It was not powerful. It didn't have an army, but it had some impact on the, for example, the human rights situation in in East the. Germany in East Europe. So we have to experiment with something that is not a state, but gives some sort of reassurance that there will be cooperation rather than coercion. That's the big task. The state is not possible.

Then my my argument as a German would be, what you want to avoid and what maybe, maybe it will inspire this sort of productive thinking you want to avoid, a half continent governed by Germany because the cash median solution is the regional the regional state system, which is dominated by a hegemonic country that does what they think is good for them, and sort of forces everybody else to follow the Western Europe. Now, it is quite possible that there would be, for some reason or other, development in that direction, unless, see, look, look at, look at Brussels von der Leyen Weber, you look around, there are all those Germans already and and Germany is already sort of beginning to take over the European Union Try, try to prevent that.

Raya Laykova 1:01:37

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If I may say, I'm not sure if von der Leyen is here to defend German interest, by the way that she's acting and by the way that she has been introduced into the role of even the first bandage was proposed by Macron. So a lot of these leaders, they have a very transnational identity, I would say so concerning her, I'm not, I'm not concerned that she's overpowering German interest here.

Anatol Lieven 1:02:05

Yes, so the lunatic asylum in Brussels, as I'm sure you've noticed, rather, does have a have a striking effect on the people who live in it. So it's a very particular mentality. Well, I'm so sorry. This has been absolutely fascinating, given immense ground for thought, and I hope for for thinking about experimentation. So we've run out of time. Thank you all so much, and I look forward very much to seeing you again. I hope, rather, we meet in Brussels in the summer and to And to further discussions. Thank you so much.