FONDATION ROBERT

EXCLUSIVE INTERVIEW WITH JEAN-CLAUDE JUNCKER

European interview n°100 19th October 2020

"Europe is a world power and unaware of it"

• In 2000, you were the Prime Minister of Luxembourg. Twenty years on do you believe that Europe has changed, for the better or worse?

When I began my community life, at the age of 28 as a young Employment Minister, there were ten Member States, then came the Portuguese and the Spanish. At ministerial level there was a club atmosphere, we knew everything about each other: family, children, grandparents. After the various enlargements, all that unravelled, relations between leaders became strained. Europe is, of course, made up of institutions, countries, governments, but also people. I have always borne in mind that I had to see the person in front of me firstly as a person. And I have always wanted to know what is really happening in the Member States. This intimate knowledge of others has been lost. Far from the Franco-German poem about friendship and lessons learned, what do Germans know about the French? What do the French know about the Germans? The only German who knew France well was Helmut Kohl. He knew everything about the Fourth Republic, Pierre Pflimlin, Edgar Faure, Canon Kir...

• You say you regret «the lack of love Europeans have for the Union». How can we create an «affectio societatis», a feeling of belonging to this Union?

There is a lack of love, not so much towards Europe, but between us. There is a lot of descriptive romanticism when it comes to talking about each other in the different Member States. People like to give the impression that it is a coherent whole, based on common rules, including the rule of law, but the knowledge we have of each other is underdeveloped. What I call lack of love is a lack of interest. From a certain point on, Europe gave the impression that it was working, which led the populations of Europe to lose interest in others. So the mistrust that citizens have of their national governments, with the growing, palpable gap between those who govern and the governed - it can be seen in every Member State, how can you expect it not to exist and grow at European level!

• Do you have answers to bridge this gap?

When I was President of the Commission, we launched the «European Solidarity Corps». The idea is that young people will go and help in any place in Europe when disaster strikes (earthquakes, floods, fires). Some 150,000 young people have already volunteered and 30,000 young people have been deployed throughout Europe. We also proposed in the multiannual budget to triple the funds allocated to the Erasmus programme, adding apprentices, at the instigation of Jean Arthuis. But the European Council reduced these appropriations. It also cut the budget for defence, research and health. I am appalled by these blunders caused by the harmful influence of the Frugal Four! The leaders have made savings regarding the proposals that my Commission made in areas that look to the future. This is not Europe. I am dismayed by this lack of ambition, which does not reflect in reality the virtuous words that governments may have.

• Can the current difficulties be attributed to the successive enlargements, given that some Eastern European countries have refused to show any solidarity during the migration crisis?

The idea that the scale of European problems has grown with the number of Member States is somewhat

02

false. A number of the six founders no longer behaved as a founding Member State should. This is the case of the Dutch, who have become Euro-fatigued. Countries that joined later, such as Finland, behave instead as if they had been there from day one. I was a big supporter of enlargement to the countries of Central and Eastern Europe. I thought that if these new democracies, which were moving from a regime of administered economy to a market economy, discovered, as they indeed did, the full meaning of national sovereignty, they would exercise it to the detriment of their immediate neighbours, the Czech Republic against Poland, Hungary against Slovenia and so on. So, I wanted to integrate them at all costs into this sphere of solidarity that was and is the European Union. But I see that they are now exercising their national sovereignty, not against their neighbour but against the others. Solidarity, yes, if it pays off. If it costs, no. This has been happening for the last three or four years, and it is a disappointment. But I have no regrets, I still think that we were there at the crossroads in History. The Germans have this beautiful expression that comes from Bismarck: «when the mantle of God sweeps through History, then you must jump up and catch at its hem. It only sweeps through History once». We rightly caught on to the mantle of History, but...

• Poland and Hungary have increased their attacks on the rule of law and are threatening to block the recovery plan if it includes conditionality on this issue.

We proposed, under the former Commission, that any deviation from the rule of law might be sanctioned unless a reverse qualified majority of the Member States rejected Commission proposals to this effect. At the last European Council, the principle was changed, a qualified majority is needed to adopt a proposal, so there will never be direct action. Compliance with the commonly accepted standard is unevenly distributed across the different Member States.

• You wanted a «political» Commission. Ursula von der Leyen promotes one that is «geopolitical». Where does one draw the line in your view?

When I took office as President of the Commission, I said that my Commission ought to be political, and this led to hysterics in practically all the capitals. By this I meant that I was neither the secretary of the European Council nor the slave of the European Parliament, to make it clear that the Commission was independent. I also made it clear that it was the «last chance» Commission. We have to remember the reality of 2014: investments were at a standstill, growth was incipient, we were emerging from the economic and financial crisis. So, I thought I should launch an investment plan to prove that Europe could make a difference. «Political» also means that the Commission must have its own ideas, that it must not give up and relinquish at the first hurdle and, therefore, that it must be able to say «no» to the European Council. I have always said that the Commission does what it wants, because it has a monopoly over initiative and is free to decide for itself. Ursula von der Leyen came up with this idea of a «geopolitical» Europe. But to this day, I have never discovered how the new Commission could be more focused on international affairs than the one I had the honour of chairing. I held summits with the United States, China, Russia, India, Japan, Turkey, ASEAN and the Arab world. I never understood what could be the added value of a roughly defined «geopolitical» Europe.

• Shouldn't Europe nevertheless assert itself more on the world stage?

Europe is an example for the whole planet: I loved to travel to Africa and Asia because it was always adored, admired, worshipped there, whereas when I got off the plane in Brussels, I returned to the Valley of Tears. But you have to give it the means of its power. If we want to lend credibility to the idea of a «geopolitically influential» Europe, a term that I prefer to «geopolitical», we must, and I have said it several times to the European Parliament, decide by the qualified majority. We cannot remain in a situation where a single Member State can block all decisions in this area. Let us take an example: Greece. I am very much in love with Greece, it is a country that I admire above all others; but it blocked a coherent, unified European Union speech at the Human Rights Commission in Geneva, condemning China for its behaviour, because the Chinese government was in the process of investing in the port of Piraeus. This is unacceptable!

• Some consider it preferable to seek consensus at all costs.

A Member State should not be taken by surprise, nor should there be a hold-up on issues related to national sovereignties. We must act with extreme care, take one step at a time, explain to recalcitrant governments the European and geopolitical dimension of things, and develop common methods of reflection. We must always seek consensus and, if this is not achieved, take a decision by the qualified majority. At the end of the day, it must be possible to vote by the qualified majority.

• Europe was born of a desire for reconciliation and cooperation. Does it really need to become a powerful Europe?

We must remember that, in the beginning, Europe was not made to play an international role. Later, given the economic importance it has acquired, there has been a growing demand for Europe throughout the world. I have often seen this, when I have travelled or at international summits: Europe is a world power and unaware of it. An economic-political power. Whilst Europe is powerful economically, it is gaining political influence on the course of international affairs. This is how our partners see us, apart from the «new Americans», Trump and others. The Chinese, with whom I have always had good relations, see Europe as an economic power, but also as a political player. So, we can talk to them openly. When we were at the Elysée Palace with Emmanuel Macron, Angela Merkel and Xi Jinping, I told the latter that China was our strategic partner, but also our competitor and rival. And the Chinese president feigned surprise.

• Emmanuel Macron advocates «European sovereignty», Charles Michel speaks of «European strategic autonomy». Where should this autonomy be asserted? This is particularly true in the commercial field: we must defend our own interests with wisdom and determination. I had this experience with Canada and Japan when we concluded international agreements with them. These agreements, which required years of difficult negotiations, were possible because Europe as determined, but also because the United States had initiated a policy that aimed to defend American interests alone. The desire to see Europe play a greater role, particularly in trade matters, was the immediate result of American unilateralism, and this was true on all continents. After Trump came to power, the number of those who flooded into my office to conclude international agreements grew. For the rest, I took care in matters of international trade not to move on a mandate that the Commission had given itself, but to always tell the Member States where we were going, to ask for their agreement at the beginning of a negotiation to prevent setbacks later on. I was not always successful. We concluded an extremely difficult agreement with the Mercosur countries, and at the G20 in Osaka, all the European heads of State and Government - Macron, Merkel, May, Rutte, Conte - applauded it, and now they are trying to distance themselves from the commitments they made. Everybody asked me to make an effort, and I made a huge effort. Since you have to know how to end a strike, you also have to know how to end a negotiation!

"THE IDEA THAT THERE MUST BE MORE EUROPE ON THE ESSENTIALS IS PROGRESSING"

• In trade matters, the Commission plays a leading role.

The Commission has sole competence in matters of external trade. In July 2018, I was at the White House to dissuade Trump from imposing customs duties on European cars, particularly German ones. Macron, Merkel, Rutte and a few others had preceded me in Washington, but they were unable to reach an agreement with Trump. When I arrived, I explained to Trump: *«Listen Mr President, dear Donald, I am Europe. When it comes to international trade, you are* not talking to the 28 governments, you are talking to the Commission alone." As a result, he introduced me to his wife in these terms: «Well, he's the head of 28 Member States, I'm only responsible for this little America»! During my long talks with Trump to convince him to stop this strange trade war, I understood, what I already knew, that if Europe speaks with a single voice, it can impose itself more easily than when it is the intersection of 28 (or now 27) national interests.

• Isn't Europe in danger of becoming the battleground for a retreating America and a conquering China?

There is always, and on both the Chinese and American side, an attempt to make an alliance with one or the other, against one or the other. I have always defended the point of view that we had special, autonomous interests to assert, and that we could not be aligned to one side only. We have to be independent from the other two. I see China as a rival, and we have made sure that we are better equipped to fight against its pervasive hold on the African and European economy. We have set up a screening system for strategic investments, we have taken trade defence measures. This has made a difference; the first results are there. So, I plead, not for a stupid «stand alone» approach by Europe, but for a «stand for ourselves», not to play solo, but to defend our interests.

• During your term of office, you pushed the cause of European defence. How can the Member States move forward on this sensitive issue?

We launched European defence, which was extraordinary because this area was not then part of the Commission's remit; but I thought that someone had to push in that direction. We established the European Defence Fund. And the one that helped me most, if not the only one, to push forward the idea of European defence was Macron. He was very supportive, and without his input and the preparatory work led by Michel Barnier, who was my special adviser on defence at the time, this would not have been possible. So, the current version of European defence is a virtuous intersection between Macron and myself.

• What changes can be expected?

In order to get this idea of European defence across, we have to explain constantly that it is not a counter-project to NATO, but that it is complementary. This has gone unnoticed, but Tusk and I developed joint actions, signed a number of documents with the NATO Secretary General. Between NATO and the European Union, things are developing in rather a good way.

• Macron deemed NATO to be «brain dead» ...

He did not repeat it. All the same, France is the only one among all the European States, that are members of the Atlantic Alliance, that takes risks. France has saved Europe's honour in Mali; almost all the armies are involved in one way or another, but it is France that is carrying the Malian project, with great difficulty and many deaths. France loses soldiers, the others make the comments. There were two immediately deployable armies in Europe, the British army, which was no longer part of the European Union, and the French army. The French army can deploy to any external theatre in a matter of days, whereas Germany needs two or three months; a third of German military aviation is not functioning, half of German helicopters are not flying, tanks are not working as they should.

• The election of Donald Trump resulted in a surge of American isolationism. With what consequences for Europe?

The American presidents I have known did not like Europe during their first term of office, but they looked at it more intently during their second term. This will not be the case if Trump is re-elected. He constantly repeats that Europe was invented, built, thought up, to counterbalance the global influence of the United States. I have told him that this is not true, that Europe is not the United States' number one enemy. But he sees our relations as such! He helped me a lot on defence because in the minds of European leaders and a large part of European public opinion, the idea that we would always be «protected» by our great American ally has unravelled. The idea that with

05

him the Americans were finally saying what they had always thought - that Europe must itself, take care of its own security, has gained a lot of ground in Europe. In this respect, Trump was almost like a blessing for Europe since he forced us to become adults.

• Would a victory for Joe Biden be good news for Europeans?

I know Biden very well; he won't change Washington's approach to international matters overnight. He can't do it, and besides, he's starting to say «buy American». But things would become easier because he understands Europe better than Trump. Trump doesn't know Europe, Europe for him remains a black hole because he doesn't understand the system.

• Relaxation of state aid rules, suspension of budgetary rules, adoption of a recovery plan that includes the issue of a common debt. Are we witnessing with the health crisis a change in software in Europe?

I would like to underline several things. Firstly, when I was President of the Eurogroup, together with the Italians, I launched the idea of Eurobonds. They were not wanted. Now we are acting as if they were the most normal thing in the world. This plan is not so different from the idea of the Eurobonds, which was the common debt, with a few nuances compared to what is being done now. Secondly, the amount of this recovery plan, €750 billion, is not that impressive. When I compare it to the 550 billion of investments generated by the «Juncker plan», it is of the same order. Thirdly, at the beginning of the crisis, Europe could not respond properly because it does not have, and this is a mistake, competence in public health. The closure of borders was also a real scandal. On the very day of the 25th anniversary of the signing of the Schengen agreements, the bridge over the Moselle between Luxembourg and Germany was barricaded by German police equipped with machine guns; it was a real shock. But the consequences of the lack of cooperation were felt throughout Europe. I think we will have become better Europeans after the health crisis because people realise that each Member State

alone remains defenceless when there is a continental phenomenon that affects all the countries of Europe symmetrically, but with asymmetric consequences. The idea that there must be more Europe on the essentials is progressing. And this recovery plan is to be applauded, because it is the right response to a crisis in the current situation, with virtuous consequences for the years to come. It is not a «Hamiltonian moment» as they say, but it represents real progress.

• Will it be necessary to pursue the possibility of joint debt?

Yes, I have always believed that there should be financial solidarity between the Member States of the European Union, and especially those in the euro zone, to support countries which, despite their efforts, find themselves in a difficult financial situation. It remains true that those Member States, which following the efforts of the past, have been able to create more generous room for manoeuvre, find it easier to supplement the European recovery plan with national recovery plans. Look at the German recovery plan and compare it to the underperformance of the efforts made by France in this area, which does not have the means available to it.

• Angela Merkel has finally rallied to the principle of a major European recovery plan. How should this change of heart be interpreted?

Germany remains a profoundly European country, but it is one that is difficult to convince when it comes to combining the instruments of solidarity that Europe may have or inventing new ones. But with this crisis, the Germans have discovered that they depend to a large extent on the proper functioning of the internal market and Europe, they have seen that European solidarity must be organised in order to save the main advantages that the internal market gives them. If the internal market were to collapse, if the French, Spanish, Italian and other markets were to lose strength, Germany would be the first victim, because it is far more dependent on the outside world than any other European country. From the moment the 06

Germans realised that there was a danger for them, despite their economic and financial and budgetary strength, they changed their tune. Germany alone would not have been able to cope with the severity of the economic crisis caused by the health crisis.

• Do you think the Stability and Growth Pact needs to be fundamentally changed?

The fact that the Commission has put the rules of the Stability and Growth Pact on hold is something I can only applaud, because I myself had introduced this idea against the wishes of Germany and the Netherlands. We had started the revision of the budgetary rules under my mandate. The Stability and Growth Pact was still being misquoted, especially by my Dutch, German, Austrian, Nordic and other Commissioners. One day, during a debate on Greece, which we saved with Holland, I asked them to summarise it for me in five minutes. They didn't succeed. So, I had a trolley containing the Stability and Growth Pact brought into the meeting room of the College. That's hundreds and thousands of rules! I believe we need to go back to a revised Pact, and the Commission is working on it. We need simpler rules, which can be translated more easily in terms of national budgetary policy, and this will be done. But I am against the idea that we can now indulge in all kinds of excessive deficits. I would like us to start paying back the resources committed in a few years' time, without waiting for the 2030s, 2040s or 2050s. We are living in a time when those in business are revelling in the pleasure of passing on the final payment of what we are doing now to future generations. I believe there is no alternative to the recovery plan, and it was more than necessary. But we must be reasonable. Because deficits are like toothpaste, you can easily get it out of the tube, but you can't get it back in again!

Interview conducted on October 1 by Isabelle Marchais and translated by Helen Levy.

Jean-Claude Juncker Former President of the European Commission. former Prime Minister of Luxembourg

See all of our publications on our site: www.robert-schuman.eu

Publishing director : Pascale JOANNIN

THE ROBERT SCHUMAN FOUNDATION, created in 1991 and acknowledged by State decree in 1992, is the main French research centre on Europe. It develops research on the European Union and its policies and promotes the content of these in France, Europe and abroad. It encourages, enriches and stimulates European debate thanks to its research, publications and the organization of conferences. The Foundation is presided over by Mr. Jean-Dominique Giuliani.