

Union of European Federalists  
70<sup>th</sup> anniversary of the Schuman declaration  
Schuman 2.0 contest  
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9<sup>th</sup> of May 2020

## A new momentum for Europe

In 1950, Schuman set the start for the European Coal and Steel Community (ECSC). Much of his vision became realized: pooling of resources and sovereignty of sectors that are essential for war, and a de facto European solidarity which is visible in form of a shared currency in 19 of 27 states. No war has happened among member states and borders have been abolished among those of the Schengen Area. Although there were crises in European integration and failed projects like the European Defence Community or the failed constitutional treaty the EU, to name just a few, the EU has not only enlarged from six to currently 27 member states but significantly deepened their integration in plenty of different policy areas.

The recent departure of the UK from the Union has shattered the continent and threatens to weaken the EU's international presence with a smaller single market and a smaller military capacity. For the first time, it might seem, the Union experienced a significant step back from its goal to unite Europe's citizens. Yet, while a more unified Europe is needed more than ever, the EU-27 can integrate further without being inhibited to do so by the UK.

The euro-crisis has shattered the EU, especially its southern members, foremostly Greece. High rates of unemployment and scarce opportunities of young people threaten the future of Greek EU citizens. The financial system was not prepared for an economic shock of the financial crisis and has left scars within the identity of Europeans. The unfinished project of fiscal and monetary integration made the effects of the crisis worse and ignited populist sentiment. The lack of coordination on a European level was also evident during the refugee crisis following the Arab spring, leaving a rift between many member states of core and periphery. Unilateralism within the Union made a solution to the transnational challenge impossible. This has been ever stronger confirmed in the current corona pandemic. All three crises confirm that European states cannot solve transnational problems alone.

Therefore, I propose that the following steps should be taken by the EU governments and their people:

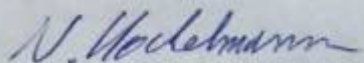
First, the banking union must be finished, and the EU needs a converging tax system. Economically strong corporations will be prevented from accumulating in low-tax states. This will allow crisis-ridden countries to keep and attract multinational companies and gain revenue. The EU needs to collect its own budget through value added tax, starting with 1%. This EU tax would especially collect revenue from wealthy citizens who spent a lot and will be marginal for households of lower incomes. Fighting social inequality is an important aspiration for EU citizens. Yet, the tax itself does not discriminate savers. On the long run, this tax should increase to build a more independent EU budget. Member states, on the other hand, can multilaterally lower taxes slightly to balance the contribution to the EU. This will mean that the EU has more leverage to execute exclusive competences in favour of all citizens without being stopped by individual states through budget cuts.

Second, the asylum system must converge. Instead of forcing refugee quotas upon unwilling member states, the EU asylum system should make use of multi-level governance to allow sub-regions, cities, and municipalities to actively lobby for granting asylum. A sub-regional bottom-up approach to integration and asylum increases democratic legitimacy and promotes pro-active solidarity by

Europeans. Information by national asylum agencies and police would be pooled further to coordinate asylum management by the Commission. A more balanced distribution of refugees alleviates the Mediterranean member states does not mean that unwilling communities are forced to take quotas, but willing communities are encouraged to welcome them by financial funding.

Third, the current corona crisis, which is still going on, will need to be assessed profoundly in the future. A European mechanism to coordinate responses to pandemics is important to avoid harmful restrictions and allow precise actions. European solidarity, as it is debated, criticized, and promoted, demands no less than equality of citizens and freedom to move irrespectively of one's nationality. The Commission will coordinate and decide the closing of borders during pandemics to avoid nationalist behaviour that blindly discriminates neighbour states. Further, the Commission will coordinate the allocation of resources and medical equipment to fight pandemics effectively, avoiding imbalances of availability of equipment where it is needed most.

The increased competency of the EU in all three areas will increase not only welfare, equality, and solidarity among its citizens. It will strengthen its global role as it can evolve stronger as a global actor in times of international power shifts. Instead of merely rivalling China, Russia or even the USA in economic terms, the EU, with its own budget and asylum policy, will have more political leverage to promote prosperity and fair cooperation in former European colonies, especially in Africa.



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