



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■



LSE 'Europe in Question' Discussion Paper Series

Square peg, round hole: Why the EU can't fix identity politics

Turkuler Isiksel

LEQS Paper No. 128/2018
January 2018





Editorial Board

Dr Bob Hancke
Dr Jonathan White
Dr Sonja Avlijas
Dr Auke Willems
Mr Hjalte Lokdam

All views expressed in this paper are those of the author and do not necessarily represent the views of the editors or the LSE.

© Turkuler Isiksel



Square peg, round hole: Why the EU can't fix identity politics*

Turkuler Isiksel

James P. Shenton Assistant Professor of the Core Curriculum, Department of Political Science, Columbia University. Contact: nti2002@columbia.edu.

Introduction

The 1990s witnessed a heated debate among political theorists regarding the extent to which social justice requires the fair distribution of resources versus the recognition of group differences.¹ While scholars advocating for a politics of recognition never underestimated the need for an equitable distribution of

* A slightly modified version of this paper is forthcoming in *Brexit and Beyond: Rethinking the Futures of Europe* (ed. Uta Staiger and Benjamin Martill, UCL Press, 2017). The paper updates the argument presented in Ch. 5 of my book, *Europe's Functional Constitution. A Theory of Constitutionalism Beyond the State* (New York: Oxford University Press, 2016) in light of Britain's subsequent decision to leave the European Union ("Brexit"). I am grateful to Uta Staiger and Benjamin Martill for their helpful feedback on an earlier draft, and to Robert Y. Shapiro for a helpful conversation on the Eurobarometer survey results cited here. I would also like to thank Hjalte Lokdam for enabling its publication as an LEQS working paper.

¹ The distinction between the politics of redistribution and the politics of recognition is famously drawn by Nancy Fraser, *Justice Interruptus: Critical Reflections on the 'Postsocialist' Condition* (Routledge, 1996), Part I. Alongside Fraser, the most well-known proponents of this line of argument include Will Kymlicka, *Multicultural Citizenship. A Liberal Theory of Minority Rights* (Oxford: Oxford University Press, 1996); Jacob T. Levy, *Multiculturalism of Fear* (New York: Oxford University Press, 2000); Charles Taylor, *Multiculturalism. Examining the Politics of Recognition* (Princeton, NJ: Princeton University Press, 1994); Iris Marion Young, *Justice and the Politics of Difference* (Princeton, NJ: Princeton University Press, 1990). For two very different critiques of the politics of difference, see Brian Barry, *Culture and Equality: An Egalitarian Critique of Multiculturalism* (Cambridge, MA: Harvard University Press, 2001); and Seyla Benhabib, *Claims of Culture: Equality and Diversity in the Global Era* (Princeton, NJ: Princeton University Press, 2002).

Why the EU can't fix identity politics

wealth, they pointed out that unjust social hierarchies do not always track socioeconomic ones. Symbolic, cultural, and identitarian dimensions of social value can also produce patterns of exclusion. Reducing social justice to a matter of wealth redistribution, they argued, makes liberal political philosophy insensitive to racial, gendered, cultural, and ableist dimensions of privilege and privation.

Something of the dichotomy between redistribution and recognition is at play in the current debate over explaining support for populist movements and leaders across the West and beyond. While some observers maintain populism draws its energy from long-term post-industrial economic malaise that has been neglected by mainstream parties,² others point to anxiety over loss of cultural primacy on the part of formerly dominant groups.³ Still others regard these dynamics as inextricable: while contemporary populism typically (though not invariably) manifests itself as a form of identity politics,⁴ it reflects a misdirected backlash against insecurities perpetuated by the capitalist economic order. Still others take a wider lens, attributing the wave of populist

² Herbert Kitschelt, *The radical right in Western Europe: A comparative analysis*. (Ann Arbor, MI: University of Michigan Press, 1995); Duane Swank and Hans-Georg Betz, "Globalization, the welfare state and right-wing populism in Western Europe," *Socio-Economic Review*, vol.1 (2003), no.2, pp. 215–245; Rod Dreher, "Trump: Tribune of Poor White People," (interview with J.D. Vance), *The American Conservative*, July 22 2016.

³ Martin Schain, "Immigration and Changes in the French Party System," *European Journal of Political Research*, vol. 16 (1988), no.6, pp. 597-621; Hans-Georg Betz, *Radical Rightwing Populism in Western Europe* (New York: St. Martin's Press, 1994); Pierre Ignazi, *Extreme Right Parties in Western Europe* (Oxford: Oxford University Press, 2003); Rachel K. Gibson, *The Growth of Anti-Immigrant Parties in Western Europe* (Lewiston, NY: Edwin Mellen Press, 2002); Ronald F. Inglehart and Pippa Norris, "Trump, Brexit, and the Rise of Populism: Economic Have-Nots and Cultural Backlash," *HKS Faculty Research Working Paper Series No.26*, August 2016.

⁴ For a clear contrast between inclusive and exclusive tendencies of populism in Latin America and Europe, respectively, see Cas Mudde and Cristóbal Rovira Kaltwasser, "Exclusionary vs. Inclusionary Populism," 48 *Government and Opposition*, vol. 48 (2013), no.2, pp. 147-174.

success to a general erosion of public commitment to democratic values and procedures.⁵ The debate sparked by the British electorate's narrow decision to leave the European Union illustrates the cleavage between identitarian and socioeconomic explanations in particular: while some view the Brexit vote as a flashpoint for anti-immigrant sentiment and, more broadly, as a bid to restore national sovereignty, others describe it as a manifestation of socioeconomic insecurities that establishment parties have failed to address.

Populist movements have also gained ground in such formerly steadfast members of the Union as France, the Netherlands, Germany, Austria, and Poland. Many, though not all, of these movements incorporate anti-EU messages into their platforms. What could and should the EU's response be to the rising tide of populist politics? Are there steps the EU could take to allay the concerns that energize these movements? Or are such steps, particularly if they require giving greater powers to EU institutions, likely to add fuel to the fire? Clearly, the answer will depend on which accounts of populism's rise we find most compelling. Nonetheless, it is worth considering whether the EU is equally well-equipped (or ill-equipped) to respond to identitarian grievances as it is to socioeconomic ones.

(i) The European project as a socioeconomic solution to identity politics

At its origins, the European integration project was a response to identity politics. Supranational institutions represented an attempt to disarm and sublimate the national rivalries that had riven the continent. They were

⁵ Roberto Stefan Foa and Yascha Mounk, "The Danger of Deconsolidation: The Democratic Disconnect," *Journal of Democracy*, Vol. 27 (2016); No. 3, 5–17; Roberto Stefan Foa and Yascha Mounk, "The Signs of Deconsolidation," *Journal of Democracy*, Vol. 28 (2017), No.1, pp. 5-15

Why the EU can't fix identity politics

designed not only to order the relationships among member-states on the basis of rules, promote cooperation, reciprocity, and mutual trust, and generate a sense of shared interest, but also to reduce the appeal of nationalism for the masses by generating greater prosperity through cooperation. Economic interdependence would raise living standards, establish disincentives against autarky and jingoism, and defuse the economic insecurity and privation that had fueled extremist ideologies on the right and the left during the interwar period. Writing in 1943 in Algiers as a member of the French Committee for National Liberation, Jean Monnet argued,

There will be no peace in Europe if states rebuild themselves on the basis of national sovereignty, which brings with it the politics of prestige and economic protectionism. If the countries of Europe protect themselves against one another again, the constitution of vast armies will again be necessary... European states are too constrained [*étroits*] to guarantee their peoples the prosperity that modern conditions make possible and consequently necessary.⁶

According to Monnet, politics and trade are interlocked in a feedback loop that can be vicious or virtuous: when states are goaded by nationalist sentiments into a “politics of prestige,” they jettison the benefits of foreign trade for protectionist policies that leave their citizens worse off and which can escalate into armed conflict. By contrast, free economic exchange is capable of easing the conflictual dispositions of the nationalist frame of mind. Accordingly, a supranational scheme that eliminated protectionism and attenuated states’ ability to mobilize core industries of warfare would also mitigate the destructive potential of mass mobilization.⁷ As Robert Schuman put it in his

⁶ Jean Monnet, *Note de Réflexion de 5 août 1943*. Translation adapted from http://www.cvce.eu/obj/note_de_reflexion_de_jean_monnet_alger_5_aout_1943-fr-b61a8924-57bf-4890-9e4b-73bf4d882549.html

⁷ Jan-Werner Müller, *Contesting Democracy: Political Ideas in Twentieth-Century Europe* (New Haven: Yale University Press, 2011), 128

May 9th Declaration of 1950, integration would bring about a general “fusion of interests” and “a wider and deeper community between countries long opposed to one another by sanguinary divisions.”⁸ Inspired by interwar plans to place the Ruhr and Lorraine heavy industries under multinational control,⁹ the initiative of a European Coal and Steel Community was symptomatic of this distrust of the nation-state. The ECSC was hardly inspiring to ordinary citizens, but it was not meant to be. Monnet conceded that “increased coal and steel production is not the basis of our civilization.”¹⁰ Rather, his incremental strategy of sovereign commitment was meant to marshal instrumentally rational calculations to keep nationalist passions in check. Furthermore, it supplied a workable framework of supranational governance whose legitimacy was based on technocratic competence. Although Monnet himself spurned the idea of market integration, the subsequently negotiated European Economic Community (EEC) repurposed the institutions he had designed. Most importantly, defining the immediate scope of integration in technocratic terms enabled the EEC to circumnavigate the jealously guarded shoals of national sovereignty on which more ambitious federalist projects such as the European Defense Community (EDC) and the European Political Community (EPC) had foundered.

Accordingly, supranationalism was precisely an attempt to resolve the conflicts generated by early 20th century nationalism by using the lure of technocracy. The Monnet/Schuman prescription was to wean European nations off the

⁸ Robert Schuman, *Declaration of May 9th 1950*. Available at <http://www.cvce.eu/>

⁹ William Diebold, “A Personal Note,” in Klaus Schwabe (ed.), *Die Anfänge des Schuman-Plans 1950/51* (Baden-Baden: Nomos Verlagsgesellschaft, 1988), 27

¹⁰ Jean Monnet, Speech to the Common Assembly of the ECSC, Strasbourg, 12 January 1953 in Jean Monnet, *The United States of Europe Has Begun. The European Coal and Steel Community Speeches and Addresses 1952–1954* (University of Pittsburgh Archive of European Integration, microfiche, Paris 1955), 17

Why the EU can't fix identity politics

opioid of identity politics by offering technical and economic rewards. Meanwhile, member states could jealously guard their sovereign prerogatives until the imperatives of the market led them seamlessly into a fully-fledged political union. In sum, the European integration project represents a socioeconomic solution to the problem of identity politics.

The reason Monnet's gambit worked for as long as it did is because nobody in the two generations following World War II was in danger of forgetting that the economic project was ultimately about creating a peaceful and stable political order on a congested continent prone to political radicalism. The cost of his strategy, however, was to depoliticize supranational decision-making as far as possible. By substituting economic pay-offs for principled support for integration, it neglected the long-term need to generate sustained public engagement in the European project. Over time and with the expansion of supranational power, however, this strategy has become unsustainable. As supranational institutions have acquired greater decision-making authority from member states, it is proving increasingly difficult to explain why those institutions must be so far attenuated from citizen control. Having been excluded from the decisions that drew them into an ever-closer union, European publics are contesting the arrogance of technocracy by supporting irreverent parties and movements. Meanwhile, because their legitimacy is predicated on little more than "you're better off thanks to the EU," supranational institutions experience every crisis of competence, every economic slump, as an existential crisis.

Ironically, the crises of competence that the EU has experienced over the past decade threaten to undo some of the hallmark achievements of decades of European integration, not least the relationships of solidarity and mutual trust among member states. The crisis that ensnared Europe's Economic and Monetary Union (EMU) for the better part of a decade starting in 2009 perfectly

illustrates this problem. For starters, EMU failed the test of competence insofar as it amplified the effects of the global financial and sovereign debt crisis rather than cushioning them, impeded recovery and growth rather than promoting the same, and brought high unemployment and widespread privation to many member states rather than raising living standards. Second, the rigid constraints it imposed on domestic fiscal policies not only deprived national legislatures of key levers of social policy, but also further attenuated democratic control of policy-making at the domestic level. This, in turn, has exacerbated voter disenchantment with the political process and fueled support for anti-establishment parties.

Third and most important, the social and distributional consequences of monetary union have tapped into subterranean veins of nationalist animus, reanimating grievances dormant since Europe's dark century of civil war. The euro crisis has opened up fault lines between creditor and debtor states, the former insisting on fiscal prudence, and the latter struggling to meet their repayment and structural reform obligations while providing basic social assistance to their citizens. Disagreements over culpability, crisis management, and institutional reform have frayed the social consensus required to keep the integration project going. In other words, the distributive conflict and sense of insecurity generated by the euro crisis has reactivated identitarian cleavages in Europe. If socioeconomic anxieties and identity politics are indeed mutually reinforcing, then the EU as it is currently configured exacerbates both.

(ii) Could a Social Europe dampen the appeal of identity politics?

Clearly, the EU has in significant respects failed to make good on its promise to mitigate the ravages of global casino capitalism, particularly insofar as its institutional configuration favors price stability and fiscal conservatism,

Why the EU can't fix identity politics

emphasizes monetary policy over public spending, and resists attempts to re-embed the market in a matrix of social protection.¹¹ The fiscal coordination that allows the EMU to function has steadily tightened, along with the disciplinary apparatus attached to it. Member states are required to coordinate their economic policy cycles and ensure the conformity of their economic priorities, budgetary choices, and structural reforms with strict EU rules. The legislative and constitutional adjustments necessitated by the crisis have corralled member states into a protracted austerity zone, forcing them to pare down public spending, and with it, the social protections they afford their citizens.¹² Rather than bolstering the capacity of member states to protect their vulnerable domestic constituencies against the pressures of global economic interdependence, the EU has worked to exacerbate these pressures.

Part of the reason for this is that the EU lacks the fiscal capacity necessary to provide compensatory or redistributive programs of its own. Although the Preamble of the EEC Treaty expressed the desire of signatory states to promote the “improvement of the living and working conditions of their peoples” and “ensure [the] harmonious development [of their economies] by reducing the differences existing between the various regions and the backwardness of the less favored regions,” it did not create the institutional structure required to

¹¹ The metaphor of embedding is borrowed from Karl Polanyi, who characterizes the dynamics of modern capitalist society as a “double movement” whereby market forces strain against regulatory measures by which the state seeks to contain its deleterious effects on society. Karl Polanyi, *The Great Transformation. The Political and Economic Origins of Our Time* (Boston, MA: Beacon Press, 1944 [2001]), 136-8

¹² Dorte Sindbjerg Martinsen and Hans Vollaard, “Implementing Social Europe in Times of Crises: Re-established Boundaries of Welfare?” (2014) 37 *West European Politics* 677; Caroline de la Porte and David Natali, “Altered Europeanisation of Pension Reform in the Context of the Great Recession: Denmark and Italy Compared” (2014) 37 *West European Politics* 732; OECD Directorate for Employment, Labour, and Social Affairs, “Social Expenditure Update” (November 2014). Available at <http://www.oecd.org/els/soc/OECD2014-Social-Expenditure-Update-Nov2014-8pages.pdf>

further these commitments.¹³ According to the postwar consensus on the “compromise of embedded liberalism,”¹⁴ multilateral institutions promoting trade and financial liberalization would be counterbalanced by strong domestic institutions guaranteeing social cohesion and compensating those disadvantaged by international economic competition.¹⁵ In the classic formula coined by Robert Gilpin, embedded liberalism meant “Smith abroad” and “Keynes at home.”¹⁶ In the European Economic Community, member states retain the prerogative of providing the social protections necessary to cushion the impact of greater market competition. In the ensuing decades, integration in the social domain has been clipped by member states’ insistence on preserving their prerogatives over national welfare provision.¹⁷ With limited power to issue binding rules, and lacking any significant redistributive capacity, the EU’s role in this area has been limited to benchmarking objectives, articulating best practice, and comparatively assessing outcomes. As a consequence, “the course of European integration from the 1950s onward has created a fundamental asymmetry between policies promoting market efficiencies and those promoting social protection and equality.”¹⁸ Although the 2009 Treaty of Lisbon enumerated the building of a “competitive *social*

¹³ This passage rephrases the ECSC Treaty’s preambular pledge to “raise the standard of living” by expanding productivity. See also, Maas, “The Genesis of European Rights” 1018.

¹⁴ Stefano Giubboni, *Social Rights and Market Freedom in the European Constitution: A Labour Law Perspective* (Rita Inston tr, Cambridge University Press 2006) 16.

¹⁵ John Gerard Ruggie, “International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order” (1982) 36 *International Organization* 379.

¹⁶ Robert Gilpin, *The Political Economy of International Relations* (Princeton University Press 1987) 355.

¹⁷ Stephan Leibfried, “Social Policy: Left to the Judges and the Markets?” in Helen Wallace, Mark A Pollack, and Alasdair R Young (eds), *Policy-Making in the European Union* (7th edn, OUP 2015).

¹⁸ Fritz W. Scharpf, ‘The European Social Model: Coping with the Challenges of Diversity’ (2002) 40 *Journal of Common Market Studies* 645, 665.

Why the EU can't fix identity politics

market economy”¹⁹ among the EU’s aims, and listed justice and solidarity among its founding values,²⁰ it nevertheless preserved the domestic basis of welfare provision, thereby creating a “disjunction . . . between lofty Treaty proclamation[s] and lack of law-making instruments.”²¹ Similarly, while it introduced means for the EU to “encourage cooperation” between member states on social policy, it left it up to member states to design, implement, and fund it.²² Although the EU was subjected to a new general obligation to “take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion,” it was not given any new powers with which to carry out this mandate.²³ Instead, it was merely enjoined from stepping on member states’ toes as they walked a tightrope between the socioeconomic needs of their citizens, on the one hand, and the imperatives of market liberalization, on the other. Since the 1990s, a growing chorus of scholars has expressed concern that the singular emphasis on market integration and competitiveness is eroding the domestic social protections and delicate corporatist bargains that define the European social model.²⁴ In sum, Social Europe has unquestionably made far less headway than Market Europe.

¹⁹ Art 3(3) TEU. Emphasis added.

²⁰ Art 2 TEU.

²¹ Mark Dawson and Bruno de Witte, “The EU Legal Framework of Social Inclusion and Social Protection: Between the Lisbon Strategy and the Lisbon Treaty” in B. Cantillon, H. Verschuere, P. and Ploscar (eds), *Social Inclusion and Social Protection in the EU: Interactions Between Law and Policy* (Intersentia 2012) 54.

²² Art 153(1) and (2).

²³ Art 9 TFEU.

²⁴ Especially, Fritz Scharpf, “Economic Integration, Democracy, and the Welfare State” (1997) 4 *Journal of European Public Policy* 18; Claus Offe, *The Democratic Welfare State. A European Regime Under the Strain of European Integration* IHS Political Science Series no 68 (Institute for Advanced Studies 2000); Claus Offe, *Europe Entrapped* (Polity 2015); Wolfgang Streeck, “Competitive

For some, these circumstances doom the European project. The EU's stark pro-market bias, the ever-tightening constraints around domestic public spending and social assistance, and the democratic attenuation of supranational decision-making have led some left-leaning observers to argue in favor of reverting to the national Eden of social democracy.²⁵ In his influential "Left Case for Brexit" published shortly before the June 2016 vote, British political philosopher Richard Tuck railed against the EU as "a constitutional order tailor-made for the interests of global capitalism and managerial politics."²⁶ Tuck contends that the EU "has consistently undermined standard left policies such as state aid to industries and nationalization." The only way to regenerate social democracy, in his view, is to reclaim domestic parliamentary sovereignty. To bolster his point, Tuck recalls that Marx admired the House of Commons as the only political institution capable of introducing socialism by democratic means, without revolutionary confrontation.

If there was one thing Marx understood well, however, it was that capitalism is a global force that cannot effectively be countered on domestic terrain alone.

Solidarity: Rethinking the 'European Social Model'" in Karl Hinrichs, Herbert Kitschelt, and Helmut Wiesenthal (eds), *Kontingenz und Krise: Institutionenpolitik in Kapitalistischen und Postsozialistischen Gesellschaften*. (Campus 2000); Alexander Somek, *Individualism. An Essay on the Authority of the European Union* (Oxford University Press 2008); Augustín José Menéndez, "European Citizenship after Martínez Sala and Baumbast: Has European Law Become More Human but Less Social?" ARENA Online Working Paper No .11 (ARENA 2009). Available at http://www.sv.uio.no/arena/english/research/publications/arena-working-papers/2001-2010/2009/WP11_09_Online.pdf

²⁵ See Alan Johnson, "Why Brexit is Best for Britain: The Left-Wing Case," *The New York Times*, March 28, 2017; Neil Davidson, "The Socialist Case for Leave," *The Jacobin*, June 22, 2016. Although he is a trenchant critic of Economic and Monetary Union, Wolfgang Streeck argues for a European Bretton Woods system that would allow greater fiscal heterogeneity rather than national autarky. Wolfgang Streeck, *Buying Time. The Delayed Crisis of Democratic Capitalism*, trans. Patrick Camiller (London: Verso, 2014), 188.

²⁶ Richard Tuck, "The Left Case for Brexit," *Dissent*, June 6, 2016. Available at https://www.dissentmagazine.org/online_articles/left-case-brexit

Why the EU can't fix identity politics

This insight is more compelling than ever today, when the lives of individuals everywhere are increasingly subject to political, social, and economic forces that elude the control of any one state. Although the world is carved up into nominally sovereign territorial units, the most formidable policy challenges are transnational. Global economic and financial shocks, forced population movements, transnational criminal networks, environmental degradation and climate change make national self-sufficiency an elusive aspiration. To be sure, transnational challenges do not come with obvious global (as opposed to local, national, or regional) solutions. However, if we are to understand society as a “cooperative venture for mutual advantage,” then this venture no longer wholly follows the contours of the sovereign, territorial state.²⁷ While it is not clear that supranational political units can easily reenact the bonds of solidarity necessary for making social justice work,²⁸ it is increasingly difficult for a political community on the scale of nation-state to effectively address the challenges that affect its citizens. Particularly from the viewpoint of economic production and consumption, the world already looks like a cosmopolis.²⁹ The EU's promise today is that it is an institutional attempt, however modest, to catch up with that reality.

And the EU has been remarkably successful at resisting some of the deregulatory or disembedding pressures occasioned by global economic interdependence, even if it hardly gets the credit it deserves in this regard. For instance, it upholds stringent public health and consumer protection standards over the vociferous objections of its trading partners and against WTO rules.

²⁷ Charles Beitz, *Political Theory and International Relations*, Revised edn. (Princeton, NJ: Princeton University Press, 1979 [1999]), 131

²⁸ David Miller, *Citizenship and National Identity* (Polity, 2000), esp. pp.81-96

²⁹ Stephen G. Brooks, *Producing Security: Multinational Corporations, Globalization, and the Changing Calculus of Conflict* (Princeton University Press, 2005).

This means voters must either rethink their Euroscepticism or overcome their aversion to hormone-treated beef. Similarly, many member state citizens may find a new appreciation for the overbearing judges of the Court of Justice if they value the privacy of their personal data in the age of mass surveillance, Facebook, and Google.³⁰ On such issues, the size of its single market lends the EU leverage over its trading partners and multinational corporations far beyond what member states acting singly could command. These modest achievements suggest that the only effective way for states to “take back control” in the face of the vicissitudes of economic globalization is to work within the framework of supra- and international institutions. Furthermore, it is only through such arrangements that the benefits and burdens of global economic exchange can ultimately be shared in more equitable ways. While critics like Tuck and Streeck are correct to observe that the EU is far from being the optimal vehicle for a fairer socioeconomic order, it has a key advantage over better, more ambitious schemes: it exists. However difficult to achieve, redesigning or re-equipping an institutional framework that already exists is a likelier prospect than building one from scratch.

If we accept that identity politics can be defused by addressing economic and class-based insecurities, and that nation-states are no longer capable of upholding generous social welfare provision given the vagaries of global casino capitalism, then the EU’s supranational policy-making framework

³⁰ For instance, the Court of Justice invalidated the Data Retention Directive of 2006 for disproportionate interference with the rights to privacy and data protection enshrined in the EU’s Charter of Fundamental Rights. Joined Cases C-293 & 594/12, *Digital Rights Ireland Ltd and Seitlinger and others*, ECLI:EU:C:2014:238, 8 April 2014. Similarly, it held that the 1995 Data Protection Directive entailed a “right to be forgotten”: in this case, an entitlement to the removal of personal data from search engines. Case C-131/12 *Google Spain SL, Google Inc. v Agencia Española de Protección de Datos (AEPD), and Mario Costeja González*, 13 May 2014, ECLI:EU:C:2014:317.

Why the EU can't fix identity politics

might not only be a remedy; it might be the *only* available remedy. The EU not only has the institutional apparatus for making and enforcing policy, it also has substantial fiscal resources that go towards agricultural subsidies, cohesion funds, and emergency financial assistance. To be sure, its powers in the domain of social policy stand in need of significant expansion, but this calls only for a *repurposing* of its existing institutional capacity and material resources away from market-oriented goals towards socially-oriented policies.

In this regard, Brexit may clear one pesky logjam. In making the left case for Brexit, Tuck neglects to note that the UK has consistently obstructed the development of a more muscular EU social policy and redistributive capacity. Britain's long-standing insistence on a free market model of European cooperation is an essential reason why European integration has proceeded along precisely the neoliberal track Tuck laments.³¹ Insofar as there is a "left case for Brexit," then, it is primarily that of removing the one hurdle among many that has hampered attempts by continental social democrats from correcting the EU's free market bias.

Sadly, however, even if we accept that only a renewed emphasis on social welfare and fair redistribution could redeem the EU in the eyes of citizens, this does not mean that such changes will be popular or feasible. Hunger is not bread, as Jeremy Bentham quipped. In decades past, the project of redressing the EU's pro-market bias with a stronger social agenda would have needed to await an alignment of left-wing governments among an influential group of member states. Alas, such an alignment may be a long time coming, and not

³¹ See especially Jan-Werner Müller, "Europe's Sullen Child," *London Review of Books*, vol.38, no.11, 2 June 2016, pp.3-6; Wolfgang Streeck, "Where are We Now? Responses to the Referendum," *London Review of Books*, vol.38, no.14, 14 July 2016, though Streeck maintains that "the neoliberal revolution, led by the US and the UK, has for ever closed [the] window" for building a supranational welfare state.

only because the EU is larger and more diverse. The most important reason why a Social Europe remains more elusive than ever is the dwindling power of left parties in most member states. In states like France, Germany, Britain, and Denmark, populist movements have capitalized on working class hostility to the EU and lured away some of the very constituencies that predictably buoyed the left-wing vote.³² As a result, the pendulum that used to swing between the left and right sides of the political spectrum now oscillates precariously between moderate and extreme right.³³

Moreover, insofar as the fiscal and sovereign debt crisis has strengthened Euroscepticism,³⁴ understood as support for “parties and movements actively

³² Sheri Berman, “The Lost Left,” *Journal of Democracy*, vol.27, no.4, October 2016, pp. 69-76; Martin Rhodes, “Labour Markets, Welfare States and the Dilemmas of European Social Democracy,” in Michael Keating and David McCrone, *The Crisis of Social Democracy in Europe* (Edinburgh: Edinburgh University Press, 2013)

³³ Berman, “The Lost Left,” 73

³⁴ Emmanuele et al. find that in the 2014 elections to the European Parliament, Eurosceptic parties have thrived in response to the Eurozone crisis, but only in member states that possess what they characterize as a permissive political and institutional context, which includes a fluid party system and low barriers to electoral inclusion. Furthermore, they argue that Eurosceptic parties have found disproportionate success in wealthy, creditor countries on the one hand, and in beleaguered debtor countries, on the other, and have done less well in countries with middling economic performance. Vincenzo Emmanuele, Nicola Maggini, and Bruno Marino, “Gaining Votes in Europe Against Europe? How National Contexts Shaped the Results of Eurosceptic Parties in the 2014 European Parliament Elections,” *Journal of Contemporary European Research*, vol.12 (2016), no.3, pp. 697-715. Magalhães chalks up the rise in votes for Eurosceptic parties to discontent with domestic austerity policies and, in some cases, protest at the lack of policy differentiation between traditional left and right parties. Pedro C. Magalhães, “Bailout Countries and Others in 2014: Austerity and Government Defection,” in Mark N. Franklin and Julie Hassing Nielsen (eds), *The 2014 European Parliament Elections: Second Order or Second Rate?* (Palgrave Macmillan, 2017). In a study of 108 national and European elections between 2008 and 2015, a period roughly spanning the duration of the euro crisis, Nicoli finds that negative growth and high employment are particularly important predictors of the rise in electoral support for Euroscepticism. Francesco Nicoli, “Hard-line Euroscepticism and the Eurocrisis: Evidence from a Panel Study of 108 Elections Across Europe,” *Journal of Common Market Studies*, vol. 55 (2017), no.2, pp. 312-331. In the domestic context, Barbieri argues, that “several Eurosceptic parties – such as the Danish DF, Greek Syriza, the French FN

Why the EU can't fix identity politics

calling for a reduction of EU competences, if not for a simple dismantlement of the institutions,"³⁵ it has undermined the likelihood of any such major reorientation. Laudable though they are, the objectives of redressing the EU's lopsided reliance on market mechanisms and distributing the benefits and burdens of European integration more evenly require *greater* delegation of powers to the European Union. Paradoxically, then, the very failures that warrant a leftward reorientation of the European project have made that reorientation less likely to succeed.

It ought to give us pause that the plan for refashioning the EU into a supranational social democracy dovetails with Monnet's apolitical strategy of integration. Both seek to diminish the purchase of identity politics by improving material standards of living. By the same token, both are vulnerable to the same problems of technocracy, economism, and democratic attenuation. Shifting the EU's priority from market regulation to social justice is politically difficult, but not unimaginable. But social justice is not the same thing as social democracy, and it is gratuitous to assume that, once created, a supranational welfare state would acquire the strong underpinnings of an engaged and invested citizenry. The optimistic expectation of European federalists in the 1990s was that a genuine constitutional re-founding would catalyze a vibrant European *demos* and meaningful democratic opinion- and will-formation at the

and the UKIP – received the most votes in their respective countries in the EP election, and others – such as the Italian M5S, the Latvian LNNK, and the Polish PiS – secured second place." He concludes that "these parties were able to move away from the niche positions they have typically held in the electoral market and, thereby, became influential players in the national political arena." Giovanni Barbieri, "Eurosceptic Party Performances in the 2014 European Elections," featured on The European Parties, Elections, and Referendums Network blog, 22 June, 2015. Available at <https://epern.wordpress.com/2015/06/22/eurosceptic-party-performances-in-the-2014-european-elections/>

³⁵ Nicoli, "Hard-line Euroskepticism and the Eurocrisis," 315

supranational level.³⁶ If the failure of the EU's attempt to stage a constitutional moment showed anything, it was that democratic publics cannot be summoned by incantation. Similarly, the persistence of voter apathy towards European elections despite the amplified power of the European Parliament³⁷ suggests that it is futile to adopt a Field of Dreams approach ("if you build it, they will come") to animate new representative institutions with democratic life.

(iii) What if there is no socioeconomic remedy for cultural anxiety?

Furthermore, it is far from clear that identity politics signify nothing more than misdirected socioeconomic anxiety. If the appeal of populism is irreducible to a crisis of the relations of production, and instead stems from worry over cultural displacement, then nothing short of the recognition of identitarian demands can satiate its constituencies. If the latter diagnosis is accurate, moreover, assuring greater economic security and a fairer distribution of wealth will do little to boost the EU's popularity. In fact, insofar as the EU fosters a conspicuous new cosmopolitan elite that speaks multiple languages and cashes in on foreign degrees, facilitates the movement of people, and accelerates the intermingling of cultures, it exacerbates identitarian anxieties. The fact that the Brexit campaign successfully exploited the public conflation of intra-EU free movement and the admission of refugees originating in the Middle East and Africa to amplify its message illustrates this issue. The free

³⁶ Jurgen Habermas, *The Inclusion of the Other* (Ciaran Cronin C and Pablo de Grieff eds, MIT Press 1998), 161

³⁷ Turnout in European Parliament elections has declined from 62% in 1979 (the first year of direct elections) to >43% in the 2014 elections, even though the powers of the EP have been enlarged in successive treaty changes over the same period. See <http://www.europarl.europa.eu/elections2014-results/en/turnout.html>

Why the EU can't fix identity politics

movement of persons heightens the sense that European integration is a conspiracy to eliminate nation-states rather than an attempt to reinforce their efficacy and to patch up the “leaky vessel” of national democracy.³⁸ Furthermore, if we take the demands expressed by today’s populist movements at face value, the EU’s cardinal sin is not that of standing in the way of social justice, but of eroding the cultural cohesion and solidarity of the national political unit. As political theorists cautioned in the 1990s, redistribution is not necessarily an appropriate response to the politics of recognition.

Take Estonia, a country of about 1.3m people that acceded to the EU in 2004. According to the 2011 Estonian census, 12.7% of the Estonian population consists of first-generation immigrants, with an additional 12% Estonian-born persons of at least partial immigrant background.³⁹ Individuals of Russian origin constitute a majority of these groups. By contrast, non-European migrants in Estonia add up to less than 2% of the total population.⁴⁰ For instance, the total number of Estonian residents hailing from an African

³⁸ Charles Bright and Michael Geyer, cited in Peter Lindseth, “Author’s Reply: ‘Outstripping’, or the Question of ‘Legitimate for What?’ in EU Governance” (2012) 8 *European Constitutional Law Review* 153, 163. Also see Alan Milward, *European Rescue of the Nation-State*, 2nd edn (London: Routledge, [1992] 2000), 2

³⁹ “Population and Housing Census 2011,” Statistics Estonia News Release, No.80, June 21, 2013. Available at <http://www.stat.ee/dokumendid/70026>

⁴⁰ Statistical Database of Estonia, “Population and Housing Census 2011 - Native and immigrant population (data of several generations),” 31 December 2011, updated on June 21, 2013. Available at Statistical Database, Population and Housing Census 2011 - Native and immigrant population (data of several generations), 31 December 2011, updated on June 21, 2013. Available at http://www.stat.ee/sdb-update?db_update_id=13687. This number was obtained by calculating the total number of persons originating in European and EU states other than Estonia, and subtracting them from the general population of Estonian residents.

country of origin counted in the 2011 census was a paltry 414,⁴¹ while just 32 individuals were from Afghanistan or of Afghan heritage.⁴² Estonia's population growth has been negative for a long time: emigration outstripped immigration for 14 of the past 16 years.⁴³ Despite its relative ethnic and racial homogeneity and isolation from worldwide refugee flows, however, 70% of responses from Estonia mentioned immigration as one of the two most important issues facing the European Union in the Autumn 2016 Eurobarometer survey.⁴⁴ (The second most important issue, highlighted in 40% of responses, was terrorism, despite the apparent lack of a significant terrorist threat against Estonia.)

Perhaps those surveyed were thinking of immigration as a challenge to the EU, rather than to their own country. After all, the 18 months preceding this survey had seen an EU-wide spike in asylum applications and bitter controversy among EU member states over apportioning responsibility for processing them. While Estonians appeared disproportionately disquieted by terrorism compared to the EU-28 average, they were joined by citizens of member states such as the Czech Republic, Latvia, and Cyprus in expressing heightened concern with this issue.⁴⁵ By contrast, only 20% and 17% respectively among

⁴¹ *Ibid.* The category used in the database search was "PC0521: POPULATION, 31 DECEMBER 2011 by Sex, Place of residence, Parents' country of birth / Region, Country of birth and Ethnic nationality". Search query included persons of foreign and Estonian birth whose parents' country of birth was one of the countries listed in the region of Africa.

⁴² *Ibid.* Search query included persons of foreign and Estonian birth whose parents' country of birth was Afghanistan.

⁴³ Based on data between 2000-2016. "The Population of Estonia Increased Last Year," Statistics Estonia News Release, No.8, January 16, 2017. Available at <https://www.stat.ee/news-release-2017-008>.

⁴⁴ European Commission, Directorate General for Communication, *Public Opinion in the European Union, First Results*. Standard Eurobarometer Survey No. 86, Autumn 2016, 7.

⁴⁵ Eurobarometer Survey No. 86, 7.

Why the EU can't fix identity politics

the EU-28 ranked “the economic situation” and “member state finances” as one of the top two issues facing the EU.⁴⁶ For their part, UK respondents were within a few percentage points of the EU-28 average in terms of their priorities. When asked about the two most important challenges facing the EU, Brits ranked immigration first at 42%, terrorism second at 26%, and economic situation third at 24%.⁴⁷

Puzzlingly, however, when EU citizens were asked about the top two challenges facing their own country, economic concerns such as unemployment, housing, pensions, and rising cost of living took center stage.⁴⁸ Although immigration was the second most frequently mentioned item across all member states at 26%, the combined share of socioeconomic issues highlighted by respondents is 122%.⁴⁹ And when asked what two most important issues they personally faced, most cited the cost of living, pensions, and financial security.⁵⁰ Here, too, Brits were representative, ranking rising prices, health and social welfare, their country's economic situation, and pensions as the most important issues affecting their personal lives.⁵¹

⁴⁶ Eurobarometer Survey No. 86, 7.

⁴⁷ Eurobarometer Survey No. 86, 7. Interestingly, in the May 2016 Eurobarometer survey conducted just 6 months earlier, more UK survey responses flagged immigration (at 51%), alongside 38% for terrorism. (European Commission, Directorate General for Communication, *Public Opinion in the European Union, First Results*. Standard Eurobarometer Survey No. 85, Spring 2016, p.7) The steep drop in UK respondents reporting worry over immigration and terrorism relative to the EU-28 suggests that the British electorate's decision to leave the EU in the intervening period may have assuaged some of the UK public's anxiety over these issues.

⁴⁸ Eurobarometer Survey No. 86, 11.

⁴⁹ Because the survey allows each respondent to give more than one response (respondents may choose *up to two* top issues from a list), the total percentage share of issues adds up to 190% across the EU-28 in the Autumn 2016 survey.

⁵⁰ Eurobarometer Survey No. 86, 13.

⁵¹ Eurobarometer Survey No. 86, 13.

These survey results suggest that when it comes to their own lives, a majority of EU citizens are most immediately worried about their living standards. As it happens, economic prosperity is also the EU's top priority, given that its core competences relate to trade, competition, market regulation, and price stability. Puzzlingly, however, citizens associate the EU with a markedly different set of challenges—immigration and terrorism—which raise anxieties about the intrusion of disruptive, alien 'others' into their political communities. Apparently, Britons and Estonians and Cypriots and Czechs regard the EU less as a sphere of economic opportunity, personal mobility, and geopolitical security, and more as an overcrowded boat floating precariously in terrorist-infested waters. It is no wonder, then, that significant constituencies in these countries want to distance themselves from a Union they associate with insecurity.

Of course, how far these distorted optics are due to the EU's own failures of competence and how far they should be attributed to willful distortion by political actors for domestic political advantage remains a matter for debate. However, the EU itself is hardly in a position to mount an effective response to the misperceptions. The way that European integration has been packaged and sold over generations has encouraged popular estimation of its value solely in terms of euros and cents. Meanwhile, European societies are once more in the grip of the kind of identity politics that decades of carefully constructed economic relationships were supposed to obviate. If the EU is ill-equipped to meet this challenge, it is not so much because of its bias in favor of deregulation, as leftist critics contend, but because the only tools at its disposal for doing so are of an economic nature. For this reason, it is unclear whether an alternative, social democratic model of supranationalism would do much resolve the discontents of identity politics. In fact, since such a project would require vesting the EU with even greater power and fiscal capacity, it is likely to have

Why the EU can't fix identity politics

the opposite effect, at least in the near term. Trying to defuse identity politics with redistributive politics at the supranational level could be like trying to fix an electrical failure with a monkey wrench. The likely outcome is electrocution, not illumination.

Recent LEQS papers

- Hancké, Robert & Vlandas, Tim** "The Politics of Disinflation" LEQS Paper No. 127, December 2017
- White, Jonathan** "Between Rules and Discretion: Thoughts on Ordo-liberalism" LEQS Paper No. 126, November 2017
- Costa Font, Joan & Zigante, Valentina** "Building 'Implicit Partnerships'? Financial Long Term Care Entitlements in Europe" LEQS Paper No. 125, October 2017
- Bohle, Dorothee** "Mortgaging Europe's periphery" LEQS Paper No. 124, September 2017
- Iordanoglou, Chrysafis & Matsaganis, Manos** "Why Grexit cannot save Greece (but staying in the Euro area might)" LEQS Paper No. 123, August 2017
- Saka, Orkun** "Domestic banks as lightning rods? Home bias during the Eurozone crisis" LEQS Paper No. 122, February 2017
- Coulter, Steve** "Signalling Moderation: UK Trade Unions, 'New Labour' and the Single Currency" LEQS Paper No. 121, December 2016
- Di Cataldo, Marco** "Gaining and losing EU Objective 1 funds: Regional development in Britain and the prospect of Brexit" LEQS Paper No. 120, November 2016
- Avlijas, Sonja** "Vicious and virtuous cycles of female labour force participation in post-socialist Eastern Europe" LEQS Paper No. 119, November 2016
- Crescenzi, Riccardo & Iammarino, Simona**. "Global Investments and Regional Development Trajectories: the Missing Links" LEQS Paper No. 118, October 2016
- Teasdale, Anthony**. "The Fouchet Plan: De Gaulle's Intergovernmental Design for Europe" LEQS Paper No. 117, October 2016
- Campos, Nauro F. & Macchiarelli, Corrado**. "Core and Periphery in the European Monetary Union: Bayoumi and Eichengreen 25 Years Later" LEQS Paper No. 116, September 2016
- Foresti, Pasquale & Napolitano, Oreste**. "On the Stock Markets' Reactions to Taxation and Public Expenditure" LEQS Paper No. 115, September 2016
- Gelepithis, Margarita**. "Rethinking the paradox of redistribution: how private insurance and means testing can lead to universalizing reform" LEQS Paper No. 114, July 2016
- Costa-Font, Joan & Turati, Gilberto**. "Regional Health Care Decentralization in Unitary States: Equal Spending, Equal Satisfaction?" LEQS Paper No. 113, June 2016
- Bilgel, Firat & Can Karahasan, Burhan**. "Thirty Years of Conflict and Economic Growth in Turkey: A Synthetic Control Approach" LEQS Paper No. 112, June 2016
- Kochenov, Dimitry**. "EU Citizenship and Withdrawals from the Union. How Inevitable Is the Radical Downgrading of Rights?" LEQS Paper No. 111, June 2016
- Marzinotto, Benedicta**. "Income Inequality and Macroeconomic Imbalances under EMU" Paper No. 110, May 2016



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■



LSE Europe in Question
Discussion Paper Series

LEQS

European Institute
London School of Economics
Houghton Street
WC2A 2AE London
Email: euoinst.LEQS@lse.ac.uk

<http://www2.lse.ac.uk/europeanInstitute/LEOS/Home.aspx>

