

Think Again: European Decline

Sure, it may seem as if Europe is down and out. But things are far, far better than they look.

BY MARK LEONARD, HANS KUNDNANI | APRIL 29, 2013



"Europe Is History."

No. These days, many speak of Europe as if it has already faded into irrelevance. In **the words** of American pundit Fared Zakaria, "it may well turn out that the most consequential trend of the next decade will be the economic decline of Europe." **According to** Singaporean scholar Kishore Mahbubani, Europe "does not get how irrelevant it is becoming to the rest of the world." Not a day went by on the 2012 U.S. campaign trail, it seemed, without Republican challenger Mitt Romney **warning** that President Barack Obama was -- gasp -- turning the United States into a "European social welfare state."

With its anemic growth, ongoing eurocrisis, and the complexity of its decision-making, Europe is admittedly a fat target right now. And the stunning rise of countries like Brazil and China in recent years has led many to believe that the Old World is destined for the proverbial ash heap. But the declinists would do well to remember a few stubborn facts. Not only does the European Union remain the largest single economy in the world, but it also has the world's second-highest defense budget after the United States, with more than 66,000 troops deployed around the world and some 57,000 diplomats (India has roughly 600). The EU's GDP per capita in purchasing-power terms is still nearly four times that of China, three times Brazil's, and nearly nine times

India's. If this is decline, it sure beats living in a rising power.

Power, of course, depends not just on these resources but on the ability to convert them to produce outcomes. Here too Europe delivers: Indeed, no other power apart from the United States has had such an impact on the world in the last 20 years. Since the end of the Cold War, the EU has peacefully expanded to include 15 new member states and has transformed much of its neighborhood by reducing ethnic conflicts, exporting the rule of law, and developing economies from the Baltic to the Balkans. Compare that with China, whose rise is creating fear and provoking resistance across Asia. At a global level, many of the rules and institutions that keep markets open and regulate world trade, limit carbon emissions, and prosecute human rights abusers were created by the European Union. Who was behind the World Trade Organization and the International Criminal Court? Not the United States or China. It's Europe that has led the way toward a future run by committees and statesmen, not soldiers and strongmen.

Yes, the EU now faces an existential crisis. Even as it struggles, however, it is still contributing more than other powers to solving both regional conflicts and global problems. When the Arab revolutions erupted in 2011, the supposedly bankrupt EU pledged more money to support democracy in Egypt and Tunisia than the United States did. When Libya's Muammar al-Qaddafi was about to carry out a massacre in Benghazi in March 2011, it was France and Britain that led from the front. This year, France acted to prevent a takeover of southern Mali by jihadists and drug smugglers. Europeans may not have done enough to stop the conflict in Syria, but they have done as much as anyone else in this tragic story.

In one sense, it is true that Europe is in inexorable decline. For four centuries, Europe was the dominant force in international relations. It was home to the Renaissance and the Enlightenment. It industrialized first and colonized much of the world. As a result, until the 20th century, all the world's great powers were European. It was inevitable -- and desirable -- that other players would gradually narrow the gap in wealth and power over time. Since World War II, that catch-up process has accelerated. But Europeans benefit from this: Through their economic interdependence with rising powers, including those in Asia, Europeans have continued to increase their GDP and improve their quality of life. In other words, like the United States -- and unlike, for example, Russia on the continent's eastern frontier -- Europe is in relative though not absolute decline.

The EU is an entirely unprecedented phenomenon in world affairs: a project of political, economic, and above all legal integration among **27 countries** with a long history of fighting each other. What has emerged is neither an intergovernmental organization nor a superstate, but a new model that pools resources and sovereignty with a continent-sized market and common legislation and budgets to address transnational threats from organized crime to climate change. Most importantly, the EU has revolutionized the way its members think about security, replacing the old traditions of balance-of-power politics and noninterference in internal affairs with a new model under which security for all is guaranteed by working together. This experiment is now at a pivotal moment, and it faces serious, complex challenges -- some related to its unique character and some that other major powers, particularly Japan and the United States, also face. But the EU's problems are not quite the stuff of doomsday scenarios.

Simon Dawson/Bloomberg Via Getty Images



"The Eurozone Is an Economic Basket Case."

Only part of it. Many describe the eurozone, the **17 countries** that share the euro as a common currency, as an economic disaster. As a whole, however, it has lower debt and a more competitive economy than many other parts of the world. For example, the International Monetary Fund projects that the eurozone's combined 2013 government deficit as a share of GDP will be 2.6 percent -- roughly a third of that of the United States. Gross government debt as a percentage of GDP is around the same as in the United States and much lower than that in Japan.

Nor is Europe as a whole uncompetitive. In fact, according to the latest edition of the World Economic Forum's **Global Competitiveness Index**, three eurozone countries (Finland, the Netherlands, and Germany) and another two EU member states (Britain and Sweden) are among the world's 10 most competitive economies. China ranks 29th. The eurozone accounts for 15.6 percent of the world's exports, well above 8.3 percent for the United States and 4.6 percent for Japan. And unlike the United States, its current trade account is roughly in balance with the rest of the world.

These figures show that, in spite of the tragically counterproductive policies imposed on Europe's debtor countries and despite whatever happens to the euro, the European economy is fundamentally sound. European companies are among the most successful exporters anywhere. Airbus competes with Boeing; Volkswagen is the world's third largest automaker and is forecast to extend its lead in sales over Toyota and General Motors in the next five years; and European luxury brands (many from crisis-wracked Italy) are coveted all over the world. Europe has a highly skilled workforce, with universities second only to America's, well-developed systems of vocational training, empowered women in the workforce, and excellent infrastructure. Europe's economic model is not unsustainable simply because its GDP growth has slowed of late.

The real difference between the eurozone and the United States or Japan is that it has internal imbalances but is not a country, and that it has a common currency but no common treasury. Financial markets therefore look at the worst data for individual countries -- say, Greece or Italy -- rather than aggregate figures. Due to uncertainty about whether the eurozone's creditor countries will stand by its debtors, spreads -- that is, the difference in

bond yields between countries with different credit ratings -- have increased since the crisis began. Creditor countries such as Germany have the resources to bail out the debtors, but by insisting on austerity measures, they are trapping debtor countries like Spain in a debt-deflation spiral. Nobody knows whether the eurozone will be able to overcome these challenges, but the pundits who confidently predicted a "**Grexit**" or a complete breakup of the single currency have been proved wrong thus far. Above all, the eurocrisis is a political problem rather than an economic one.

Krafft Angerer/Getty Images



"Europeans Are from Venus."

Hardly. In 2002, American author Robert Kagan **famously wrote**, "Americans are from Mars and Europeans are from Venus." More recently, Robert Gates, then U.S. defense secretary, warned in 2010 of the "**demilitarization**" of Europe. But not only are European militaries among the world's strongest -- these assessments also overlook one of the great achievements of human civilization: A continent that gave us the most destructive conflicts in history has now basically agreed to give up war on its own turf. Besides, within Europe there are huge differences in attitudes toward the uses and abuses of hard power. Hawkish countries such as Poland and Britain are closer to the United States than they are to dovish Germany, and many continue to foresee a world where a strong military is an indispensable component of security. And unlike rising powers such as China that proclaim the principle of noninterference, Europeans are still prepared to use force to intervene abroad. Ask the people of the Malian city of Gao, which had been occupied for nearly a year by hard-line Islamists until French troops ejected them, whether they see Europeans as timid pacifists.

At the same time, Americans have changed much in the decade since Kagan said they are from Mars. As the United States draws down from the wars in Afghanistan and Iraq and focuses on "nation-building at home," it looks increasingly Venusian. In fact, attitudes toward military intervention are converging on both sides of the Atlantic. According to the most recent edition of **Transatlantic Trends**, a regular survey by the German Marshall Fund, only 49 percent of Americans think that the intervention in Libya was the right thing to do, compared with 48 percent of Europeans. Almost as many Americans (68 percent) as Europeans (75 percent) now want to withdraw troops from Afghanistan.

Many American critics of Europe point to the continent's low levels of military spending. But it only looks low next to the United States -- by far the world's biggest spender. In fact, Europeans collectively accounted for about 20 percent of the world's military spending in 2011, compared with 8 percent for China, 4 percent for Russia, and less than 3 percent for India, according to the Stockholm International Peace Research Institute. It is true that, against the background of the crisis, many EU member states are now making dramatic cuts in military spending, including, most worryingly, France. Britain and Germany, however, have so far made only modest cuts, and Poland and Sweden are actually increasing military spending. Moreover, the crisis is accelerating much-needed pooling and sharing of capabilities, such as air policing and satellite navigation. As for those Martians in Washington, the U.S. Congress is cutting military spending by \$487 billion over the next 10 years and by \$43 billion this year alone -- and the supposedly warlike American people seem content with butter's triumph over guns.

JOEL SAGET/AFP/Getty Images



"Europe Has a Democratic Deficit."

No, but it has a legitimacy problem. Skeptics have claimed for years that Europe has a "democratic deficit" because the European Commission, which runs the EU, is unelected or because the European Parliament, which approves and amends legislation, has insufficient powers. But European Commission members are appointed by directly elected national governments, and European Parliament members are elected directly by voters. In general, EU-level decisions are made jointly by democratically elected national governments and the European Parliament. Compared with other states or even an ideal democracy, the EU has more checks and balances and requires bigger majorities to pass legislation. If Obama thinks it's tough assembling 60 votes to get a bill through the Senate, he should try putting together a two-thirds majority of Europe's governments and then getting it ratified by the European Parliament. The European Union is plenty democratic.

The eurozone does, however, have a more fundamental legitimacy problem due to the way it was constructed. Although decisions are made by democratically elected leaders, the EU is a fundamentally technocratic project based on the "Monnet method," named for French diplomat Jean Monnet, one of the founding fathers of an integrated Europe. Monnet rejected grand plans and instead sought to "build Europe" step by step through

"concrete achievements." This incremental strategy -- first a coal and steel community, then a single market, and finally a single currency -- took ever more areas out of the political sphere. But the more successful this project became, the more it restricted the powers of national governments and the more it fueled a populist backlash.

To solve the current crisis, member states and EU institutions are now taking new areas of economic policymaking out of the political sphere. Led by Germany, eurozone countries have signed up to a "fiscal compact" that commits them to austerity indefinitely. There is a real danger that this approach will lead to democracy without real choices: Citizens will be able to change governments but not policies. In protest, voters in Italy and Greece are turning to radical parties such as Alexis Tsipras's Syriza party in Greece and Beppe Grillo's Five Star Movement in Italy. These parties, however, could become part of the solution by forcing member states to revisit the strict austerity programs and go further in mutualizing debt across Europe -- which they must ultimately do. So yes, European politics have a legitimacy problem; the solution is more likely to come from policy change rather than, say, giving yet more power to the European Parliament. Never mind what the skeptics say -- it already has plenty.

ANGELOS TZORTZINIS/AFP/GettyImages



"Europe Is About to Fall off a Demographic Cliff."

So is nearly everybody else. The EU does have a serious demographic problem. Unlike the United States -- whose population is projected to increase to 400 million by 2050 -- the EU's population is projected to increase from 504 million now to 525 million in 2035, but thereafter to decline gradually to 517 million in 2060, according to Europe's official statistical office. The problem is particularly acute in Germany, today the EU's largest member state, which has one of the world's lowest birth rates. Under current projections, its population could fall from 82 million to 65 million by 2060.

Europe's population is also aging. This year, the EU's working-age population will start falling from 308 million and is projected to drop to 265 million in 2060. That's expected to increase the old-age dependency ratio (the number of over-65s as a proportion of the total working-age population) from 28 percent in 2010 to 58 percent in 2060. Such figures can lead to absurd predictions of civilizational extinction. As one *Guardian* pundit put it,

"With each generation reproducing only half its number, this looks like the start of a continent-wide collapse in numbers. Some predict wipeout by 2100."

Demographic woes are not, however, something unique to Europe. In fact, nearly all the world's major powers are aging -- and some more dramatically than Europe. China is projected to go from a population with a median age of 35 to 43 by 2030, and Japan will go from 45 to 52. Germany will go from 44 to 49. But Britain will go from 40 to just 42 -- a rate of aging comparable to that of the United States, one of the powers with the best demographic prospects.

So sure, demography will be a major headache for Europe. But the continent's most imperiled countries have much that's hopeful to learn from elsewhere in Europe. France and Sweden, for example, have reversed their falling birth rates by promoting maternity (and paternity) rights and child-care facilities. In the short term, the politics may be complicated, but immigration offers the possibility of mitigating both the aging and shrinking of Europe's population -- so-called decline aside, there is no shortage of young people who want to come to Europe. In the medium term, member states could also increase the retirement age -- another heavy political lift but one that many are now facing. In the long term, smart family-friendly policies such as child payments, tax credits, and state-supported day care could encourage Europeans to have more children. But arguably, Europe is already ahead of the rest of the world in developing solutions to the problem of an aging society. The graying Chinese should take note.

Joern Pollex/Getty Images



"Europe Is Irrelevant in Asia."

No. It is often said -- most often and loudly by Singapore's Mahbubani -- that though the EU may remain relevant in its neighborhood, it is irrelevant in Asia, the region that will matter most in the 21st century. Last November, then-Secretary of State Hillary Clinton **proclaimed** that the U.S. "pivot" to Asia was "not a pivot away from Europe" and said the United States wants Europe to "engage more in Asia along with us."

But Europe is already there. It is China's biggest trading partner, India's second-biggest, the Association of

Southeast Asian Nations (ASEAN)'s second-biggest, Japan's third-biggest, and Indonesia's fourth-biggest. It has negotiated free trade areas with Singapore and South Korea and has begun separate talks with ASEAN, India, Japan, Malaysia, Thailand, and Vietnam. These economic relationships are already forming the basis for close political relationships in Asia. Germany even holds a regular government-to-government consultation -- in effect a joint cabinet meeting -- with China. If the United States can claim to be a Pacific power, Europe is already a Pacific economy and is starting to flex its political muscles there too.

Europe played a key role in imposing sanctions against Burma -- and in lifting them after the military junta began to reform. Europe helped resolve conflicts in Aceh, Indonesia, and is mediating in Mindanao in the Philippines. While Europe may not have a 7th Fleet in Japan, some member states already play a role in security in Asia: The British have military facilities in Brunei, Nepal, and Diego Garcia, and the French have a naval base in Tahiti. And those kinds of ties are growing. For example, Japanese Prime Minister Shinzo Abe, who is trying to diversify Japan's security relationships, has said he wants to join the Five Power Defense Arrangements, a security treaty that includes Britain. European Union member states also supply advanced weaponry such as fighter jets and frigates to democratic countries like India and Indonesia. That's hardly irrelevant.

BERTRAND LANGLOIS/AFP/Getty Images



"Europe Will Fall Apart."

Too soon to say. The danger of European disintegration is real. The most benign scenario is the emergence of a three-tier Europe consisting of a eurozone core, "pre-ins" such as Poland that are committed to joining the euro, and "opt-outs" such as Britain that have no intention of joining the single currency. In a more malign scenario, some eurozone countries such as Cyprus or Greece will be forced to leave the single currency, and some EU member states such as Britain may leave the EU completely -- with huge implications for the EU's resources and its image in the world. It would be a tragedy if an attempt to save the eurozone led to a breakup of the European Union.

But Europeans are aware of this danger, and there is political will to prevent it. Germany does not want Greece to leave the single currency, not least due to a fear of contagion. A British withdrawal is possible but unlikely and in

any case some way off: Prime Minister David Cameron would have to win an overall majority in the next election, and British citizens would have to vote to leave in a referendum. In short, it's premature to predict an EU breakup.

This is not to say it will never happen. The ending of the long story of Europe remains very much unwritten. It is not a simple choice between greater integration and disintegration. The key will be whether Europe can save the euro without splitting the European Union. Simply by its creation, the EU is already an unprecedented phenomenon in the history of international relations -- and a much more perfect union than the declinists will admit. If its member states can pool their resources, they will find their rightful place alongside Washington and Beijing in shaping the world in the 21st century. As columnist Charles Krauthammer famously said in relation to America, "**Decline is a choice.**" It is for Europe too.

Milos Bicanski/Getty Images

Like 1,869 people like this. Sign Up to see what your friends like.

Save big when you **subscribe to FP**

Mark Leonard is director of the European Council on Foreign Relations and a **Bosch public policy fellow** at the Transatlantic Academy. **Hans Kundnani** is editorial director of the European Council on Foreign Relations.

42 comments

Powered by **livefyre**



Welcome to Foreign Policy's new commenting system! The good news is that it's now easier than ever to comment and share your insights with friends. Here's how it works: You can now sign in by creating a LiveFyre account (which will replace the ForeignPolicy.com accounts from now on), or using a Twitter or Facebook account, and carry on a conversation with your fellow commenters in the section below. You do not have to sign in using a social network if you choose to remain anonymous – simply use a LiveFyre account to continue commenting. For more information, click here.

Sign in with [Twitter](#) [Facebook](#) [Livefyre](#)

Empty comment box

+ Follow conversation

Post to TWITTER FACEBOOK

Sort: Newest | Oldest

Conversation on FP.com



Aditya Mookerjee

There seems to be no apparent decline, in the affairs of Europe. It might seem, that the E. U. has given space, for every nation to support the other, but in a peculiar manner. I mean, Greece wasn't more or less economically prosperous, before the unification, than after, and Germany is doing better than before. There is no great industrial growth in Germany, and Porsche records great increase in profits, annually. I don't know, if new manufacturing plants have been assembled and operated there. It appears, the economic disparity, is making the economy seem to grow in numerical terms, in the British Isles. The immigration laws in the British Isles, are the same as for the other member states of the E. U.. Manufacturing entities like Bosch, DuPont, and perhaps some state entities, like railways, though not operated by govt.'s have great goodwill. China operates plants running machines assembled in Germany, for an example.

12 DAYS AGO



WHOISReview

The writer is truly biased and brainwashed.

Go read "strategic vision" by Obama's adviser and see the sick gameplan in Libya/Syria and Africa.

China will strike back against our pathetic protectionism where we literally banned solar panels.

Now sit back and watch how Argentina and South Africa's wines take precedence over European wines as China, Brazil and the developing world respond to our sick protectionism.

We need to partner with China - and recognize them on a level playing field, and stop thinking that we are somehow superior to the world - because our complacency in Europe is what brought us to where we are:

Where our women are breeding mixed raced mixed religion offspring and our whimpy men sit back and eventually Europe will lose all it's identity.

27 DAYS AGO



EuropeanFederalistParty

A EUROPEAN FEDERATION: the only logic choice to take.

It is true, Europe is facing some serious challenges, but as rightly pointed out in this article, these challenges are becoming destructive plagues because they are multiplied by the fact that the EU is a loose confederation of Member States and it is not perceived as a unitary actor. The current situation highlights our economic imbalances, overestimates our competitiveness gaps, hinders our foreign policy potential and focus on the perceived lack of the democratic legitimacy of the European project.

There is a clear way out to this situation. Bringing Europe closer to the citizens and transform the EU (or part of it) into a fully-fledged democratic federation with clearly defined competences.

Pietro De Matteis (PhD Cambridge)

Co-President

European Federalist Party

www.facebook.com/EuropeanFederalistParty

www.federalistparty.eu

1 MONTH AGO



jgarbuz

EuropeanFederalistParty

So, what happened to the Holy Roman Empire? There have been any number of attempts to federalize Europe, but nations and ethnicities have this funny habit of wanting to retain their national culture, language and identities. The most important thing, is that there never be another war in Europe. And everything should be done so that no such tragedies ever happen again. But the idea that Europe will become another United States is quite unimaginable, to me at least, nor would it necessarily be more desirable. People should have the right to retain some semblance of their ancient cultures. As is, so much of it is disappearing so fast.

1 MONTH AGO



EuropeanFederalistParty

Thanks [jgarbuz](#) for your comment!

Indeed, we must keep our cultures, languages and identities. That is what made Europe successful over the past centuries. Having a European federation does not mean to level out everything. On the contrary, it is the only way to ensure that diversity remain an option on this continent. Having a European federation means, in practice, to ensure governability of our continent. To ensure that Europeans are still able to have a say on their future, on their investments, on their foreign policy. Then it will be a matter of good governance.

I would be happy to hear also from some of the other readers:

[mikekrohde](#)

[nm](#)

[Thierry Bourdelin](#)

[JamesCanning](#)

[DTriantaphyllou](#)

[Corbenic](#)

[taomao](#)

Thank you,

European Federalist Party

www.facebook.com/EuropeanFederalistParty

www.federalistparty.eu

1 MONTH AGO



cesaraugustodecastro

Oh yes, all those clichés about European greatness - the Discoveries, the leading force for four centuries and other babbles...

Amazing that no one talked about those great symbols of European Spirit: Two World Wars, Nazism, Fascism, the Holocaust and other great examples of European savagery, which could happen again.

Let's face it: European always were, and still are, barbarians!

2 MONTHS AGO



oceanspear

[cesaraugustodecastro](#) And so have been all of the other Great Powers Sir... Power corrupts and absolute power... corrupts absolutely.

Neither China, Japan, The United States are little angels who have never committed crimes against humanity... so please take a chill pill...

18 DAYS AGO



mikekrohde

That's because you don't pay attention Jossef. The richest countries in the world are European. Per capital income leaders are European, because they haven't allowed the 1% to steal so much of their national wealth and their middle class is still alive and well. Sweden and Norway have higher per capita income than the U.S. and they swamp us in every meaningful measure of well being for their citizens. If you read something more informative than the bible you might be aware of these things. Spiritual decline? Christian america is leading in teen births, the death of the middle class and incarceration. How spiritual is that?

2 MONTHS AGO



JoeMcIntyre

@mikekrohde They both have under 10 million population as well. If I compared them to say, Silicon Valley and the surrounds, would look about the same if not better due to the weather. As for the notion of these great egalitarian states, lets not wear the rose colored glasses and realize that the European elite is just as entrenched, they just stash their wealth in Switzerland and Liechtenstein. Furthermore many in the political class can trace lineages back to old royalty, along with the actual royalty that many states still support on the taxpayer dime for "heritage" purposes or whatever garbage excuse they are now using.

1 MONTH AGO



LordGryphon

[JoeMcIntyre](#)

[mikekrohde](#)

The Canadian and American elites store their wealth in Switzerland, Liechtenstien too. and other tax havens. Read the neww

21 DAYS AGO



mikekrohde

I believe this declining continent still has the top 3 or 4 wealthiest countries in the world in per capita income, with socialist Sweden leading the way.

2 MONTHS AGO



Jossef

If I were an European, I would not be reassured by this article. The title of this article says "Think Again: European Decline" which implies that Europe is not really in decline, yet the content of the article can be summarized by the following statement: yes Europe is in decline but things are not as bad as some people claim. Well, I think the fundamental problem of Europe is a decline in character, morals and outlook. Europe is like an old unhappy man, with guilt feeling about his past, a pessimistic view of his future, no spiritual moral principles, who simply wants to spend the rest of his life in material comfort!

2 MONTHS AGO



rippasaw207

Their Muslim scourge was conveniently left out

2 MONTHS AGO



mikekrohde

rippsaw207

they are beating the u.s. in every measure of social health. how about our christian scourge?

2 MONTHS AGO



dhunt6789

rippsaw207

You're referring to the immigrant group that revived their labor markets

16 DAYS AGO



anondragon2012

Beautiful article, although I have to admit I did not read all of it.

One point:

"In one sense, it is true that Europe is in inexorable decline. For four centuries, Europe was the dominant force in international relations."

This is wrong. Europe was NOT the dominant force in int-relations.

= INDIVIDUAL EUROPEAN NATIONS were, and certainly NOT at the same time.

One could say...The British Empire, then the French Empire, then the rise and fall of the German Empire, with the other West-EU nations as end-middle age colonial empires.

But Europe as a whole was never truly a world power. It's only when individual members asserted themselves and when the rest of the world living in obscurity that "Europe" led.

As a keen geopolitician, I would say that the rise of superstates such as USA, USSR, and now Brazil, Russia, China, India, with mass population , economy , etc....Makes the model in which individual European states strive....OBSOLETE.

Europe will only rise in one way: By becoming a unified bloc with semi-authoritarian leadership to control European cultural divergences. Napoleon & Hitler understood this.

Without European single bloc, Individual EU states will remain "great powers", potentially with great economies but not real military/international influence. EU states will become larger scale "Switzerlands".

That is of course if they were get out of the corrupt, non-competitive mess some of them are.

One should NOT look at current statistics to judge current geopolitical state!

These are very misleading and can change ridiculously fast.

In one or two generations, the European states will have become completely insignificant if a significant power move is not made, whether this involves war or diplomacy regardless.

By the way, by European states I really mean to exclude the UK and Russia, which definitely seem to be taking an alternative course. Also there is no certainty as to where eastern EU states will stand in 20 years.

2 MONTHS AGO



mikekrohde

anondragon2012

You not only didn't read the entire article, it appear you never read an entire book of any kind. European countries, Sweden, Norway, Denmark, beat the U.S. in every meaningful socioeconomic metric. Including per capita income.

2 MONTHS AGO



N M

It can also be argued that since the current growth paradigm is in dire need of re-orientation, a declining population may not be the negative scenario it is being portrayed to be, especially if we accept to increase the age of work participation. Do also not forget, older people tend to consume less than 20-60 year olds which will help us conserve resources. A declining population may be preferable to social instability caused by the influx of Muslim populations educationally unable and culturally unwilling to integrate in European society.

2 MONTHS AGO



jimmyyuen

This is hilariously misleading. Europe cannot even pretend to sustain any serious overseas military operations past two months. There is a reason why we call the US a superpower and discount the EU mostly as an economic bloc.

2 MONTHS AGO



Thierry Bourdelin

jimmyyuen

Europe has been sustaining serious overseas military operations in Afghanistan for the past decade.

it's also the main sea battle group patrolling off the horn of Africa for the past 3 years, against somali pirates.

here are a list of a few military hotspots where European service members have been stationed in significant members for more than a year in the past decade :

Bosnia

Kosovo

Lebanon

Afghanistan

Iraq

Chad

Congo

Sierra Leone

Ivory Coast

Mali by year-end

Best regards,

2 MONTHS AGO



Jossef

Thierry Bourdelin

jimmyyuen

Thierry Bourdelin, Jimmy Yuen is right when he says that "Europe cannot even pretend to sustain any serious overseas military operations past two months;" he means Europe cannot do it without US help. Look at what happened in Libya, next door to Europe where without US logistics support and military capabilities Europe could not even defeat Khdafi on its own. It was even more grotesque in the case of Bosnia and Kosovo where without the US the Europeans could not deal with genocide in their midst.

2 MONTHS AGO



Corbenic

Jossef

Thierry Bourdelin

jimmyyuen

This is just a military warehousing renewal issue. Pilots need combat airtime. Arsenals need renewal. NATO is a pact, and there are no solo players. This is why it is sustainable, and the potshots made here are just that.

2 MONTHS AGO



Thierry Bourdelin

Jossef

jimmyyuen

Jossef,

you are comparing apples with pears.

Jimmy Yuen was wtalking about the INABILITY of European Nations to sustain military operations for long period. He's wrong as with the few examples I gave.

You are talking about EFFICIENCY of European Nations military operations.

You might not realize it, but the US 6th fleet wasn't able to sustain bombardment of Libya for more than a few days, before it had to re-supply its stock of cruise missiles.

Does it mean it can't sustain "serious overseas military operations past two months" ? No, simply that every operation is constrained by logistics and ordnance, but is not limited to only 1 role.

In this case, the 6th fleet later provided support with aerial reconnaissance and sea patrolling while waiting for resupply.

Just as it was also done jointly with other European forces in the area.

And all this time, European Nations (mostly Britain and France, though) carried on their bombing raids and behind the lines special ops (as happened in Benghazi and in the hilly region south of Tripoli).

But they too, were constrained by limits on their stock of ordnance for air missions, and therefore the intensity or scope of their missions evolved.

Similarly, when the US invaded Iraq in 2003, though they had ammunition supplies stockpiled, Centcom didn't expect "serious overseas military operations past two months".

So much so, that logistics didn't follow too well during the early summer months.

Another example in the constrain of logistics : during the recent Mali operation, France needed more air transport to speed up troop deployment.

But didn't get it from other NATO members in time (and numbers), therefore they compromised with their plans.

Did it preclude their operations ? No it didn't, they were ABLE to sustain "overseas military operations past two months" somehow ... but not with the same scope or intensity each and every day ;)

Best regards,

2 MONTHS AGO



David Harrison

jimmyyuen

I don't think it is something to boast about that out of the spending on Defence (read War) the US spends over 40% of it, this while it purports to be unable to provide health care to many tens of millions of its citizens and does nothing about what can only be described as 'third world' conditions (and pretty poor one's at that) in many of it's major cities.

You singularly managed to discount Europe as of little account. It's just another example of the "my c**k's bigger than your c**k" approach to international relations so beloved of the US.

Your point is that the only thing worth thinking about is military power. How 19th century imperial of you.

2 MONTHS AGO



JoeMcIntyre

@David Harrison Look at the right places within the EU and you can find so-called "third world" poverty as well. I'm not even talking about areas of Greece, the Balkans and Central-Eastern Europe. I'm talking about the Roma colonies in almost every state, that get shuffled around the continent when they become unsightly/ too large for the government. We'd ship the poor out of here too if we didn't consider it a serious violation of human rights.

1 MONTH AGO



LordGryphon

jimmyyuen

Oh and greatness is defined by one's military power? No, greatness is defined by other measures. Ilke reduction of inequality, as but one example

21 DAYS AGO



JamesCanning

Anyone who thinks Europe is "down and out" is a fool. Or, extremely ignorant.

2 MONTHS AGO

1 MORE



DTriantaphyllou

A valiant attempt to project the purpose, potential, and reality of European power and the European project today yet it falls short because it is descriptive about the sources from where the EU derives its strengths but does not really address the legitimacy issue. That is to say, it is not enough to suggest that, say, "Germany does not want Greece to leave the single currency, not least due to a fear of contagion." Though this suggests political will, the growing disconnect between the decision makers at the national level and at the European level and their public opinion is getting wider. Does the European public still believe in the idea of a united Europe? or does it feel left down by it? if this is the case, why is it so?

why is there a 'crisis of trust' in the EU as a recent poll suggests (<http://www.guardian.co.uk/world/2013/apr/24/trust-eu-falls-record-low>)? Jurgen Habermas in his recent intervention raises the issues of solidarity and democracy as necessary in handling the current crisis...in other words, it is not enough for Germany to try to keep Greece within the Eurozone for fear of contagion but the basic notions of democracy, solidarity, norms and values need to be part of the solution otherwise all German actions are simply an extension of the country's national interests as its current leadership defines them rather than an deeper understanding of the legitimacy of the integration process even as it extends to monetary union. In other words, the German self-interest should not and cannot necessarily imply that this is the only way forward for Europe. The European construct is for all and to be built by all countries and their citizens alike...should this point not be understood and tackled, the various European successes deftly presented by Kudnani and Leonard will hold less and less credibility as the European citizens will feel even more marginalized from them. In this sense, legitimacy is key as it has been part and parcel of integration from the get go but seems to be lacking today. This also explains in part why Europe is deemed to be declining and China and others ascending...it has to do with believing in the potential for transformation and change...as a committed pro-European and pro-integration citizen, I very much fear we Europeans have very much lost this belief in ourselves, our potential, and our abilities to believe in our common project. This is where the challenge for Europe lies..

2 MONTHS AGO

**Corbenic**

DTriantaphyllou

I still believe in ourselves and our capacities. Instead of stating that we have lost faith, don't be a spectator and doubter - assist the doubters, it is more important and valuable use of your time.

2 MONTHS AGO

**taomao**

This piece is a very welcomed contribution here in the FP. Europe is in deed a pool of resources and sovereignties. So, whats all about this "crisis" in Europe? I rather think it is about the same as the relative "wisdom" of the markets. It does not really exists in reality. There are no "self-healing" powers in markets!

The rise of countries like Brazil and China does not come as a surprise, its logic of capitalist warfare. The former colonial states are on "shaky ground" because of the same warfare. Don't be fooled. How can they increase their GNP without the buying power of welfare recipients from countries who are in fact increasing the GDP of China, India and Brazil? By selling their products to Africa?

Okay, all the disagreements inside the EC are having primarily only one reason: Europeans are still driven by a naive belief that globalisation stops at the borders of the EC, ironically because they still have a much more social environment to adopt to changes in global economies.

The hook is, that is leads the caste of political responsible in London to instrumentalize internal English problems in every days underhouse "discussions" - e.g. however the referendum for independence in Scotland next year will turn out, or how England's handling of financial assets of former dictators, tax evaders and other criminals who's cash is channeled through banks in "the city", but remaining there for all sorts of shady business... In France, this strange, naive believe prevails that it is better that all EC nations first must be reduced to a level that ultimately every Nation in Europe is equal, rather than finally to reduce the "Nani-state" which is in France in the firm hands of parasitic officials. This is the real post communist invention since Gorbachev. France in this respect does not differ from Greece. In Germany in 2001 the Anti-Iraq-War chancellor Gerhard Schroeder begun a far-reaching reform of an over aged welfare state without elemenating the "contract of generations", what was known as "soziale Marktwirtschaft" (social market economy) and was with the Marshal Plan the corner stone of rebuilding Germany's economy after WWII. One of the key rules is the total independence of the federal bank from politics! However as a result German employees wages have crumbled since 2005, so prior to the global debt crisis in 2008, drastically. Today wages for employees in the UK or France are must higher by being lot less competitive. If UK and France do not get their depts (1.5 Trillion UK, 1 Trillion in France) in order, there is a good change that the mood in Germany may change which would be the first time that I get worried about the EC and its supposed crisis.

2 MONTHS AGO

**jgarbuz**

European disintegration is NOT an option! Europe was most powerful in two major periods: (1) Under the Roman empire over 5 centuries which "integrated" most of western Europe and the Mediterranean under its control, and (2) after the "discovery" of the Western Hemisphere when the resources of the Americas enabled Europe to displace the resources of Asia. The most recent attempt to reintegrate Europe after two major disastrous wars in the first half of the 20th century was a monumental and very necessary achievement. Europeans rise or fall together!

However, it needs to do somethings that many others have to do as well. First and foremost, It has to get its declining birth rate in check. It has to do more to encourage entrepreneurial innovation ala Silicon Valley in the US. More cooperation between universities and businesses across Europe. And it must continue to reduce per capita energy use as much as possible, and the adoption of alternative energy wherever feasible.

Europe has made great strides, but if it falls back due to the current economic malaise it would be a great tragedy for both Europe and the world.

2 MONTHS AGO

1 MORE

taomao

jgarbuz

You got it! and I must point them out again: "encourage entrepreneurial innovation, cooperation between



universities, reduce per capita energy" and ad reduce dependencies through depts that originates from red tape...

2 MONTHS AGO



HnH1709

Being a European, I share my European perspective.

Will Europe decline further? Yes, as this decline is almost entirely up to the sky-high oil and energy prices. This, by the way, explains a large part of the economic woes in the US and Japan as well.

China is doing so well, because they create a lot of their energy by using comparatively cheaper coal (and lower wages).

Will EU break up? Very likely, as the countries with a positive export balance do not wish to have a fiscal union. In Germany's eyes that would be subsidising others while Germans toil. There is no political will in Germany to do such a thing. That may change after the Bundestag elections, but it would be a major surprise for Germans to throw away their economic advantage.

A second point favouring a break-up is the added stress of further high prices for oil and gas. The coming breakdown is manifesting itself by the separatist movements in Scotland and Catalonia, and tensions between the French and the Dutch of Belgium. Once these processes begin in earnest, there is no stopping them.

To sum up, while the EU will almost certainly decline and break up, other industrialised countries will face similar problems. The issue at hand are the extremely high oil prices that are too high for our financial system to bear for much longer, because they cost us economic growth.

High oil prices mean low/no economic growth, and that means crisis.

2 MONTHS AGO



taomao

Cyprus, selling the European citizenship to Russian "investors" who are "investing" 3 Millions Euro on this island, does not really go down very well. Even in Europe, citizenship is not yet being considered a commodity. Italy voting for a government of one comedian, another, a horny senile old man, and a third, a post-communist apparatchik. Therefore hoping for a political change in Germany is rather an optimistic view. Predictively it will not be like with the French who voted Sarkorzy out, - and got kind of Mitterand II. Scotland and Catalonia are two mature European regions, not some Balkan backyard nations. People there are not just running for independence, but as you wrote: "High oil prices..." combined with unwillingness to enforce to use of renewable energy is certainly the road to a break up.

2 MONTHS AGO



Thierry Bourdelin

HnH1709 HnH1709,

I wouldn't be surprised to learn you are a Brit.

I'm not going to argue with the topics you raised as "threats", but rather their dangerousness to European stability.

1) Energy supply and pricing is a significant component in assessing the competitiveness of European economy.

Oil prices are likely to keep going up, both because of the dollar pricing (weak against the Euro and most other European currencies for past several years) and global production on the wane.

However, that is just 1 component of competitiveness, and not the most important one.

80% of energy pricing is made-up of taxes, so this can be easily adjusted fiscally if the political will is there.

Nuclear and green energy makes up between 20% and 60% of European countries energy mix. The most vulnerable ones being in Eastern Europe because of ageing infrastructures (soviet-times plants being planned for phase-out) and over-reliance on russian imports (unlike in Western Europe where it stands at 20%-40% of hydrocarbures, Eastern Europe can go as up as 80% imports coming from Russia). The other aspect being the huge potential in energy efficiency and diversification from investments.

2) you are alarmist and parroting the usual memee, one routinely find in Fleet Street's papers.

Continental europeans dissatisfaction is not so much about European integration or structures, rather than national politicians.

Why ? because the EU fiscal capacity is around 1% of GDP, whereas nationally it's around 40% of GDP.

The European Commission doesn't "run the EU" by itself, but do so at the behest of the European Council, which is composed of national politicians. If they don't want to move, the EU can't move.

But they never lose a chance to blame their failings onto others, especially bureaucratic administrations. A bit like anyone can blame a shadowy "Washington" or "The Feds" for every ill when something goes awry, yet major solutions can only be found there.

For example, Scottish, Catalan or Flemish drive for independence is not a repudiation of the EU, but instead a fiscal and cultural revolt towards a "center" that is perceived as alien and hostile (think Scots against English Westminsters, or Catalans against Aragonese Madrid), and they are encouraged to do so because of European institutions protecting their political freedoms to dissent and providing a roadmap for regional autonomy.

Go back 30 years ago, before Spain and the UK joined the EU, and such dissent would have been crushed under martial law (as in Northern Ireland or the Basques).

Whether those regions will secede is yet to be seen, but it's striking to see that they regard themselves as continued members of an EU space.

What you see is actually a reformation of the European structure and democracy throughout the Continent, where "nationalism" is being redefined, negatively or positively depending on the cases, with "regionalism" the most often sought-out alternative, within EU structures.

Best regards,

2 MONTHS AGO



taomao

Thierry Bourdelin

HnH1709

Neither a Brit, not a Scott & nor Wallis. No, it's common sense.

The EU was simply screwed by the unification of two German states. Germany paid first 1:11 to "harmonize" the two German Marks. Then, foolishly enough, bought 1 Euro for 2 Mark. All in just 10 years.

The next: 1990 - 2000 the human rights hippies flipping way along valley's in Bosnia ending up with the mad idea the only way to avoid a flood of refugees of Albanians living in the Serbian province of Kosovo was bombing the Chinese embassy in Belgrade and other infrastructures in Serbia by culminating in the mad idea to create a "state" called Kosovo.

It continued with the two very interesting buildings in NYC, resulting in a 12 year, unsuccessful, war in Astan.

And then you guessed the total madness: Iraq! This was pissing off a lot of European countries.

Now today I live in France. Yes, I'm sure, I'm NOT living in a madhouse. Worse. With political responsible, Brits and French, beginning to deliver arms to "rebels" (whabbi-sponsored terrorists) to Syria. Ground to air missiles. Austrian UN troops will move out from the Golan and Assad, if he is smart, as well. Let Israel deal with the mess of this insane Salafist and then let Saudi clowns explain to their people why Israel is occupying yet another territory. Next will be Jordan and then hopefully the Saudis. The outcome will be unavoidable an Astan 3.0.

.If you listen carefully you can hear the UNHCR apostles already now complaining that Europe should take more refugees from these countries. "Le ministre russié des Affaires étrangères" is just ripping his hands. He is so much smarter than these two European polit-professionals without education.

I know I'm NOT living in a madhouse. But when I see a bunch of intellectual bankrupted responsible politicians doubts are rising. The problem is: capitalism can not produce any capital anymore. It's finished.

Cheers

1 MONTH AGO



baku

While I entirely agree with repudiating the hype about "Europe declining", I still find the article too defensive. It should not just be military and diplomatic hard and soft power, but rather the social market economy model of society which makes Europe such a force. But even in Europe, especially within the elites of the EU, economic and social policy are going more the Anglo-Saxon way which has led to fragmented societies, high

levels of crime, low voter participation, etc. If Europe remains a force to be reckoned with in the world, it can do that only on the strength of its values and ideas about society.

2 MONTHS AGO



taomao

[baku](#) yes, totally agree. Trying to continue to harmonize relations to East Europe without OECD who just stirs the pot would be a sustainable approach.

2 MONTHS AGO



N M

[baku](#)

Get your facts straight please:

"Voter turnout varies considerably between countries. It tends to be lower in the United States, Asia and Latin America than most of Europe, "

http://en.wikipedia.org/wiki/Voter_turnout#International_differences

"There were an estimated 28 million crimes recorded by the police within the EU-27 in 2009 (see Table 2). From 2000, the number of recorded crimes in the EU-27 rose to a peak in 2002 and 2003, but subsequently fell each year through to 2009. Decreases of more than 10 % between 2003 and 2009 were observed in Malta, the United Kingdom, Poland, Greece and France.'

http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Crime_statistics#Main_statistical_findings

2 MONTHS AGO



JoeMcIntyre

Good article, made the case fairly well. As an American I especially enjoyed the pushback against Kagan's derisive literature. As Western countries it is a good idea to realize who our brothers are; especially as global rebalancing occurs and different value systems enter the fore. My only complaint is ending on a shout out to Krauthammer, he can write well (very quotable) but his worldview is poison.

2 MONTHS AGO



FrankOrlandoWilson

[JoeMcIntyre](#) By that you mean he is not a communist sympathizer?

2 MONTHS AGO



taomao

[JoeMcIntyre](#) Krauthammer is often also quite wrong; I remember a piece he wrote in TIME mag 1992 on the then ongoing war in Yugoslavia titled "the doves might be right". He got stacked in the ZigBezs-Times ;-)

2 MONTHS AGO

[FOLLOW US ON TWITTER](#) | [VISIT US ON FACEBOOK](#) | [FOLLOW US ON RSS](#) | [SUBSCRIBE TO FOREIGN POLICY](#)

[ABOUT FP](#) | [MEET THE STAFF](#) | [FOREIGN EDITIONS](#) | [REPRINT PERMISSIONS](#) | [ADVERTISING](#) | [WRITERS' GUIDELINES](#) | [PRESS ROOM](#) | [WORK AT FP](#)

[SERVICES:SUBSCRIPTION SERVICES](#) | [ACADEMIC PROGRAM](#) | [FP ARCHIVE](#) | [REPRINT PERMISSIONS](#) | [FP REPORTS AND MERCHANDISE](#) | [SPECIAL REPORTS](#) | [BUY BACK ISSUES](#)

[PRIVACY POLICY](#) | [DISCLAIMER](#) | [CONTACT US](#)



11 DUPONT CIRCLE NW, SUITE 600 | WASHINGTON, DC 20036 | PHONE: 202-728-7300 | FAX: 202-728-7342
FOREIGN POLICY IS PUBLISHED BY THE FP GROUP, A DIVISION OF THE WASHINGTON POST COMPANY
ALL CONTENTS ©2013 THE FOREIGN POLICY GROUP, LLC. ALL RIGHTS RESERVED.



]