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European Union

A diminished France could spell the end for Europe

The vote for Marine Le Pen's National Front was a powerful warning of the perils of inaction

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The real earthquake was the fall of the Berlin Wall. A quarter of a century later Europe is still buffeted by the aftershocks. <u>Vladimir Putin (http://www.ft.com/topics/people/Vladimir_Putin)</u> wants to revive the Soviet empire. France is floundering in a Europe dominated by a reunited Germany. The Russian president is doomed ultimately to fail but can wreak havoc along the way. France tortures itself rather than admit that Europe now belongs to someone else.

European leaders imagined life after communism would carry on much as before. The EU would take in the new democracies of the east. A single currency would dilute the

dominance of the D-Mark and anchor Germany in the existing European order. That was then.

The elections to the European Parliament (http://www.ft.com/indepth/european-parliament-elections) last week were not quite the populist rout of some excited headlines. Yet the anti-elite, anti-immigrant and, in some cases, anti-EU protest was plain enough. In France, Britain and Denmark the xenophobic right made significant headway. Elsewhere, the angry vote fragmented between left and right. Populists and eurosceptics (http://next.ft.com/content/a905caba-e5a6-11e3-8b90-00144feabdco) now hold 30 per cent of the seats in the EU assembly. Mr Putin has been cheering his fellow, equally nasty nationalist travellers (http://next.ft.com/content/o7d12f2e-e57c-11e3-a7f5-00144feabdco).

The surprise is that anyone should have been surprised by the outcome. The continent has suffered five grim years of falling living standards, rising unemployment and government-induced austerity. Germany's Angela Merkel aside, it has not been blessed with leaders who inspire popular confidence. Welfare systems designed for another age are buckling under the pressures of globalisation. That a fair slice of voters should see these elections as a cost-free chance to kick mainstream politicians can scarcely be described as startling.

The EU's leaders should not be complacent. The union must be attentive to the everyday concerns of ordinary citizens and resist interference in the nooks and crannies of national life. It would be a great pity if the politicians now negated this message by choosing an old-school federalist such as Luxembourg's Jean-Claude Juncker to head the European Commission (http://next.ft.com/content/09028fe8-e6">head the European Commission (http://next.ft.com/content/09028fe8-e6") head the European Commission (http://next

For all that, the nuts and bolts of European integration are a sideshow. The insecurities and inequalities that flow from globalisation are not the fault of the EU. If there is a serious criticism to be made it is that the union has failed to find an economic and political strategy that demonstrates that member states would fare a lot worse on their own.

The prolonged sulk of successive French governments has begun to make the unthinkable thinkable These were national more than European elections. The big shocks were delivered in France and Britain: Marine Le Pen (http://next.ft.com/content/145176b6-e4c6-11e3-894f-00144feabdco)'s National Front (FN) driving the centre-right UMP and President François Hollande (http://www.ft.com/intl/t

opics/people/Fran%C3%A7ois_Hollande)'s Socialists into second and third place respectively, and Nigel Farage (http://blogs.ft.com/the-world/2014/05/farage-captur

<u>es-britains-zeitgeist/</u>)'s UK Independence party topping the poll in Britain. The opinion polls in France showed FN voters were much more intent on slapping the elite, and concerned with immigration and jobs than with the highways and byways of Brussels. Ukip supporters similarly ranked immigration and the economy as their top concerns.

The results in France are infinitely the more important – and not just because Ms Le Pen's smile does not disguise the FN's fascist and anti-semitic roots. Britain has been detaching itself from its own continent for some time. Were it to depart, the rest of the EU would suffer a hefty, but not fatal, blow. France, by contrast, is an essential pillar. Without France, the euro and the entire European project would collapse in on themselves.

The prolonged sulk of successive French governments has begun to make the unthinkable thinkable. Talk to German politicians about the future of Europe and they are not unduly exercised by Spanish debt or Italian lassitude. The country they really worry about is France (http://next.ft.com/content/70600032-e659-11e3-9a20-00144feabdco). Germany knows better than most the dangers of an overmighty Berlin.

The founding bargain of the EU balanced German economic strength with French political leadership. The fabled locomotive of integration had two drivers. Even after German unification, President François Mitterrand felt sufficiently emboldened to say that more Europe meant more France (http://www.ft.com/topics/places/France). Even during the 1990s the sentiment owed more to hope than expectation. Two decades of economic underperformance has made it sound plain silly.

The temptation is to blame Mr Hollande. It is fair to say that he wasted the first two years of his presidency in the pretence there was a painless way of jump-starting France's long-faltering economy. This year he promised an about-turn, but doubts linger as to whether he has the grit to live up to the reforms and restore the national competitiveness.

Mr Hollande is one in a long line. His predecessor, Nicolas Sarkozy, promised a "rupture" with statist economic policies. In the event, Mr Sarkozy produced barely a ripple. It is more than 30 years since France balanced its budget and it seems almost as long since unemployment was much below 10 per cent. Sad to say, the National Front – a party as devoid of answers as it is deeply nasty – was the beneficiary of a vote against economic failure.

The strange thing is that France is not the economic basket case many anglophones pretend. It has high productivity, world-class companies, skilled workers and, as far as Europe goes, a better-than-most demographic profile. The problem is the state is

too big, and social and welfare systems are too inflexible. Above all, France has lacked a leader with the political strength and candour to put things right. The vote for Ms Le Pen was a powerful warning of the perils of inaction. The populists will not bring down the EU. But an enfeebled France could.

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