

BLOG POST 19.09.2017

#SOTEU

Mr Juncker's Delors Moment?

Max Emanuel Mannweiler

Project Manager for European Affairs and Communication, Jacques Delors Institut – Berlin



On Wednesday, September 13, Jean-Claude Juncker delivered his third address on the State of the European Union (SOTEU). Commentators were quick to label it the most important speech of his presidency. In this blog post, Max Emanuel Mannweiler explains this alleged importance, how this SOTEU differed from previous ones and why the Juncker Commission might finally become political.

1 Introduction

On September 13, Jean-Claude Juncker gave his annual address on the State of the European Union (SOTEU) in front of the European Parliament. Riding on a wave of maritime metaphors, he seized the moment to set the course for his last 15 months at the helm of the European Commission.

The speech, his third out of four, was widely considered by commentators to be the most important of his presidency. It is the last one followed by a full year in office. SOTEU #4 by contrast, to be held in September 2018, will already be considered as a farewell bid before the European elections coming up in May 2019; Mr Juncker has announced not to stand for a second term (the only statement that stirred spontaneous applause from the populist benches).

But even setting aside aspects of timing, there are three substantial reasons why this might have been Mr Juncker's most important speech: first, the clear change of tone from crisis management towards ambitious reform proposals; second, the naissance of a genuinely "political Commission" that was envisaged by Juncker during his inauguration in 2014; and third, the outright rejection of a two-speed Europe in favour of reaching out to Central and Eastern European member states.

2 Crisis Talk? So 2016

First, this year's SOTEU marks a turning point in the narrative that the Juncker Commission has been telling for the past three years: Having left the tempest behind it, the EU portrayed to have entered a steadier sea and is now taking up speed.

Two years ago, it was still in the centre of the storm. In his first SOTEU, Mr Juncker cautioned that "the European Union is not in a good state. There is not enough Europe in this Union. And there is not enough Union in this Union." The frequency with which he used the word crisis was emblematic: In the [2015 SOTEU](#), it was dropped an astounding 29 times.

A year ago, the clouds prevailed. Mr Juncker even took this gloomy analysis a step further; he warned that, challenged by mass migration, populism and Brexit, "the European Union is, at least in part, in an existential crisis." "Never before", he complained, "have I seen such little common ground between our member states". The word crisis was still featured 11 times in the [2016 SOTEU](#).

Table 1: Frequency of the word crisis in SOTEU's held by Jean-Claude Juncker, 2015-2017.

<i>Year of SOTEU</i>	2015	2016	2017
<i>Frequency of the word 'crisis'</i>	29	11	2

Source: Author's own calculation.

This year, by contrast, optimism reigned supreme – or, as Mr Juncker put it: “The wind is back in our sails”. His entire speech merely mentioned the “c-word” twice, and only to look back at the turmoil of the past years and in order to underline what has been achieved in crisis management. Rather than starting with a list of challenges, the [2017 SOTEU](#) began with confidence-boosting remarks about Europe’s stronger-than-expected economic recovery (faster than that of the US for two years in a row) and the eight million jobs that have been created during Mr Juncker’s mandate. On a policy level, makeshift solutions for the Union’s various construction sites were replaced by “windows of opportunities” and a series of broad reform plans that aim to refurbish “all the floors” of the European house rather than to “just repair the roof.”

3 A political Commission after all

The second highlight of this year’s SOTEU was Mr Juncker reclaiming his influence on the European agenda. By proposing surprisingly ambitious plans for reform, he might have finally turned his administration from a ‘think-tank Commission’ into the ‘political Commission’ he had envisaged when taking office back in June 2014. Back then, he promised a commission that would not content itself with enforcing the existing *acquis*, but one that actively formulates and pursues a vision for the EU. His role model might have been the Delors Commission of the late 1980s. Back then, it was primarily the ‘guardian of the treaties’ that fought to overcome the ubiquitous euro-sclerosis of the previous two decades by laying the groundwork for the European Single Market and the euro. Today, if he manages to have deeds follow his rhetoric, the 2017 SOTEU might one day be considered as Mr Juncker’s ‘Delors moment’.

Six months ago, this shift towards political entrepreneurship was all but clear. In fact, for the better part of its term, the Juncker Commission seemed to be more of a think-tank Commission than a political one. In March 2017, it had published its [White Paper on the future of the European Union](#), a collection of five scenarios ranging from a partial retreat to a radical redesign of the Union. It was followed by a series of reflection papers that spelled out consequences of the five scenarios for various policy fields. But scenario-making is not policy-making, and so the Commission has ever since been impatiently expected to finally announce which of the scenarios it eventually intends to pursue in its policies.

Mr Juncker has arguably met these expectations. During his speech and in an accompanying letter to the Presidents of both Parliament and Council, he outlined a total of 41 proposals spelling out his vision for the EU. An array of trade deals, counter-terrorism and cyber-security policies and a promise to expand the EU to the countries of the Western Balkans are only a sample of the initiatives offered on Wednesday. The most ambitious ideas even go as far as to propose a merger of the presidencies of the European Commission and Council and to call for a “re-founding” of the EU during a summit on March 30, 2019 – the day after the UK’s departure from the Union.

4 A one-speed Europe

Mr Juncker summarised this wave of proposals under what he called his ‘sixth scenario’. In this, he pursues a Union of values, one that is based on “freedom, equality and the rule of law” – principles that have recently come under pressure around the world. But there is more to this scenario than just high-flying language; for the future shape of the EU, two messages hiding in the subtext are particularly noteworthy:

First, there is the end of the idea of a multi-speed Europe. The idea of an EU that advances at different speeds within different tiers has recently been discussed as a chance to overcome reform fatigue, one of the most prominent advocates being French President [Emmanuel Macron](#). Mr Juncker’s understanding of a “Union of equality” is apparently incompatible with this concept of ‘differentiated integration’. Distancing himself from the multi-speed approach, he used his SOTEU to unmistakably call for a Europe that moves forward as one: with one common currency, one type of health and consumer standards for all member states, one European Finance Minister, and one presidency for both European Commission and Council.

Second, there is his focus on Central and Eastern European member states. In order to make the one-speed approach palatable, Mr Juncker has extended two different hands to the East – one inviting, the other cautioning. Be it changes to the posted-workers regime, cooperation in the refugee crisis or the extension of the euro – the fate of Mr Juncker’s signature projects largely depends on a buy-in from the Central and Eastern European member states. In order to secure their support, he mulled his ‘sixth scenario’ with both sticks and carrots. Talking carrots, his SOTEU sketched out the benefits that these countries might reap from a one-speed Europe: the extension of Schengen, the adjustment of social, health and product standards, and, most notably, the creation of a euro accession instrument that offers financial assistance in order to foster convergence. Talking sticks, Mr Juncker made clear that he would not accept the undermining of the European Court of Justice – a subtle warning to the Visegrad member states who have recently questioned the ECJ’s ruling on the relocation of refugees – and expects said governments to comply with their obligation to eventually join the common currency as stipulated by the European Treaties.

5 Conclusion

Taken together, the messages and initiatives that Mr Juncker presented in his SOTEU are more than welcome. Yet, much depends on whether he will be able to build the necessary alliances to move forward on his proposals.

On the one hand, the timing to introduce a more political Commission couldn't have been better. Leaving behind crisis rhetoric, he picks up on a general upswing in economic outlook and, perhaps even more importantly, public opinion. Trust in the EU is at its highest level since 2010, and with 56%, a majority of Europeans are optimistic about the future of the EU – an increase of six percentage points compared to autumn 2016. Support for the euro is even at its highest level since 2004 according to a recent [Eurobarometer survey](#). Moreover, with Emmanuel Macron governing in France and Angela Merkel about to win her fourth and final term as German Chancellor, there is hope for reform-friendly attitudes in the EU's two largest member states.

On the other hand, the success of the call for common instead of differentiated integration depends on whether (particularly Central and Eastern European) governments buy in on the deal; a condition that is far from certain. At the moment, it is more than questionable whether Warsaw and Budapest are willing to accept changes to the posted-workers regime, let alone to accede the euro, even if the treaties formally oblige them to. Current members of the currency area have also already expressed scepticism. Particularly the [German media landscape](#) relentlessly cautions not to rush the extension of the still soothing currency area.

The main question therefore is: Will Mr Juncker find support for his politicised proposals, or has he over-estimated the positive post-crisis dynamics in the EU? A first indicator will be the 'informal' European Council in Vilnius on September 25, one day after Germany's General Election and one day before Emmanuel Macron will present a list with [ten proposals](#) on how to reform the Eurozone. During these three days, the future shape of Europe will depend on two questions: First, which parliamentary coalition will the successful candidate be able to form in Berlin to gain the chancellorship; second, which European coalition will Mr Juncker be able to form in order to turn his rhetorical "Delors moment" into concrete policies? Europe is poised for an interesting autumn.