



Quo Vadis? Identity, Policy and the Future of the European Union

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Let us least keep the life-raft afloat and get to something safer ...



- Three sets of findings from my colleagues in political economy and comparative politics at University of Amsterdam
- Three lessons to be drawn from these findings
- First some pretty pictures ...

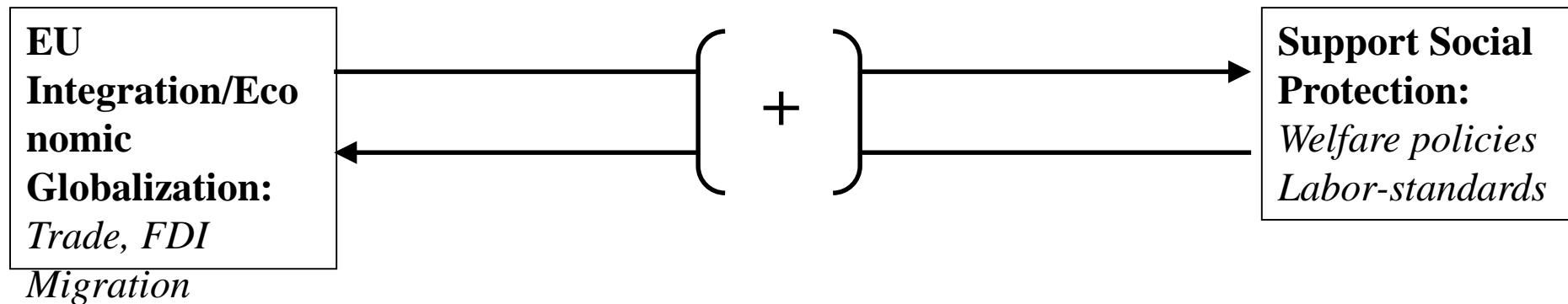
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**EU
Integration/Economic
Globalization:**
*Trade, FDI
Migration*

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**Support for
Social
Protection:**
*Welfare policies
Labor-standards*

Post 1945: general trend



Mitigate the risks to individuals =
acceptance of market integration

KOF Indices of *Economic globalization* (e.g. Trade and financial flows, openness), *Social globalization* (e.g. Tourism, internet connection) and *Political globalization* (e.g. IGO memberships, treaties)

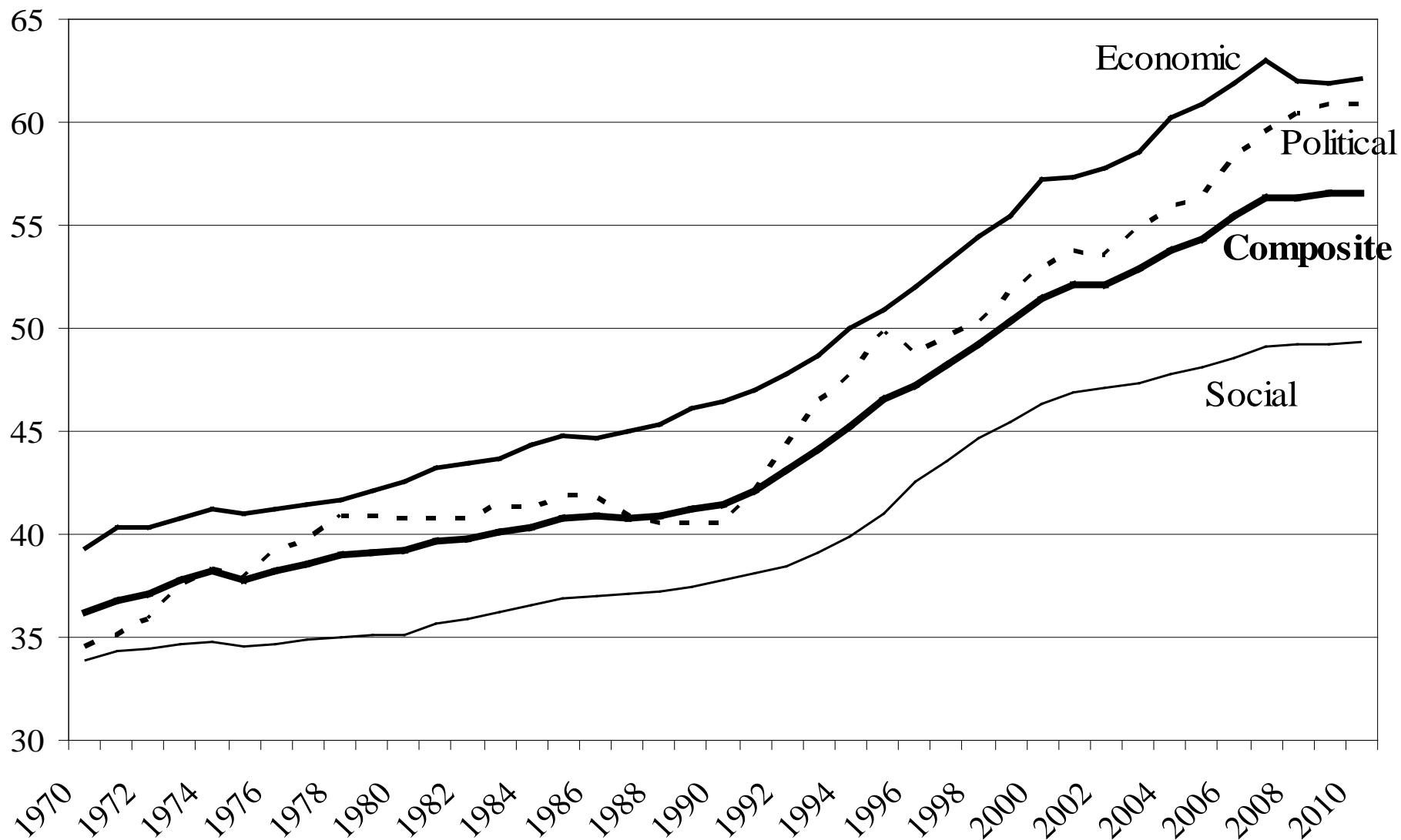
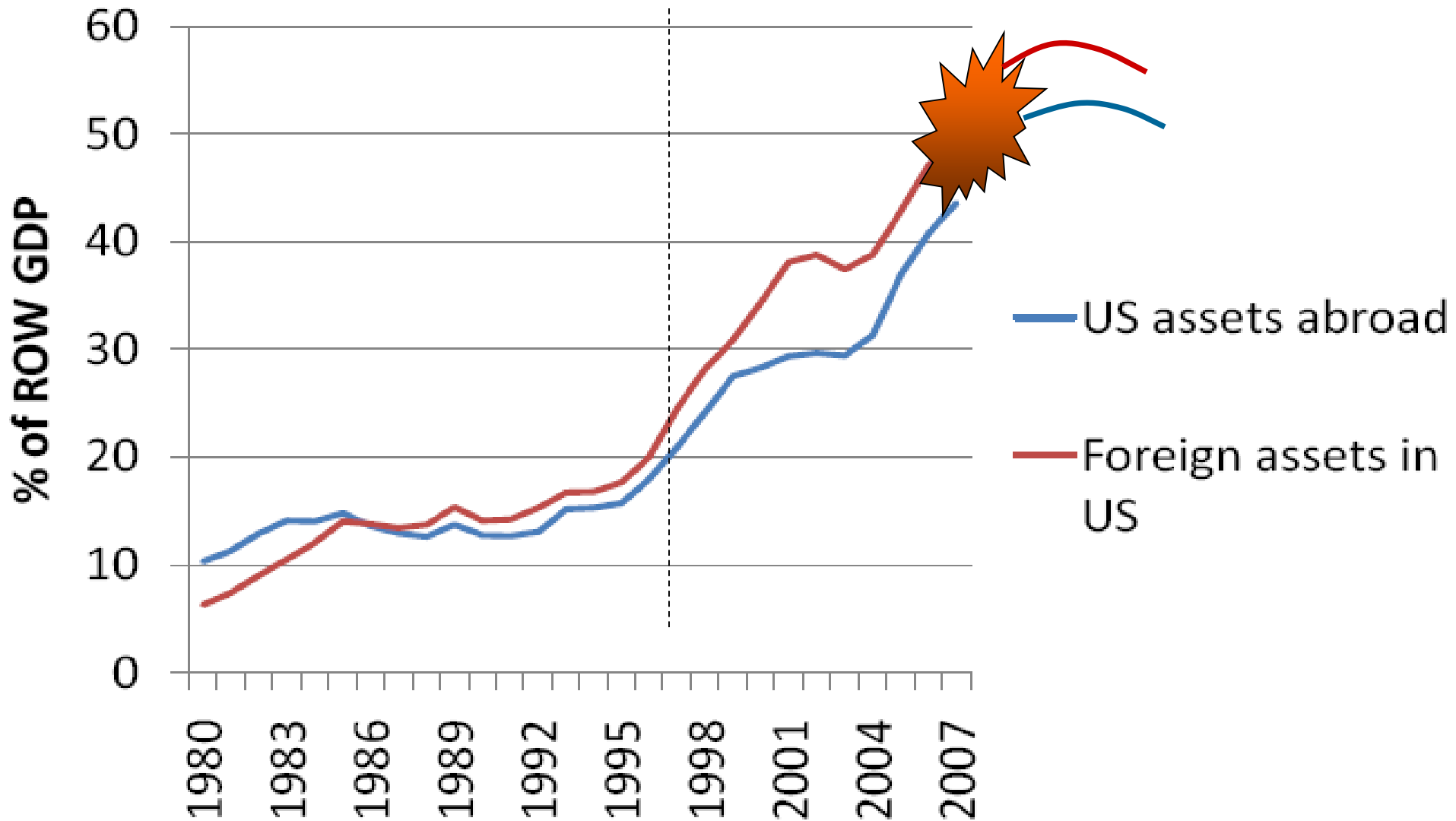
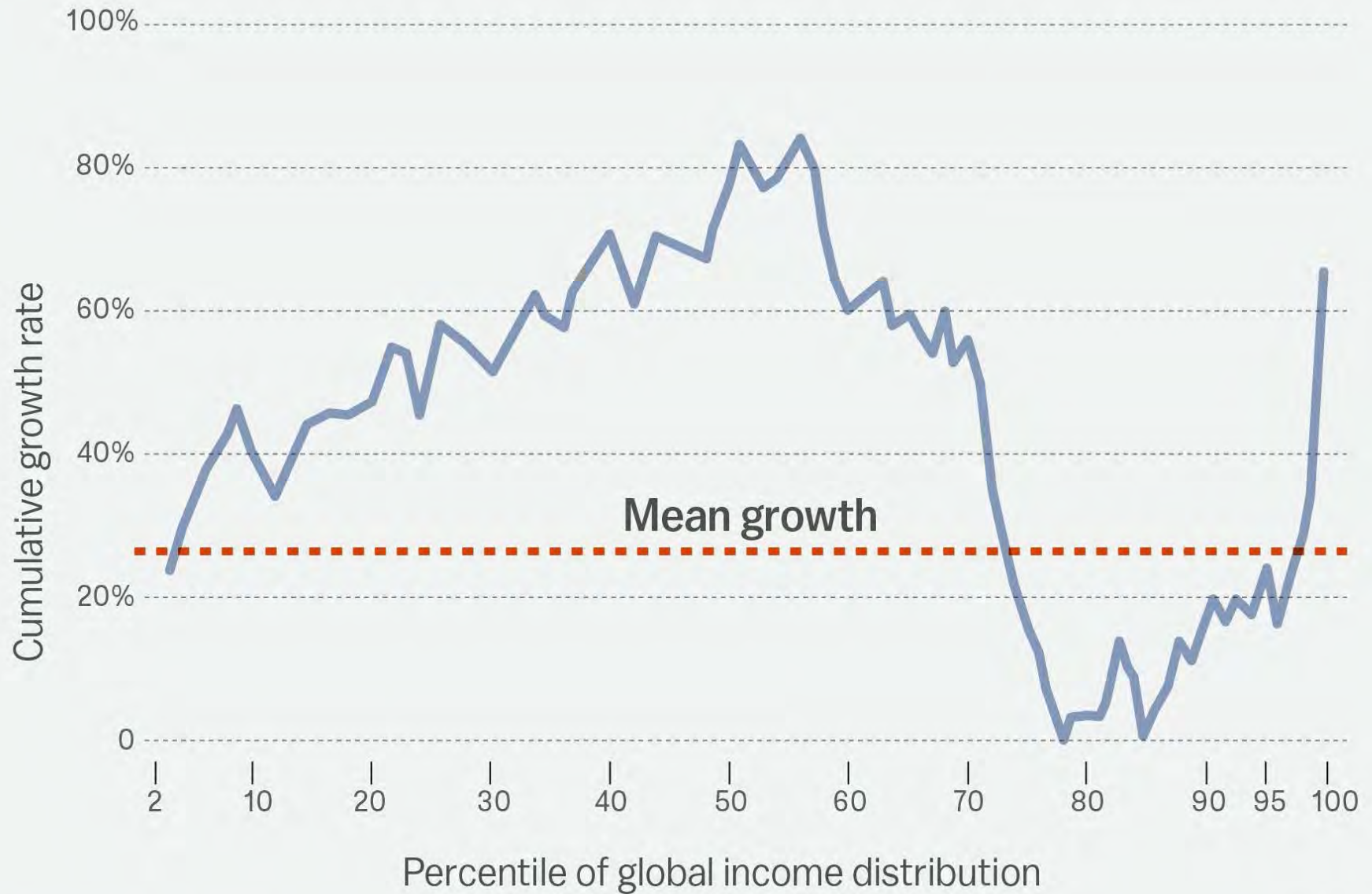


Figure 9: Increasing financial globalization



Changes in the global income distribution 1988-2008



Three findings

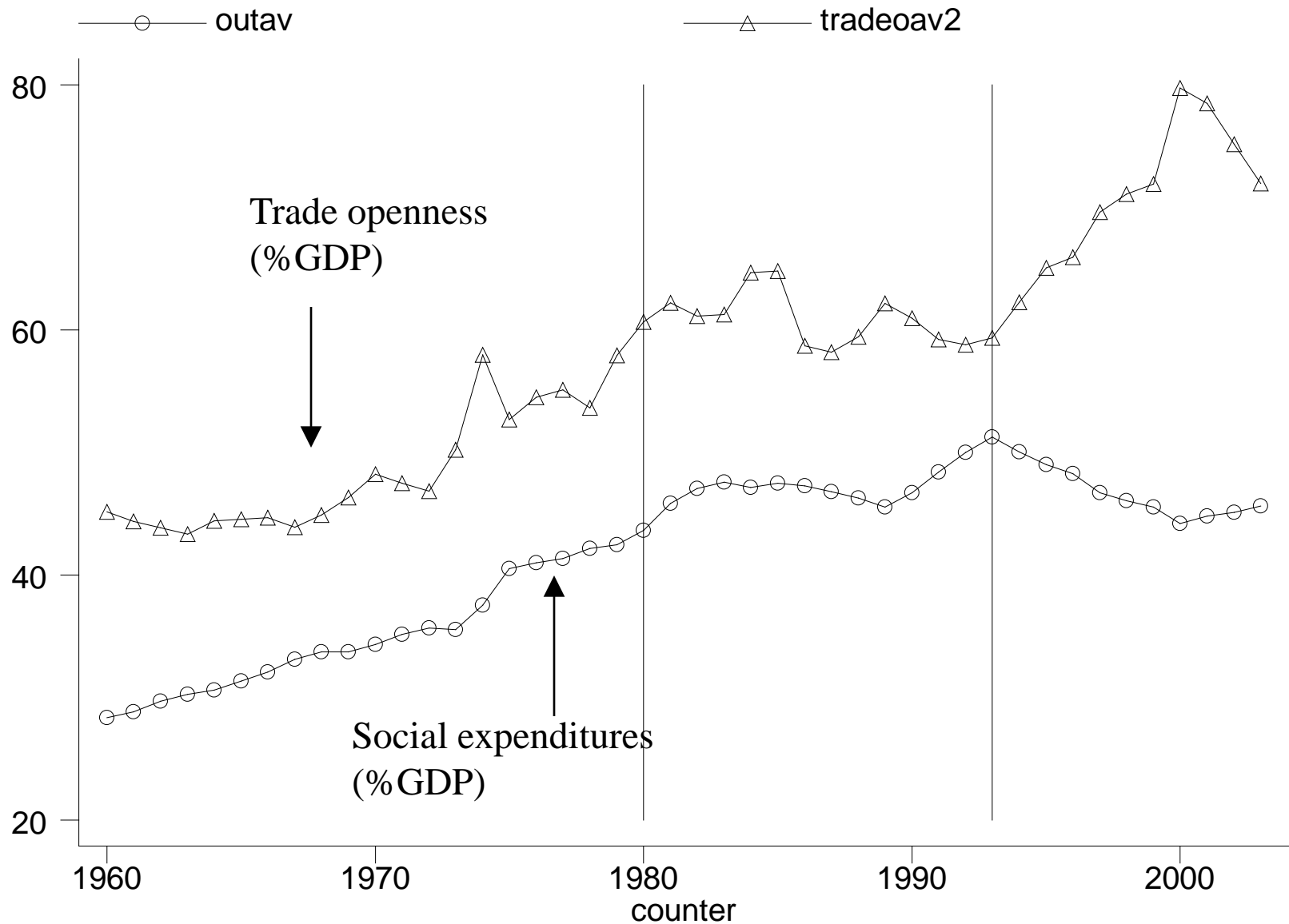


1. Education and Maastricht (Kuhn *et al*)
 - Particularly for less educated people in Europe, the highest achievement in integration was the nadir of EU enthusiasm
 - Rising income inequality and the educational divide drive Euro-scepticism and populism

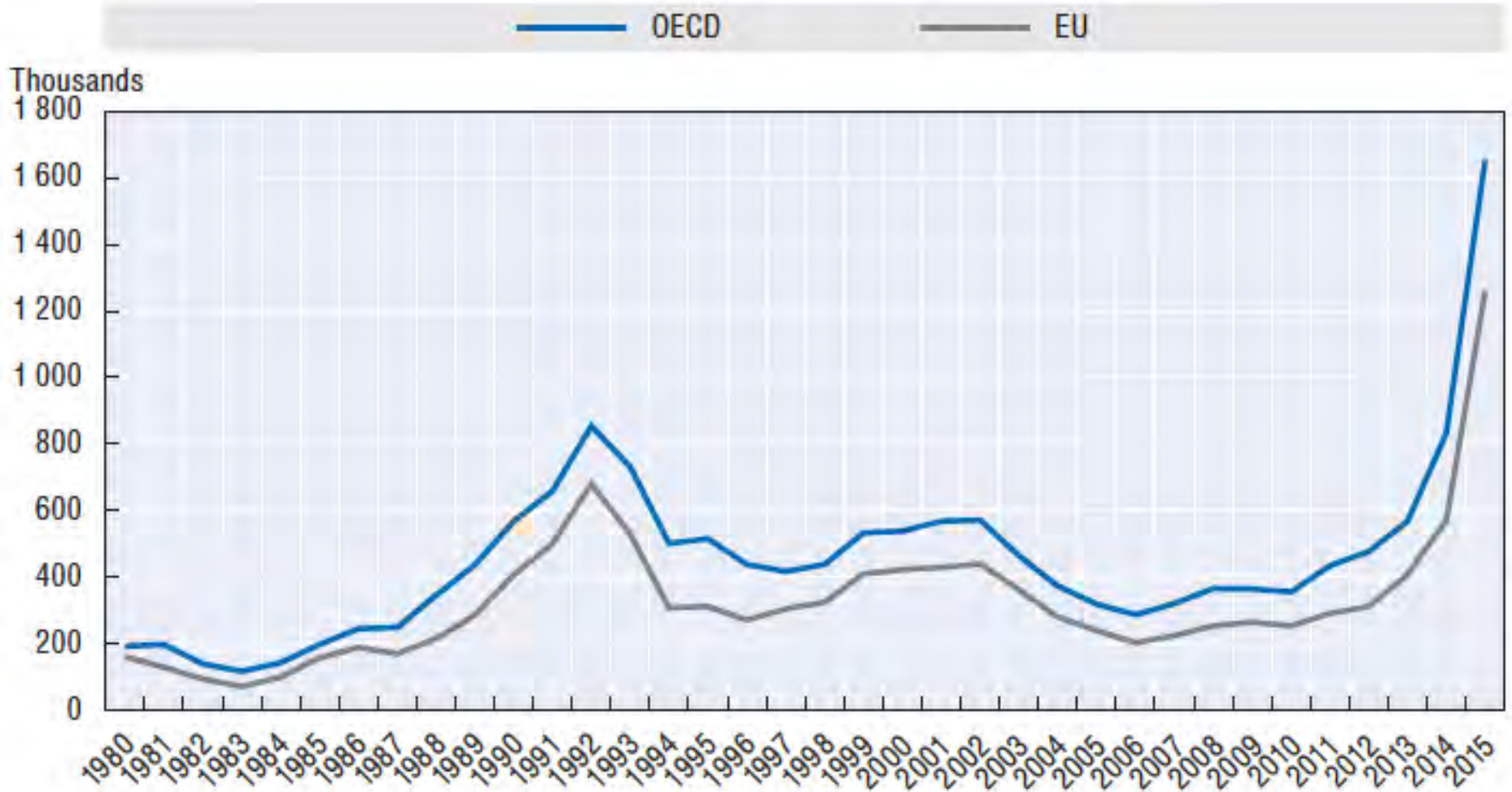
2. Material economic change and risk and identity do not move in lock-step (Schumacher, others)
 - Voter's exit/loyalty choices are linked to collective identities and world views
 - Perceptions of well-being are positional (relative) and often collective/emotional
 - There are *always* fewer people doing really well than who feel stuck

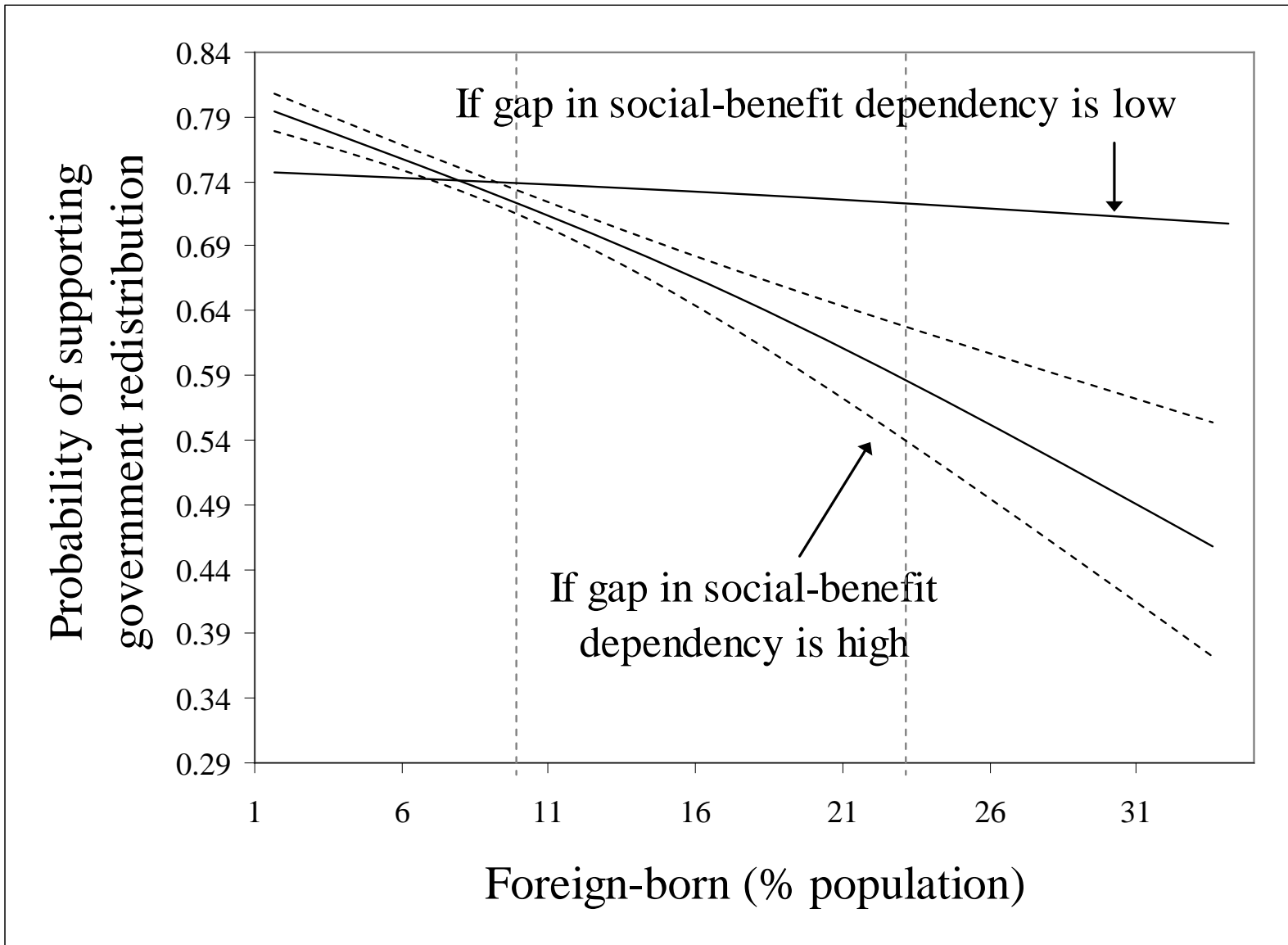
3. Economic openness and migration interact dangerously in all of above! (Burgoon and others)
 - Openness politically acceptable when risks for citizens mitigated via social protection regimes
 - Increased migration seems to undermine support for both economic openness AND welfare states
 - Emotions and collective identity again

Total Sociale expenditures and Trade openness (%GDP) in 20 OECD countries, 1960-2007



New asylum applications OECD and EU





Source: Burgoon 2014 (*World Politics*)

Lessons:



1. Be careful to avoid decentralising the risks and costs of adjustment in open economies to individual citizens or to constituencies with a clear sense of (anti-establishment) identity
 - Think about it, we saved banks and auto companies but declined to save citizens. Voters learned how dispensable they are.
2. Policy makers must take care not to attribute to individuals or single member states bad effects produced by interaction of the whole (Euro area for example)
3. The EU is politics like any other
 - National elites who think economic openness is good and the EU helps maintain it need to craft a political game that clearly reflects this choice: no more Brussels blame-game



- Thank You ...