

Brexit, Grexit and Growing Inequalities across Europe: Why a Two-Speed EU Will Not Work

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On Saturday 25 March, the heads of state and EU governments gathered in Rome for the celebration of the Treaty of 1957. This celebration took place at a moment when, for the first time since the launch of the project of European integration, disintegration forces seem to prevail over the construction of ‘an ever closer union among the peoples of Europe’, as famously stated in the Treaty of Rome. Sixty years later, the peoples of Europe seem to be moving along far apart from each other. The revival of nationalist cleavages within Europe is the product of a series of factors which are no longer marginal. One is the economic crisis that started in 2008 and has not ended yet. Then there is the refugee crisis and the steady rise of right-wing, racist and populist parties and movements in almost all EU Member States from the east to the west and from the north to the south. And recently, two referendums, the Greek, on 5 July 2015 and the British, on 26 June 2016, have made it clear that there are citizens and countries that, be it from a left wing or from a right wing perspective, feel threatened by the process of European integration and want to either stop it or change it. Europe, today, appears weak both from an internal and from an external perspective, and neither political liberalism nor neoliberal prescriptions do seem capable anymore of providing a viable answer to Europe’s problems, which creates a situation of helpless inertia fuelling populism.

The narrative of the EU Treaties over time has been that of an unstoppable progress towards a future of peace, prosperity and equality. At present, this narrative does no longer succeed in providing a plausible horizon for EU citizens. One of the aims of the Rome Treaty is to promote ‘throughout the Community a harmonious development of economic activities, a continuous and balanced expansion, an increase in stability, an accelerated raising of the standard of living and closer relations between the States belonging to it.’(Art.2) Since 1989, with the neoliberal turn in most EU Member States and EU policies, differences between and within EU regions and Member States have increased instead of undergoing harmonisation. For example, a recent study by the European Parliament has shown that, since the beginning of the crisis in 2008 up to today, the revenues of Greek citizens have diminished by almost one fourth (European Parliament, 2016, Unemployment and Poverty, Greece and Other (Post)Programme Countries). The structural adjustment programmes imposed on the country by the Troika have significantly contributed to rising inequalities. Against these divergences in the conditions of living for citizens within and across Member States, the optimistic narrative of the Treaties sounds as utopia.

Recently the French President François Hollande presented the model of a two-speed Europe as a possible way out of the present impasse, to be discussed at the Rome meeting on 26 March. Europe is no longer a space of equality, and, even more relevant, equality does not seem to be a fundamental perspective for the future of integration. However, the idea of a two-speed Europe, which is also endorsed by Angela Merkel, keeps ignoring the *malaise* of its citizens. In 2004, the French and Dutch ‘no’ to the Constitutional Treaty was the first sign that something was broken in the optimistic narrative of the Treaties. The Greek ‘no’ of July 2015 to the conditions imposed by the EU Commission and the Central Bank attached to the loan to the country, was another strong sign, which was also ignored by Brussels. Today, it seems difficult to absorb the shock of the Brexit.

In the absence of an answer to a rising social and political discontent, these tensions have been captured by radical right wing parties, Eurosceptic and populist movements. In order to understand the times we are living in, we need to make one thing perfectly clear: Rising inequalities between EU regions and Member States are not only the consequence of the global economic crisis. The process of redefinition of the EU space, as well as of the Member States' territories, through, for example, the creation of a common market and of the eurozone, has left the single regions and Member States more exposed to the consequences of the crisis. There has been a lowering of national barriers to competition, within the EU and with respect to the EU's place in the global economy, without building any new form of protection at the EU level.

Partly the reasons for Europe's uneven development are to be found in the retreat of the state from social and economic policies, from the support of the unemployed and from aid policies for the lower and middle classes. Then there are the political factors at the EU level: the national spaces have been redesigned by EU policies and by the creation of a common market, thus producing new forms of differentiation. Free movement is a clear example in this respect as the mobility of citizens across Europe is uneven. Circulation of capital and of services has been fostered, whereas circulation of people has been made subject to new borders at the continental level. The material conditions that constitute citizenship – revenue, inclusion, employment – are today redefined at the European level, but only in a passive way. To what extent is the circulation of citizens who migrate from southern European countries to the north looking for jobs really free? Isn't this rather a form of uneven mobility as it is constrained by conditions of rising economic, territorial and social inequalities in Europe? Is the sanctification of the existence of first and second class EU citizens and countries within the model of a two-speed Europe a solution to these inequalities? The question of the self-emancipation of the citizen is today back on the table, but on the European rather than only the national one. Being a citizen means being able to decide freely about the individual and collective conditions of life within a political community. Yet, can citizens in the Europe of today really decide, individually and collectively, about their political, economic and social conditions? We thought this problem was solved with the creation of democratic nation-states, but what we see now shows the opposite. Do the Greek citizens really, not just in theory, have this possibility? Do the Italians? Or even the British or the French? Do European citizens as a whole? This is exactly why we had both these referendums on EU policies and membership in Greece and the UK.

First the Greek referendum, then the Brexit referendum, told us that once the structure of political participation is modified in a way that it interferes with the economic and social relations which make us political subjects, the question we need to ask is how citizens can engage and take back this uneven space in order to restore equal conditions for their everyday lives. Living in a transnational space, such as the EU, makes this a particularly challenging task for the future.

This is indeed the *impasse* which the left wing movements and parties across Europe need to break. After the Greek referendum, the left wing governing party, Syriza, was trapped in the network of the European political space, which is highly uneven, both in terms of relations of force among states and in terms of unequal territorial relations between central and peripheral states. The British Labour Party, under the leadership of Jeremy Corbyn, faces a reversal *impasse*: renationalising social policies will not impact the EU level, where structural uneven relations are settled, also impacting national arenas. Moreover, the national option only risks increasing right wing votes and xenophobic attitudes. So, this is the conundrum we have to solve: It is no longer possible to ignore the dissident voices of European integration, mainly of those who have been exposed to the transnationalisation of economies without being protected from their negative effects nor being included in the share of the gains. We cannot ignore anymore that the recent phase of European integration, from 1989 to the present, has increased inequalities on the continent. But, at the same time, falling back on a national option is neither realistic nor a solution. So, the challenge for the left wing forces in Europe is to find the tools to modify inequalities at the European level.