

Summit on the Future of Europe 2017

Europe and Transatlantic Relations in the Era of Populism

Executive Summary



Overview

The Summit on the Future of Europe is an initiative of Harvard University's Minda de Gunzburg Center for European Studies (CES). Launched in 2014, this annual conference aims to convene eminent scholars and public leaders at Harvard in order to debate critical challenges facing Europe. The 2017 Summit took place at Harvard on November 6 and focused on "Europe and Transatlantic Relations in the Era of Populism." It was a partnership of CES, the diaNEOsis Research and Policy Institute and the WZB Berlin Social Science Center.

The following document summarizes the discussions that took place during the Summit's sessions. The views expressed in this document are the sole responsibility of the speaker(s) and participants, and do not necessarily reflect the view of the Minda de Gunzburg Center for European Studies, its faculty, staff, associates or event co-sponsors. This document is issued on the understanding that if any extract or photo is used, the author(s)/speaker(s) and the Center should be credited, clearly stating the date of the publication or details of the event. The summary of the presentations and speeches may differ from delivery. © Minda de Gunzburg Center for European Studies, 2017.



Welcome & Introduction

Thodoris Georgakopoulos, Editorial Director, diaNEOsis Research and Policy Institute

Grzegorz Ekiert, Laurence A. Tisch Professor of Government & CES Director, Harvard University

Panel 1: Academic Freedom in the Age of Populism and Post-Truth

Jutta Allmendinger, President, WZB Berlin Social Science Center; Professor of Educational Sociology and Labor Market Research, Humboldt University, Berlin; Senior Fellow, CES, Harvard University

Jonathan Cole, John Mitchell Mason Professor of the University; Provost and Dean of the Faculties, Emeritus, Columbia University; Member, Board of Trustees, Central European University

Ersin Kalaycıoğlu, Professor of Political Science, Sabanci University, Turkey; President (2004-2007), Işık University, Turkey; Visiting Scholar, Center for Middle Eastern Studies, Harvard University

Louise Richardson, Vice-Chancellor, University of Oxford; Senior Fellow, CES, Harvard University

Chair: Grzegorz Ekiert, Laurence A. Tisch Professor of Government & CES Director, Harvard University

Panel 2: Is the European Economy Out of the Woods?

Agnès Bénassy-Quéré, Professor, University of Paris I Panthéon Sorbonne; Chair, French Council of Economic Analysis; Board Member, Banque de France

Daniel Gros, Director, Centre for European Policy Studies

Kyriakos Pierrakakis, Director of Research, diaNEOsis Research and Policy Institute

Mark Schieritz, Economics Correspondent, Die Zeit

Chair: Peter Hall, Krupp Foundation Professor of European Studies & CES Resident Faculty, Harvard University

Luncheon Keynote: Spain after Catalonia's Referendum

Ana Palacio, Member, Spanish Council of State; Minister of Foreign Affairs of Spain (2002-2004); Senior Strategic Counsel, Albright Stonebridge Group; Founder, Palacio y Asociados

Chair: Joseph S. Nye, Harvard University Distinguished Service Professor, Harvard Kennedy School

Panel 3: The Future of Transatlantic Relations

Ash Carter, Director, Belfer Center for Science and International Affairs; Belfer Professor of Technology and Global Affairs, Harvard Kennedy School; U.S. Secretary of Defense (2015-2017)

Karen Donfried, President, The German Marshall Fund of the United States; Senior Fellow, CES, Harvard University

Elizabeth Sherwood-Randall, Senior Fellow, Belfer Center for Science and International Affairs, Harvard Kennedy School; Deputy Secretary, US Department of Energy (2014-2017)

Chair: Joseph S. Nye, Harvard University
Distinguished Service Professor, Harvard Kennedy School

Panel 4: Europe and Russia

Rawi Abdelal, Herbert F. Johnson Professor of International Management, Harvard Business School; Director, Davis Center for Russian and Eurasian Studies, Harvard University

Friedbert Pflüger, Visiting Professor & Director, European Centre of Energy and Resource Security, Department of War Studies, King's College London; Founder and Managing Partner, Pflüger International; Deputy Minister of Defense, Germany (2005-2006)

Lilia Shevtsova, Associate Fellow, Russia and Eurasia Program, Chatham House; Senior Scholar, Kathryn W. and Shelby Cullom Davis Center for Russian and Eurasian Studies

Angela Stent, Director, Center for Eurasian, Russian and East European Studies, Georgetown University; Professor of Government and Foreign Service, Georgetown University; Senior Fellow, Brookings Institution

Chair: Timothy J. Colton, Morris and Anna Feldberg Professor of Government and Russian Studies, Harvard University, Faculty Associate, Davis Center for Russian and Eurasian Studies, Harvard University

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Academic Freedom in the Age of Populism and Post-Truth

By Ezgi Yildiz, Visiting Scholar 2017-2018, CES

The 2017 Summit on the Future Europe kicked off with a topic of vital importance: “Academic Freedom in the Age of Populism and Post-truth.” The panelists Jutta Allmendinger, President of WZB Berlin Social Science Center; Jonathan Cole, John Mitchell Mason Professor of the University; Ersin Kalaycioglu, Professor of Political Science at Sabanci University; Louise Richardson, Vice Chancellor at the University of Oxford gave an account of the different ways academic freedom is challenged, threatened, or suppressed across Europe.

This rich panel began with Grzegorz Ekiert’s opening remarks. The panelists then took turns in providing an overview of the academic traditions and the state of academic freedom particularly in Germany, Hungary, Turkey and the UK. In so doing the panelists dealt with two overarching themes: (i) the prevalent perception that academia is an elitist institution disassociated from the public and the ways to change this perception, and (ii) the suppression of academic freedom as a tool of authoritarian politics.

Jutta Allmendinger presented a view from Germany, where academia is still a well-respected and trusted institution, and where academic freedom does not face an imminent threat. Allmendinger was cautious, however. She underlined the need for a shift in academic culture in order to overcome the stereotype that academia is an exclusionary club that does not pay attention to the problems and needs of the real

people. Allmendinger pointed out that this ‘ivory tower of academia’ stereotype has been fuelling populism in Europe and in the US alike. Then, she suggested ways for increasing academics’ public engagement. In this regard, she highlighted the importance of disseminating academic research by adopting a vernacular language, using outlets with a wider public outreach, and ensuring that academia remains as forum for expressing and discussing diverse opinions.

Subsequently, Jonathan Cole shifted gears and talked about the way illiberal democracies in places like Turkey, Hungary, Poland or Russia undermine academic freedom. Cole explained why academia, an institution dedicated to teach inconvenient facts and cultivate critical thinking is perceived as a threat by authoritarian regimes. He explained why populist leaders are tempted to suppress academia where values that are antithetical to those of illiberal states are produced. Furthermore, Cole rightly drew attention to the fact that violation of academic freedom takes place in different forms and at different scales. He maintained that one must refrain from responding to these attacks by adopting a one-size-fits-all approach. He then added that closing down universities, as it happened in Russia and Turkey, must be sanctioned harshly by the right authorities. Finally, he invited academic community to remain vigilant, and become experts to tell the truth in this age of fake news and populism.

Ersin Kalaycioglu took up from where Cole left and described the situation in Turkey, a cautionary tale for how authoritarian regimes can suppress academic freedom. Kalaycioglu presented some of the findings of the 2016-2017 Science Academy Report on the Situation of Academic Freedom in Turkey. He explained how the standards of rule of law took a turn from bad to worse following the failed coup d’etat attempt of July 2016 and how this affected thou-

sands of academics in Turkey. The AKP government not only declared a state of emergency but also passed decrees with force of law closing fifteen universities and removing 5,644 academics from office – this number reaches to 7,800 when including those academics who lost their jobs due to closure of universities. Relying on the findings of this study, Kalaycioglu described how thousands of Turkish academics were fired, and how their vested rights such as pensions had been taken away “with an administrative act that disregards the presumption of innocence, usually with no investigation carried out about them.” This grim picture that Kalaycioglu depicted showed what is really at stake in the most extreme case of suppression of academic freedom.

Last not but least, Louise Richardson, took a closer look at post-truth populism in the United Kingdom and how this poses a threat to the universities. She identified two forces at play: post-truth politics, namely that the conviction that ‘emotion’ not ‘evidence’ matters; and populism propelled by the perceived distinction between the values of “the real people” and those of “the elite”. She rightly argued that in the current context - unlike the previous periods - universities are not considered as the main engine of popular movements. On the contrary, they are part of the plutocracy, thereby part of the problem. Richardson underscored that this new phenomenon would have ramification on the education system in the future. Moreover, she maintained that

“[this] has potential to undermine really the very bonds that hold representative democracy together. These bonds rely on trust and assume certain shared values like respect for knowledge. But if knowledge is perceived simply as a perk of the plutocracy, the underlining consensus that the basis of trust on which decisions are made could be eroded.” She warned that



Jutta Allmendinger and Jonathan Cole.
(From left to right)

although academics are still more trusted than politicians in the UK, their standing is weakening. British universities have become a target for politicians who sought to control universities or unfairly criticize them to curry favor with the public. In addition to such external challenges, one internal challenge they face is the fact that academics are employing self-censorship. Richardson cautioned against this and argued that “we must be willing to be objective arbiters of disputed public issues (...). We have to become advocates for knowledge (...). Evidence needs advocates more than ever.”

The panel - which in Grzegorz Ekiert’s words created “a bit chilling” effect - succeeded by a fruitful discussion with the public during which the long-term consequences of the attacks on universities and the urgency of reversing this trend were explored further.



Ersin Kalaycioglu



Is the European Economy Out of the Woods?

By Lukas Haffert, John F. Kennedy Memorial Fellow, CES

Discussions of European economic developments in recent years had a distinctly depressive flavor, as the European economy was haunted by a series of shocks and crises. This year, however, there seem to be reasons for a more positive outlook, and the title chosen by the panel organizers reflected this cautious optimism: “Is the European Economy Out of the Woods?”, they asked, and the answers of the panelists ranged from a resounding “yes” to a much more hesitant “even if, the scars left by the crisis won’t disappear soon”.

Two of the presentations focused on the need for institutional reforms of European economic governance. Agnès Bénassy-Quéré, professor of economics at the Paris School of Economic and Board Member of the Banque de France opened the panel by focusing on necessary institutional reforms in European economic governance. She highlighted that European fiscal policy during the downturn of 2011-13 was procyclical and raised the question how such a “coordination failure” could be avoided in the future. Her answer was to caution against the use of too many, partly overlapping European coordination procedures at the same time. In normal times, she warned, interfering with all kinds of national policies might even be counterproductive. What would be needed, instead, is better coordination in exceptional times.

Mark Schieritz, economics correspondent of the German weekly newspaper *Die Zeit*, reflected on the possibilities of reforms of European economic governance after the recent German elections. No matter what the outcome of the current coalition negotiations, he explained, no German government could acquiesce to substantial fiscal integration on the European level. Thus, the road to an “integrationist” reform of the Euro zone will remain foreclosed. Against this background, he suggested that the only realistic way forward would be a “decentral solution”, focusing on mechanisms that prevent problems in individual member countries from spreading to other Eurozone countries.

Whereas these two talks focused on governance, the other two panelists discussed recent economic and social developments. Daniel Gros, the director of the Centre for European Policy Studies in Brussels, provided a very optimistic interpretation of European economic developments. He argued that all necessary ingredients for a sustained recovery of the European economy are there: While the recovery is still slow, it rests on solid foundations and remaining risks have become much less pronounced. Gros emphasized that there is still enough slack in the European labor market for a major expansion without a danger of overheating. Moreover, he argued that concerns about an investment gap tend to be exaggerated. After all, the decline of European investment is almost entirely caused by a decline of housing construction and not due to falling investment by firms.

A much more pessimistic perspective was offered by Kyriakos Pierrakakis, Director of Research at the DiaNEO-

sis Research and Policy Institute in Athens. Pierrakakis acknowledged that Greece's macroeconomic situation might be improving slowly but insisted that the political and social fallout of the crisis will be felt for many years to come. Based on the results of an original survey, Pierrakakis described a strong rise of Anti-European sentiment among the Greek population in general, and among the young in particular. Whereas the young voted overwhelmingly for "Remain" in the Brexit referendum, the situation is the reverse in Greece: Here, the young are the most Eurosceptic part of the population. And with good reason: young Greeks have borne the brunt of austerity programs, with poverty and unemployment rates being much higher among the young than among the old. As a consequence, almost half of all Greeks under 35 rely on their parents or grandparents as their main source of income. Almost half a million young Greeks have left the country since the crisis began. This contributes to an already huge demographic problem: not only is Greek society ageing, it is now also shrinking rapidly.

The four panelists thus described a European economy which still faces several big challenges, but seems to be in a much better position to tackle these challenges than two or three years ago. Politically, though, it remains to be seen whether governments will use the breathing space provided by improving economic conditions

to push forward an agenda of institutional reform, or whether receding economic pressures will rather foster a sense of complacency and a lack of reform.



Agnès Bénassy-Quéré



The Future of Transatlantic Relations

By Ivana Isailovic, Visiting Scholar 2017-2018, CES

What is the role of the US in the multipolar world post elections? What is the state of US-Russia relations and of the US-Europe alliance today? How does the rise of populism affect our liberal democracies and the rule-based international system? These were some of the main issues that the panel of scholars and policymakers addressed pointing out to the contemporary shifts and disruptions in international relations.

During the first part of the panel, Joseph S. Nye, Emeritus Professor at Harvard, discussed the degradation of US-Russia relations with Ash Carter, Director of the Belfer Center for Science and International Affairs and former US Secretary of Defense (2015-17).

Carter stressed that US-Russia relations changed dramatically since the 90's, when the US worked closely with the Russian military, Russia made efforts to secure weapons of mass destruction and the US was successful in securing the participation of Russia in the KFOR operation in Kosovo. Today, he argued, bridges are harder to build: Russia is again on NATO's radar, and the organization is now concerned with the eastern flank, as Russia prolonged the war in Syria and had no constructive role in the region. Given this context, the US needed to stay "strong and balanced" and hold "the doors open" even though this may be very conditional, argued Carter.

With regards to Russia's intervention in Western countries' elections, Carter said that the US needed to have a wider range of deterrence policies while staying committed to keeping peace.

In the second part of the panel, Joseph S. Nye discussed the shifting nature of the Europe-US alliance and the challenges that follow with Karen Donfried, President of the German Marshall Fund of the United States and Senior Fellow at CES, and with Elizabeth Sherwood-Randall, Fisher Family Fellow at the Belfer Center for Science and International Affairs, Harvard Kennedy School and recently Deputy Secretary, U.S. Department of Energy (2014-2017).

Nye asked what may be the consequences of rising populism on the international rule-based system. Karen Donfried highlighted the uncertainties as to the role US plays today vis-à-vis Europe: the US played a critical role in the reconstruction of Europe, exercising enlightened leadership, although the relationships between Europe and the US were not always harmonious. Today, Europe is questioning whether the US has turned away from its ideals of free trade and the rule of law, to embrace a model of a closed society. The challenge to NAFTA, NATO and other international institutions expressed by the current US leadership will certainly have harmful consequences for the rule-based international system as we know it and a huge impact on Europe. Given the circumstances, Donfried notes, Europe faces a test: the jury is still out on whether Emmanuel Macron and Angela Merkel can carve out a strong role for Europe at the global level.

Sherwood-Randall argued that in the context of the current global challenges -- economic stress, immigration flows, ris-

ing inequalities and uncertainties as to the future of work in an automated age-- American leadership is critical.

The panel also addressed the role of Asia in this context. Sherwood-Randall noted that “we haven’t addressed the challenge of China in the West.” China showed deliberate efforts to secure military and technological advantages and is ready to take the mantle of global leadership: the US will need to invest massively in research and development, and strengthen transatlantic ties and collaboration with Europe, in order to face global threats.



Elizabeth Sherwood-Randall (*left*), Joseph Nye (*middle*) and Karen Donfried (*right*).



Europe and Russia

By Ivana Stradner, Visiting Scholar 2017-2018, CES

The Ukraine and Syrian crises and the annexation of Crimea have altered Europe-Russia relations dramatically. Not since the early 1960s have relations between Russia and West been so strained. This panel, composed of four distinguished scholars, focused on one of the most pressing issues for transatlantic relations: relations between Europe and Russia in time of populism.

Angela Stent, Director, Center for Eurasian, Russian and East European Studies, Georgetown University; Professor of Government and Foreign Service, Georgetown University; Senior Fellow, Brookings Institution, painted a landscape of European and Russian relations by emphasizing the difference between absolute and limited sovereignty as a beacon for world politics. The EU has always been problematic for Russia because of the Russian perception of absolute sovereignty. Although there is limited scope for improvements in multilateral EU-Russia relations, steps taken by Russia in respect of bilateral relations have witnessed an increase in activity over the course of past few years. Responding to this year's topic "Europe and Transatlantic Relations in the Era of Populism", Stent pointed out that Russia as a defender of traditional Christian European values, has provided support to right wing and left wing groups that promote anti-Western sentiment although they

were not directly created by Russia. The transatlantic relationship has gone in a different direction since the election of Donald Trump as the President of the United States. A downplay of alliances, a decrease of American interest in Europe combined with a difficult relationship with Angela Merkel, have all gone more favorable of Russia. Stent has also admitted that the solidarity of European sanction system has not gone well for Russia but she fears that Congress's sanctions on Russia could have damaging effects on the US - European relations due to the European business ties with Russia.

Lilia Shevtsova, Associate Fellow, Russia and Eurasia Program, Chatham House; Senior Scholar, Kathryn W. and Shelby Cullom Davis Center for Russian and Eurasian Studies, further elaborated on this topic. Putin often likes to quote Henry Kissinger's "Who do I call if I want to speak to Europe?" Although he might prefer not to dial Europe, Russia has started looking at Europe more seriously due to economic interdependence. She agreed with the previous speaker on the panel that the Russian concept of sovereignty combined with the Kremlin's knack of mixing this tradition with the concept of modern globalization are Russian challenges. Moreover, Russia's new agenda brings several demands. First, Europe should accept the Kremlin's explanation of the origins of the conflict in Ukraine and recognize that Russia has been humiliated by NATO and EU enlargement. The West should recognize the principle of new equality and multipolarity with Russia and

China as the new epicenter especially in security matters. Finally, Europeans should stop emphasizing reform of the U.N. Security Council and the rejection of veto rights. While Russia underlines the importance of sovereignty, the common neighborhood and European recognition of Crimea as a part of Russia, the goal of Russian foreign policy would be to have Europe as its leading and key survival mechanism. While Shevtsova posits that Putin's approach to foreign policy will not change, the question remains as to whether "Post Putin" Russia will be ready to switch tack to European integration. Shevtsova believes that there are positive signs that this can happen but it will largely depend on Ukraine.

Herbert F. Johnson Professor of International Management, Harvard Business School; Director, Davis Center for Russian and Eurasian Studies, Harvard University, Rawi Abdelal, switched the discussion from government to government relations to another set of relations between multinational firms. After providing a background of relations between Russia and the rest of Europe, he concluded that just observing Europe's dependence on Russian energy is insufficient to understand the complexity of the relationship. He pointed out that both markets are dependent on each other and Russia's dependence on European markets serves to underpin the stability of the Russian state itself. He illustrated this relationship by providing an example of Gazprom, the state-run gas company that is fully dependent on European market. He asked a question "Who is dependent upon whom?" and argued that both markets are dependent on each other and "Russia's dependence of European markets is the foundation of the stability of the Russian state itself." Energy market went through many geopolitical challenges that started during the Cold war but nevertheless, the "firm to firm" relationships have remained in order. Just like previous panelists, he also underlined the perils of the Congress's sanctions on Russia because they might spoil the relationship between EU and US.

This last engaging session has depicted difficult relations between Europe, Russia and the United States in times of populism. Russia being the "challenge" but also an inevitable economic partner for Europe, has been widely accepted as common wisdom. However, in

times of this challenging relationship between Russia and the West, it is important to remember words by Lilia Shevtsova that "[...] there is no [Russian] tactical brilliance, but rather tactical successes that are successes based on tactical weaknesses of the West."



Rawi Abdelal.

ABOUT CES

The Minda de Gunzburg Center for European Studies (CES) was founded in 1969 at Harvard's Faculty of Arts and Sciences to promote the interdisciplinary understanding of European history, politics, economy and societies. Its mission is to:

- Foster the study of and innovative research on Europe among Harvard faculty as well as graduate and undergraduate students.
- Facilitate the training of new generations of scholars and experts in European Studies.
- Serve as a forum for vibrant discussions on European history and contemporary affairs which nurture the exchange of ideas across disciplines, sectors, generations, and across the Atlantic.



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