

## TOWARDS A NEW EUROPEAN IMPETUS POST-BREXIT

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# TOWARDS A NEW EUROPEAN IMPETUS POST-BREXIT

A View Behind the Scenes

Rudy AERNOUDT

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Cambridge – Antwerp – Chicago

Intersentia Ltd  
8 Wellington Mews  
Wellington Street | Cambridge  
CB1 1HW | United Kingdom  
Tel: +44 1223 736 170  
Email: mail@intersentia.co.uk  
www.intersentia.com | www.intersentia.co.uk

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*Distribution for the USA and Canada*  
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Order Department  
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Chicago, IL 60610  
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Tel: +1 800 888 4741 (toll free) | Fax: +1 312 337 5985  
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Towards a New European Impetus Post-Brexit. A View Behind the Scenes  
© Rudy Aernoudt 2023

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Artwork on cover: © devi / Alamy Stock Photo

ISBN 978-1-83970-322-5  
D/2023/7849/19  
NUR 820

British Library Cataloguing in Publication Data. A catalogue record for this book is available from the British Library.

*Men accept change  
only when necessary  
and they only see the need  
in a crisis.*

Jean Monnet  
*Mémoires\**

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\* 'Les hommes n'acceptent le changement que dans la nécessité et ils ne voient la nécessité que dans la crise': J. MONNET, *Mémoires*, Livre de poche, 2007.



## FOREWORD BY COLIN MASON

This is an ambitious book. The premise is that there is a need to modernise the appeal of Europe by developing a new narrative that (re)connects Europe's citizens – its stakeholders – to the idea of Europe and specifically one that engages Generation Z. Rudy Aernoudt is eminently qualified to offer a new narrative. He has worked almost all of his professional career in European Union Institutions – in European advisory bodies, the European Council and the European Commission. His roles have included cabinet director at European level, Special Counsellor to the European Council President and chief economist. He has also held positions as Head of Cabinet in Belgium, at federal, Flemish and Walloon level. He has significant policy achievements. He designed and implemented the Joint European Ventures (JEV) programme to stimulate European companies to set up joint ventures with companies from other European countries. He co-founded the European Business Angel Network (EBAN) and he conceived the ESCALAR (European Scale-up Action for Risk Capital) that will double the capacity of the venture capital funds to support companies at their scale-up stage. Our paths crossed in the late 1990s when EBAN was being conceived and established, and we have remained in contact, albeit sporadically, since then.

Aernoudt starts by tracking the deepening integration of Europe. The European Union was created in 1957 when the Treaty of Rome was signed, initially as an economic union comprising six Member States, expanding to 28 members (following Brexit it now has 27 members), with several states seeking membership. Over this time, Europe has evolved from its origins as an economic union. The process of economic integration has deepened, culminating in the Single Market which, in turn, paved the way for the European Monetary Union, with the Treaty of Lisbon creating a coherent set of decision-making procedures. This has resulted in the acquisition of increasingly new competences moving into non-economic fields as laws have been translated into national legislation. Aernoudt highlights the increasingly complex interplay between the European Council and the European Parliament and the exponential growth of regulations and directives, much of which relates to the internal market, complicating the

daily lives of ordinary citizens. The cumulative effect has been to create what he calls a ‘citizen gap’ that is reflected in low voter turnout in EU elections and expressing aversion to the European project whenever they have had the opportunity, specifically voting in referendums in various countries over the years against constitutional treaties. Brexit is the most recent and dramatic illustration of citizen disenchantment with Europe.

Aernoudt defends the European project, arguing that it is often used as a scapegoat, particularly by populist movements whose narrative is that ‘everything would be better without Europe’. He also observes the hypocrisy of opponents of Europe who nevertheless claim their seats in the European Parliament and its committees, along with the generous remuneration. Nevertheless, he is fully aware of Europe’s weaknesses that have led this situation, highlighting the inflation of bureaucracy with its consequent paralysing effect on activity, its ‘legislative zeal’ that has created what many regard as the over-regulation of the daily lives of citizens (which is often vocalised as ‘interference’ in the affairs of Member States) and specifically ‘the urge to prohibit’, decision-making processes that are opaque, and a democratic deficiency that has resulted from the shift from unanimity to qualified majority voting (although unanimity continues in some domains). He also criticises the European Parliament for becoming a bureaucracy in its own right and its advisory committees, specifically their procedures and relationships between officials and elected members, leading him to question whether they add value.

So, how should Europe proceed? Answering this question forms the core of the book. Aernoudt identifies several options. He makes the case for a pragmatic approach that involves going back to its core values – further developing the internal market, aligning economic policy more closely with monetary policy and developing a social policy worthy of its name – to focus on those areas where it can make tangible improvements to the quality of life of its citizens. This requires a ‘mean and lean structure’ that involves (i) the reduction of bureaucracy, notably by cutting back on the number of Commissioners and the size of its other institutions and the European Parliament; (ii) a reduction in the number of officials (who, he notes, are mostly appointed for life); (iii) scaling back on activity, with involvement limited to where there is a clear European dimension and involving several countries; (iv) curbing its desire to harmonize; and (v) stop seeking to compete with the United States.

Based on these principles, he develops twelve priorities for action at a European level that will make a difference to its citizens that they will experience in their everyday lives: (i) Erasmus student mobility



programmes to promote multilingualism and polycultures (and extend this to young entrepreneurs); (ii) environmental and climate programmes; (iii) industry policy focused on manufacturing to reverse the loss of jobs and actively seeking to reshore them; (iv) developing space travel – which encompasses telecoms, navigation and observation – to achieve strategic autonomy from the United States and China; (v) creating entrepreneurial mindsets and a supportive environment to stimulate entrepreneurial activity; (vi) innovation policy, focusing on the scale-up funding gap; (vii) continuing to develop the internal market – which is still a work in progress – with reforms; (viii) Euro and monetary policy which brings all non-Euro countries into the Euro; (ix) the pursuit of Keynesian economic policy along the lines of the COVID-19 recovery fund; (x) employability strategies with social support that provide work for all; (xi) social and regional policy to reduce social and regional disparities; and (xii) foreign policy that restricts external economic relationships to countries that respect European values and reverses strategic dependency on other countries for key raw materials, inputs and technologies.

Aernoudt is optimistic that his agenda can be achieved. First, he suggests that Brexit has provided a fresh impetus for a new Europe. It has prompted Eurocrats to ask: ‘what have we done wrong?’ It has removed the British attitude of reluctance to change that was often an excuse that other countries used to hide behind. It has also made the remaining 27 countries more European. Second, crises act as accelerators of the European integration process. Financing through European loans would never have been possible without the COVID-19 crisis. The Ukraine crisis has accelerated energy transition. Climate change is driving societal and economic change. The challenge that Aernoudt emphasizes at various point in the book is to ensure that this impetus to create a new Europe is not lost.

Colin Mason

Professor of Entrepreneurship

Adam Smith Business School, University of Glasgow, Scotland, UK



# FOREWORD BY HENRI MALOSSE

## The Twelve Works of Rudy Aernoudt

Books about Europe appear every week, but few are written by someone who is currently experiencing the European institutions from within. Rudy was my chief of staff during my presidency of the European Economic and Social Committee. He was Special Adviser to the Presidency of the European Council and held various positions at the European Commission. And in all of these functions, he acted more as an entrepreneur than as a civil servant.

Moreover, Rudy also knows Europe from the point of view of the Member States, as well as from that of the regions. He was in fact chief of staff in his own country, Belgium, at both regional and federal level. He was thus private secretary on the three levels, a unique achievement worthy of an entry in the Guinness Book of Records.

These multiple experiences are reflected in his book. We feel his passion for Europe. But also, we feel the desire for Europe to move forward. Instead of complaining about the crises that Europe is going through and has been through, the author argues that Europe is able to overcome these crises, and more importantly, to take advantage of them to progress and develop. He therefore calls for the COVID crisis not to be wasted, but to be used as a lever for the further integration of Europe.

However, the author is not a blind 'Euro-lover' who would like everything to be done at European level. He points out the danger, as also shown by Max Weber, that the formalism of bureaucracy can lead to cumbersome and rigid administrative procedures, even to a monopolization of power in favour of the bureaucrats' interests. Bureaucracy is indeed a system that provokes resistance to change, a system that revolves around itself and loses its link with the outside world. The bubble of the Schuman roundabout, as the author calls it, is one of the main issues explaining the disassociation with the European citizen.

But this bureaucratic mechanism failed to extinguish the flame of the European dream for the author, a passion that keeps him looking at solutions instead of problems. This is what I admire most about him: a pragmatic spirit coupled with an unrelenting optimism.

And since the author uses anecdotes in his book, allow me to do the same. In our cabinet, employees had to put a euro in ‘the pot’ every time they used the word ‘problem’. The pot was big enough to host drinks every Friday night. But most importantly, it brought with it a ‘solution-driven attitude’, as the English say (now unfortunately ex-members of the EU).

In my book *Le crépuscule des Bureaucrates*, freely translated as *The eve of the Bureaucrats*, to which the author also refers, I have already pointed out the risk of the end of European construction as a result of technocracy. Both Rudy and I deplore the yawning gulf between Europe and its citizens. Yes, there are still Eurocrats who ‘have European stars in their eyes’ and many Eurocrats had tears in their eyes when Brexit was announced; but that does not represent the majority.

Rudy Aernoudt, a convinced European, alumnus of the College of Europe, is just as passionate about Europe as I am. In the name of a Europe of the citizens, he makes an inimitable plea for a responsible and efficient bureaucracy at the service of the citizen.

This should prompt the Eurocrat not to become a lackey of the system, incapable of making moral judgments. ‘The Banality of Evil’, as Hannah Arendt called it, referring to the ‘model official’ Adolf Eichman, who largely achieved his goals without condemning the ethical consequences of his actions. ‘He was not guilty, not mean, but rather, mediocre’, concluded Hannah Arendt. The author, who is not only an economist but also a philosopher, argues for a responsible bureaucracy in which ethics is the common thread in every action. There is only one key question the author asks, referring to the book *The Stranger* by Camus: ‘does what we do at European level improve the quality of life for citizens or not?’

On the basis of this, the author argues that Europe should stop meddling in everything and focus clearly on things where it can make a difference to the well-being of its citizens. He maps out the most important projects, such as the internal market launched by Jacques Delors and which is still not completed. He calls them the twelve labours of Hercules.

I have always appreciated the author for his positive and decisive attitude, laced with humour and a cheerful, direct style that we find very clearly in this educational and also humorous book. By avoiding Euro-jargon, the book reads extremely smoothly for a subject that is essentially very important for all of our futures.

The author, who likes to refer to mythology, would certainly say that the Greek god Kairos, the god of the right time, stands by him. Indeed, never has the European Union, destabilized by Brexit, been so fragile, torn between the different interests of North and South, together with the

tensions with Russia, meaning that the Cold War and wars in general are on our doorstep.

I encourage you to read this book. It is aimed both at politicians looking for a vision, and at citizens who want to understand and influence their own future. The gap between citizens and the European Union today is so profound that it will not be bridged without pragmatism and the author's twelve Works. So, let's all be like him, as Jean Monnet would say: 'neither optimist nor pessimist, but determined'.

Henri Malosse  
President of the Jean Monnet Foundation  
Former President of the European Economic and Social Committee



## PREFACE

Founded in its current form in 1957, Europe has reached retirement age. However, it does not appear that Europe can rest on its laurels. In referendums, citizens systematically speak out against it. Populist movements in France and the Netherlands, among others, oppose Europe and are calling for the reintroduction of their national currencies. For the first time in the history of the European Union, a member has even chosen to leave the club. And during the post-Brexit negotiations, the COVID-19 crisis hit, which, like any crisis, gave rise to nationalist reflexes. How did it come to this? How can such a beautiful project – at least on paper – suffer such a significant blow? And what is next?

Europe is a phoenix in this regard. The deeper the crisis, the more is possible. The institutional crisis led to the single market project, the banking crisis led to the banking union, the COVID-19 crisis made possible what had never happened before – the issuance of European bonds – and the Ukraine crisis accelerated the energy transition. It is as if Europe can only arise and evolve as a result of crises.

Why write another book about Europe? A new book on Europe is published almost every week, for or against Europe. Everyone has an opinion about how to proceed and European experts are mushrooming. Most of these experts only know Europe from other books and write a new book about it that is often a mosaic of existing texts. Intertextuality, as the French philosopher Julia Kristeva calls it. We could call it ‘cut and paste’ culture today.

I therefore felt it was my responsibility to write about Europe based on my professional experience within the European institutions. A vision of someone who has experienced and lived Europe, as a European in daily life, but also from within, from the Brussels Eurocrat bubble. This explains the title of this book: *Towards a New European Impetus Post-Brexit: A View Behind the Scenes*.

My triple position as head of cabinet in Belgium, at federal, Flemish and Walloon level, was rather an interlude in my life. After all, I have worked almost my entire professional life for Europe. I have worked in the European advisory bodies, the European Council and the European

Commission and attended the sessions of the European Parliament in Strasbourg countless times. I was cabinet director at European level, special counsellor to the European Council President, chief economist and more of those lofty titles.

So I am, as it is called in the Euro-jargon, a Eurocrat. For many, this is a kind of swear word associated with an overpaid and underworked caste. Incidentally, I was born a few years after the creation of the European Union and will therefore soon be ending my European professional career. I therefore regard this book as the will of a Eurocrat, a will in the sense of ‘testimony’, the writing of a privileged witness. It will therefore start with a critical analysis of Europe based on my many years of experience in various European institutions. On the basis of my analysis and my experience, I want to then outline some guidelines for the Europe of the future.

In a previous book, *Vlaanderen-Wallonië, je t'aime, moi non plus* [Flanders, Wallonia, I love you, I don't care], I focused on the relationship between Flemings and Walloons, a love-hate relationship. I added an analysis about their bastard child in Brussels, *Enfant Mal aimé* [Brussels, the unloved child]. And in *Coronavirus: Electroshock voor België* [Coronavirus: Electroshock for Belgium], I set out my vision on the future of Belgium and on the question of what policy is desperately needed. But for me there is no future for Flanders, Wallonia, Brussels or Belgium outside Europe. No future for France or Paris, Great Britain or London, the Netherlands or Amsterdam, to name a few, outside Europe. Europe is and remains the cradle of our culture, our civilization and our economy. At the end of my life, I do not want to see Europe deteriorate further and end up in economic dementia. I do not want Europe to be the continent where the proverbial sun sets. From this perspective, I deeply regret Brexit and hope that one day Great Britain, as a whole, will re-join the European Union. It will take at least a generation, but never say never.

Does that mean that everything is running perfectly in Europe? No, not at all. Europe has lost touch with its grandchildren. The slogan ‘no more war’ only appeals to contemporaries and cannot be a permanent legitimacy for Europe, even if the Ukraine crisis shows that ‘no more war’ is never an *‘acquis’*. But the future of Europe can only be positive if Europe represents an added value for all its citizens and not for the ‘happy few’. Europe can only have a future if it also has a story that appeals to the next generation. That is the big challenge: what is the narrative – as Eurocrats call it – of Europe today? How does Europe make sure that its citizens have a better life because of it? How can we respond to populists who argue that everything would be better without Europe?



In the first chapter of this book, I describe how Europe works. This is not just another pedagogical book or a description of the institutions. For this you can go to various websites or consult the various brochures from and about Europe, which are free of charge. No, I want to give you a look behind the scenes. I think this is the best way to understand Europe and its institutions. In the first chapter, I summarize the phenomena that have resulted in Europe finding itself in turbulent waters. This analysis makes it possible in the second chapter to discuss the possible solutions that present themselves for Europe. In the third and fourth chapters, I discuss my vision of what Europe could look like in concrete terms in the future and what actions – I call them the Twelve Labours of Hercules – Europe should take in this regard. These actions are how Europe could succeed in really improving the quality of life of European citizens. Because, as the Japanese saying goes, action without vision is a nightmare.

My aim is to write about Europe with as little Eurocrat jargon as possible. I hope to have succeeded in this objective. I thank Patrick Power, with whom I had long discussions on Brexit and who was so kind, as a native speaker, to fine-tune my translation. In order to present things very concretely, I have included examples in twelve boxes in the text. Reactions and comments are, as always, welcome at [raernoudt@gmail.com](mailto:raernoudt@gmail.com).

Enjoy reading!



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