



**THE TAORMINA/ MESSINA CONFERENCE
(ORGANIZED BY TAOBUK FESTIVAL AND VISION)**

**EUROPE IN A POST PANDEMIC WORLD – LOOKING FOR THE
IDEAS TO KICK OFF A DEBATE ON THE FUTURE OF EUROPE IN
THE 21ST CENTURY 2nd – 5th OCTOBER 2020**

CONCEPT PAPER (June 2020)

While we were drafting the paper of the MESSINA/TAORMINA CONFERENCE ON 10 IDEAS FOR A 21ST CENTURY EUROPE, the continent was confronting its greatest crisis since 1945, a crisis that not only promises to accelerate the pre-existing technology-driven mutations that have been overthrowing mainstream practices and assumptions but could also produce disruptive transformations in its own right.

As this still new crisis has been unfolding, it has become clear that the covid-19 pandemic has the potential to radically remake the fundamentals both of the European Union and of the whole Western European way of life. It could do so in a dramatically constructive way. Or, equally, in a dramatically destructive way.

The European Commission's decision to propose an ambitious, unprecedented plan for recovery (the 750 billion euro NEXT GENERATION EU) which will be financed by the European Commission own resources is certainly the sign that COVID19 has triggered a sense of urgency which we never experienced before. However, the EU needs more: it needs objectives and decision making mechanisms which can bring a great 20th century project in the new century.

Moreover, the pandemic has exposed fundamental weaknesses in what Europeans thought was their main strength. Despite believing that they live in the portion of the globe that enjoys the highest quality of life, the most developed welfare and some of the best health-care systems, in fact many European countries – notably Italy, Spain, France, Belgium, Sweden and the Netherlands – have been the worst hit in terms of casualties and cases, and now have to face a huge welfare burden with broken public finances.

History teaches that after the global wars of the twentieth century, new “world orders” have been crafted: the one conceived in 1919 after the first conflict around the “League of Nations”, was less successful than the one drafted in 1948 and culminated in the foundation of the UN, the IMF, the NATO and, ultimately, in Europe, of the European Economic Community (EEC) as the embryo of the current European Union.

We believe that time has come for a new start.

Sixty-five years ago it was a conference in MESSINA to decide the creation of the institutions (the EEC and the EURATOM) which paved the way to the ROME treaty.

In 2020, the think tank Vision¹ together with TAObUK² is calling a two days meeting – on the 2nd and 3rd October - in MESSINA where thirty intellectuals, policy makers, journalists, historians and visionaries will gather to generate and discuss some ideas³ which may trigger a debate on the future of EUROPE with the objective to provide a contribution to “crafting the future”. The Conference will be followed by problem solving events to be held in the following days (4th, 5th and 6th October) in TAORMINA where conference speakers will continue the debate on the future of EUROPE with selected samples of public opinions and citizens (university students; entrepreneurs; majors from European cities).

Chair people will be Stefania Giannini, Assistant Director of the PARIS based UNESCO where she is in charge of the Education directorate; and former minister for Universities, Research and Education in Italy; and Bill

¹ More info on VISION at www.thinktank.vision

² The TAORMINA BOOK FESTIVAL. One of the most internationally recognized Book Festival in Europe <https://www.taobuk.it/>

³ Outlined by the VISION paper on “Europe beyond the union in a Post-pandemic world. Ten ideas to kick off a debate”. March 2020. Accessible at https://www.thinktank.vision/images/2020/10_ideas_europe/10_Ideas_for_Europe_13-03-20.pdf

Emmott, former editor of The ECONOMIST and author of the FATE of the WEST.

The debate will be articulated in two plenary sessions plus six workgroups discussing the issues which seem now crucial to how to start thinking about a new European project.

Four of the WG will be held during the “MESSINA conference” and two in the following two days in TAORMINA.

The first four will then be: European policy on global digital platforms; Clusters of multiple integrations: a new approach to the institutional question; a WELFARE and HEALTH CARE system for the 21st century; a more pragmatic approach to the EURO.

The second two are going to be: ERASMUS for all and active policies for a European DEMOS; EUROPE as laboratory to go beyond the crisis of liberal democracy.

FIRST WORKING GROUP. INFORMATION IS POWER. A POLICY ON GLOBAL DIGITAL PLATFORMS AS THE *RAISON-D’ETRE* OF 21ST CENTURY STATES

In the 18th Century, the construction of modern nation States found its powerful economic motivation and then legitimacy in the need to develop transportation infrastructures. Roads, railways, squares, and ports would allow factories to exchange goods so that they could specialize and increase productivity using the marvels of mechanization. Digital platforms are the equivalent of those infrastructures. They are the “pathways” through which services, goods, ideas, and relations are channelled in the 21st Century.

So far, though, Europe let its own future slip through its hands. A handful of private companies – some only recently made public in the US (and, as such, regulated by the SEC), others Chinese (and, as such, rigidly controlled by the Chinese Communist Party) – own the contemporary “infrastructure” we all use. The European Commission has only recently started to address the issue of personal data property rights (GDPR), rights of platform workers (UBER) and taxation (CCCTB). Meanwhile, individuals’ rights, elections’ legitimacy, and innovation’s future are at

stake, due respectively to a problem of information asymmetry, fake news, and monopoly.

It is, thus, a question of state-of-the-art regulations and policies, but also of investments: both in new, public European platforms and in start-ups that will create services for those platforms. A top priority for Europe be fostering venture capital through close-end funds to be created as partnerships between States and the financial operators with the skills to provide support and foresight to new companies. Recently France has been an interesting benchmark. China and USA have got their champions which have been the result of private entrepreneurial initiative and proper industrial policies: it is probably time for Europe to have a strategy of similar scale and ambition.

The questions which will articulate the debate in the working group are the following:

- a) Should EUROPE regulate existing platforms by using as bargaining power the possibility to access one of the largest market?
- b) Should instead rather aim to develop European global platforms?
- c) Should in this case prefer the option to have public or quasi-public infrastructures or support the creation of European INTERNET champions?
- d) How do we regulate trade-off between protection of individual rights (privacy) and potential benefits (for instance, protection of health)?

SECOND WORKING GROUP. THE NEXT GENERATION EU AND A PRAGMATIC APPROACH TO MULTIPLE INTEGRATIONS

The immigration crisis had exposed much before the COVID19 emergency the enormous (political) costs that half integration, half-hearted unions can have: technically speaking, an area of free circulation of people without a common immigration rule, common customs (and a strict coordination of the responses to confront emergencies like an epidemic coming from a third country and crossing borders) is unstable and exposed to fragmentation.

The same applies, in fact, to the other pillars of the European project, the common market, as well as to the Monetary Union. The bet of an entire generation of European leader (starting from JACQUES DELORS) was that asymmetric, incomplete integrations were supposed to create the political pressure towards their completion (or, at least, this was). That bet seems to not have worked and we, now, have half-hearted unions which produced constant, increasingly unsustainable internal fights: it almost looks like that we are trapped into those religion-based marriages before the better regulation of mutual rights.

It is, indeed, true that the European Commission's decision to propose a sort of European Marshall Plan (the NEXT GENERATION EU) represents a discontinuity and, probably, a bold move towards a federalist idea: And yet even the possibility to share debt and reforms appear not to have solved the contradictions of pacts which are never clear and can still slow down decision making, create "moral hazards" and free riding.

One possibility is that European institutions reverse the current approach: fewer partnerships but with complete allocation of power and responsibility. These fuller integrations need also to be freely and wholly accepted by Member States, so that they transparently delegate their sovereignty on matters that will have become European authority. One further possibility would be to always pragmatically ask citizens to approve the union so that public opinions are not, then, played against the agreement at a later stage. This would help avoid ambiguous "shared jurisdictions."

This implies that, for instance, those States that freely decided to adhere to an area of free *movement* (what is now intended as SCHENGEN), would accept a single border, a single body of police that patrol it, a single code of law that regulates the issuance of work permits and of asylum rights. Those States that freely decide to adhere to an area of free *trade*, would also accept that tax rates on corporations are similar across the entire area, so to avoid competition among states that leads to races to the bottom. If the people establish that only the European Union deals with climate change, then it should be only the EU to have a seat at the negotiations and to represent the interest of its Member States; and it should be the European Commission to fine enterprises that pollute over a quota or to award cities that keep emissions low.

Such a design would be different from the federalist vision because it would be organized around clusters with different memberships (as for today's "variable geometry") and built on a flexibility that Nation States of the eighteenth century excluded: one option is that exit mechanisms may be pre-defined (so that divorces like BREXIT may be less traumatic); citizens may be asked to approve the agreement (so that they may not be played by national politicians against the unions).

The questions which will articulate the debate in the working group may be the following:

- a) Would a strategy like this be more feasible if it is a reform of the status quo or if it is about developing brand new institutions?
- b) Who could lead such a change in the treaties or refoundation? Is there a core EUROPE (the founders?) that can take the initiative?
- c) Would we agree to use REFERENDA for endorsing full transfer of power from the States (so that unions only take place amongst countries which fully agree)?
- d) Would it be right to better regulate the right to leave the clubs (so that case like BREXIT can be better managed)?

THIRD WORKING GROUP. UPGRADE TO THE 21ST CENTURY THE HEALTHCARE SYSTEMS AND THE "WELFARE SUPERPOWER"

At the time of drafting this paper (the 9th of APRIL 2020), the EU area counted two thirds of the deaths due to the COVID19 and four of the five most affected countries were EU member states. This is a paradox because the EU was still supposed to be the portion of the globe which claims to enjoy the highest quality of life, the most developed welfare⁴ and some of the best health-care systems⁵.

It is a paradox and one which calls for a profound reconsideration of how societies make sure that people are protected by what the liberal Lord BEVERIDGE (the inventor of modern welfare and author of the famous

⁴ Angela Merkel went to the point to proudly call EUROPE the "welfare superpower" noting that the EU accounts for 50% of world spending.

⁵ According to the WHO's latest ranking of health care systems, six out of the ten best performing are in the EU: specifically France and Italy being the first and the second, plus Malta, Spain, Austria and Portugal.

“BEVERIDGE report” in 1942⁶) called the “five giants”, (“Want... Disease, Ignorance, Squalor and Idleness”) which can destroy social cohesion.

The principle of universal coverage should stay the same if we agree that they are part of the values that we stand for. And yet mass globalization and information technologies have both dramatically changed the nature of the risks to be managed, but also provided brand new ways to protect ourselves from uncertainty.

The comparison between the outbreaks originated by the biologically similar SARS (in 2002) and COVID19 (in 2019) show⁷ how much, more instantaneously connected the world, its affairs and its crises have become; it is, however, also true that technologies are making possible to radically reorganize national health system by making prevention, diagnosis and cure accessible remotely to everybody (as in the paradigm of the INTERNET OF THE BEINGS⁸ which is way beyond the rather old concept of TELEMEDICINE).

New inequalities are being bred by robots and artificial intelligence which are rendering obsolete well-paid positions and replacing them with gig-jobs with little if any contributions towards retirement; and yet technologies also create demand and opportunities for social innovation (for instance, the design of applications and service to support elderly).

The questions which may, then, articulate the debate in the working group could be the following:

- a) Up to what extent a patient- centric HEALTH CARE system will require a reorganization of hospitals and care centers? Which are the risks (privacy, body hacking, ..) of mass monitoring and tracing? How can health care systems respond to sudden crises and, thus, to sudden lack of supply (of doctors, nurses, devices for individual

⁶ It is interesting the guiding principle with which that report (written while the UK was fully living its darkest hour trying to resist bombardments which were flattening entire cities), starts. “proposals for the future should not be limited by sectional interests. A "revolutionary moment in the world's history is a time for revolutions, not for patching". The BEVERIDGE REPORT, Lord William BEVERIDGE, 1942

⁷ Both VIRUSES are part (together with MERS) of the same group of VIRUSES called CORONA VIRUS and they both originated in China. The difference is that 18 years ago, China was much less prominent in WORLD TRADE (it accounted for 2% of WORLD GDP; it now represents 18% of it).

⁸ IOB can be seen as the third wave of the INTERNET revolution where sensors are introduced in bodies to monitor vital parameters and respond to crises: being the first the one where the INTERNET connected (between early nineties and the following decades) all digital devices; the current second (IOT: Internet of the THINGS) where physical objects (components of cars, refrigerators and TV sets, merchandise in department stores,..) got connected.

protections, machines ,...)? How much money does a 21st century health care system need?

- b) Up to what extent can schools and universities reorganized so that individuals are constantly retrained to keep pace with technologies?
- c) Is the idea of a retirement age which (in principle) applies to everybody to be abandoned? How should the labor market be reorganized to make active aging mainstream? Is the Universal Basic Income a form of the welfare of the 21st century?
- d) What does the PANDEMIC teach in terms of how to best distribute healthcare power and money between States, Regions and cities? Is the role of Europe to be increased and how? What should be the right equilibrium between private and public health? Is there a problem of regulation of the big pharma and are we using well enough the wave of creative destruction that BIOTECH can provide?

FOURTH WORKING GROUP. THE POST COVID AS AN OPPORTUNITY TO END THE IDEOLOGICAL BATTLE BETWEEN ANTS AND GRASSHOPPERS

The question of the governance of the EURO when it comes to the instruments to protect the financial stability of the States and of the banks, is, by far, the most political, the most ideological of the affairs which has transformed the Union into an increasingly unsustainable arrangement.

Angela Merkel and Emanuel Macron demonstrated to be probably the greatest leaders of two different generations of European leaders by showing the vision who made them to break the gridlock on the possibility that the European Union itself could borrow a significant amount of money to help some of its member states to recover from the POST PANDEMIC recession.

However, the reasons for the never ending, ideological war between Nordic ants and southern grasshoppers are still there and ready to feed similar and yet opposite populisms. This is particularly true for the monetary union which was deliberately conceived by Jacques DELORS as unstable mechanism calling for a fuller European Union: DELORS' bet

is probably lost and we need to find to pragmatically save the EURO from its own rhetoric. .

Thing is that the most serious problem of the Euro is that, in a sense, it has got an effect which is similar to the one that BREXIT had on British politics for three years: it tends to absorb most of, if not all the political and intellectual energy that we should dedicate to the vaster question of what kind of policies can we envisage to adapt to the 21st century.

This is the reason we believe that the debate on EURO should become more pragmatic and focused on just one difficult fundamental question: how can we maximize the protection of individuals and companies from the fall out of financial instability and still minimize the “moral hazard” of keeping alive “zombie” institutions, delaying reforms, diluting political and managerial accountability for failures? How can we still respond to crisis without risking to waste the possibility to learn from them?

The mechanism for the “resolution of banks⁹” provide an interesting blueprint: no financial institution is, in theory, “too big to fail”, however the interests of different stakeholders (management, shareholders, holders of more or less risky bonds issued by the failing organization, small current account holders, workers not involved into decision making) are differently liable.

Similarly, whereas mutualization of past debt seems not fair, a strong role of the European Commission to directly respond to emergencies with its own resources, could be reasonable.

The questions which may, then, articulate the debate in the working group could be the following:

- a) Can the EURO area still share a pragmatic agenda? If not is the possibility to create different, more coherent monetary blocks be envisaged?
- b) Could an extension of the “bail-in” approach be adopted to increase the acceptability of the EMS?
- c) Is the EUROPEAN COMMISSION to be equipped with its own funds (financed directly on financial markets and not dependent from the States) in order to intervene directly when an economic or financial shock happens?

⁹ BRRD: Bank recovery and resolution directive adopted in 2014

- d) Is the 1998 statute of European Central Bank and the ECB's institutional targets (inflation rate) still adequate to the tasks that the Bank has been asked to be in charge of?
- e) How can we decrease the gap between European financial institutions and citizens? Is there a way to convey better information? Could referenda help to increase responsibility towards shared decisions and interrupt the scapegoat syndrome?

FIFTH WORKING GROUP. ERASMUS, COMMUNITY SERVICE AND EUROPEAN MEDIA AS A LEVER TO EUROPEAN CITIZENSHIP

“We (half) made Europe; we now need to make Europeans”. What the Italian patriot Massimo D'AZEGLIO said about the project of “making ITALY” in 1861, may well apply to Europe. Its weakness is the relative absence of policies specifically targeted to encourage the creation of a European demos, or at least a European public opinion without which the entire construction is fragile.

Italy and other states became (at least partially) “united” through the public schools, as well as the nation-wide television and military conscription.

The idea would be to make much bigger, free for all one of the most successful EU projects which has been the Erasmus program, which has allowed young men and women to freely move from country to country during their tertiary education. Every university student may move to another European university for one semester as part of its mandatory curricula and this may even be extended to the semi-last year of the high school¹⁰.

In addition, a European civic service program, based on the Swiss model, would integrate academic life with professional education and internship experiences across several countries. This may create a reserve of nurses, drivers of ambulances, experts of logistics to be called in case of emergencies (like the COVID19) and boost a sense of solidarity and unity across young Europeans. Younger students could also aid elderly and marginalized citizens.

¹⁰ A VISION study “ERASMUS for all: the economics” demonstrates that one quarter of what the European Commission spends on Common Agriculture Policy may be enough to cover the costs.

Last but not least, the development of European media should become a political objective. Yes we have the ECONOMIST, the Financial Times and the BBC (ironically they are all British) and yet although they are certainly capable to reach a global public opinion, they are limited to an elite¹¹. Governments already fund privately owned media with their taxpayers' money: one option would be the presence of EUROPE related contents a condition to to any funding.

The questions which will articulate the debate in the working group may be the following:

- a) Would it be right to make mandatory ERASMUS (or the civic service)?
- b) What about experimenting at EUROPEAN level a new form of acquisition of citizenship which would be neither by family ties (*sanguinis*) or place of birth (*iure loci*) but by choice? So that if you decide to be a European citizenship (and access to a number of rights), you also have a number of civic duties?
- c) Would you rebalance EC budget so that you spend less for farmers (or regional development) and more for students?
- d) Would you alternatively go for the EC to have its own taxation or self-funding capability (an ERASMUS BOND repaid by students at a later stage when they start working)?
- e) Which incentives could we design to gradually have EUROPEAN media capable to reach general public?

SIXTH WORKING GROUP. EUROPE AS THE PLACE WHERE TO EXPERIMENT TRANSNATIONAL POLITICS AND THE IDEAS TO SAVE LIBERAL DEMOCRACIES

“Information is power”. If it is true what Sir Francis Bacon states in the novel NEW ATLANTIS, the story of the INTERNET revolution is a powerful explanation of liberal democracy. The deluge of data has

¹¹ We also have Arte (co owned by French and German public broadcasters) and EURONEWS (jointly controlled by European State owned broadcasters, the American NBC and the Egypt head-quartered Media Global Networks) which explicitly want to have a EU audience and which have been financed by the European Commission: however, again they never really reach an enough general public.

massively reallocated information, and, as a consequence, the forms through which power is achieved, limited, exercised should be reorganized.

At European level, the “democratic” question has been for decades the so called “democratic deficit”. The European Parliament - the only supranational institution elected by citizens – was seen not powerful, and even more not “popular” enough to close the gap between European institutions and its citizens.

Today, we can probably re-frame the old question which we discussed hopelessly in so many think tank fora in a novel way. Not only Europe is suffering legitimacy; it is liberal democracy which may be experiencing technological obsolescence.

Europe may then become the laboratory for experimenting solutions to the latter problem so that we also find new ways to create a European political arena.

At European level taboos which have accompanied liberal democracies may be more easily challenged¹²:

- a) Quota and incentives may be introduced so that parties/ politicians may be rewarded for campaigning outside their countries;
- b) Electoral constituencies may be decoupled from geographical bound and both electors and parties/ candidates may choose electronically to join a EU wide electoral college;
- c) Transnational referenda may be encouraged on EUROPE wide decisions using electronic voting to reduce costs;
- d) Similarly the President of the Commission may be elected in a similar way;

and at the minimum, national electoral law should be replaced by a EU law and election should be held in the same day.

¹² The VISION paper on “The ideas for a democracy of the future” elaborates on that <https://www.thinktank.vision/magazine/democracy/10-ideas-for-democracy.html> proposed few possibilities by studying the following examples: a) Estonia, where, after e-voting was introduced, electoral costs plummeted, and more voters than before expressed their political will; b) Switzerland, where referenda are held in impeccable fashion; c) Canada and Australia, where methods of participatory democracy are being institutionalized

The questions which will articulate the debate in the working group may be the following:

- a) Which problems would we envision in positive actions favoring transnational representations and political parties?
- b) Which are the resistance to the creation of EUROPE WIDE electoral colleges?
- c) What did the PANDEMIC and the crisis change as far as the acceptance of an extreme idea of making citizens to elect the President of the Commission?
- d) Up to what extent can referenda be turned into part of the solution (whereas they have been seen part of the problem as with the BREXIT)?
- e) Can we trust electronic voting?
- f) Which are the limits of the hearings of “stakeholders” that the European Commission regularly conduct? How different would exercises of participatory democracy be?