

1. If one were to ask me to characterise the mood in Western societies today, in one word, I would say: uncertainty, even anxiety. However, there are still many reasons to be optimistic. A few years ago Larry Summers, former US Secretary of the Treasury and famous economist, wrote an article: 'The case for global optimism'!

Uncertainty is not a monopoly of the West. It is also growing in all of the so-called BRICS-countries. Being uncertain is not the same as being afraid. But a lot of people seem to think that our world is becoming more dangerous. Let us try to see things in perspective. What is the real state of the world? What is the state of the (European) Union?

Speaking about the 'case for optimism', most economies are still doing well, although at different growth rates and with growing inequalities in advanced economies outside of Western Europe.

Twelve million jobs were created in the Union since 2014. Our economic growth rates are on average 2% and our recovery is now lasting 21 consecutive quarters. Those figures are satisfactory for a mature economy. It is absolutely normal that emerging economies are growing faster. One has also to look at the evolution per capita. Taking into account the very slow population growth on average in Europe -in Germany already now a negative one- this performance has been better in recent years than in the US. Our growth rate is less credit fuelled than the Chinese one and thus more sustainable

Unemployment is in decline. In Europe, we are even facing in many countries and sectors

a shortage of labour, of skilled as well as less-skilled workers. Never have so many men and women – 239 million people – been in work in Europe.

Solid job formation over the past four years, with over 3 million jobs created in the EU 27 in 2017 alone, has driven unemployment down considerably. The EU's unemployment rate fell to 6.9% in the second quarter of 2018 – which is lower than in September 2007, just prior to the crisis.

Youth unemployment is at 14.8%. This is still too high a figure but is the lowest it has been since the year 2000.

With the agreement on the posting of workers Directive, local or posted workers doing the same job at the same place will have the same working and wage conditions. It's a major achievement of Commissioner Thyssen.

2.

Doubts about the near and far future are growing. I will comment on six factors that contribute to the growing and widespread sense of unease and uncertainty. I will also emphasise positive developments every time.

The most immediate threat is, of course, the 'trade war' launched by the US.

Companies are anticipating an all-out war and let their investment decisions depend on this negative prospect. This behaviour is weighing on our economies much more than the pure mechanical impact of tariffs.

But we must preserve the sense of proportion: the IMF was particularly critical of the United States, saying that, if

the US follows through on various threatened tariffs, long-term growth will decline by one percentage point per year in the US and by half a point globally. This is a material effect. But it looks less alarming in the context of a global economy that is expected to grow by more than 10% over the period until 2020. The IMF Chief Economist says that eurozone would be one of least-affected regions, losing no more than 0.4% in worst-case scenario while US, China and emerging economies stand to lose the most. The message is that, even after the new measures, protectionism is likely to dent, but not derail world economic growth.

But those tariffs will increase the import bill of the US by 80bn or 0.4 pc of American GDP. If Trump announced that he intends to raise taxes with an

equivalent amount, there would be howls of protest, especially from his own party. But that is precisely what he is doing. The US is not taxing China. Rather, the US is taxing its own people. The imposition of new tariffs means that it will now pay a tax to the US government on that product.

The export- driven business model of emerging economies could be hit in the heart by a trade war. But in a trade conflict, everybody loses. The thirties already taught us a hard lesson, but the current economies are much more interconnected than hundred years ago and thus more fragile. The division of labour is much more developed now. The value chains show a never before seen degree of interdependency. That is why an outright trade war could be more damaging now than it was in the Thirties.

But we have not reached that point yet. This doesn't feel like 1929, the year in which protectionism last spun out of control. In a bid to protect domestic farmers the US Administration increased tariffs on more than 20,000 imported agricultural and industrial goods. Retaliatory tariffs followed and by 1930, volumes of US imports and exports had fallen over 60% - a staggeringly sharp decline. The Tariff Act of 1930 is widely seen as having exacerbated the Great Depression.

Barriers to trade are now still close to record lows. The average global – or 'most favoured nation' - tariff is 5.4% according to the latest data from the World Trade Organisation. In the 1990s and much of the 2000s it was above 8%. In the 1970s and 1980s tariffs were higher still.

The tariffs of the US, Canada, and the European Union are roughly similar and are fairly low. On a trade weighted basis, the average US tariff is 1.6 percent, the average EU tariff is 1.6 percent, and the average Canadian tariff is 0.8 percent according to data from the World Bank.

Another nuance in this effort to preserve the sense of proportion: the immediate threat of an EU-US trade war has diminished, due to the deal made by European Commission President Juncker and US President Trump.

Three observations about trade deficits:

Structural imbalances in the current account of the balance of payments need to be corrected, but it takes an effort from both sides. Some countries have to increase their competitiveness and

productivity and others have to save less and invest or consume more.

The U.S. trade deficit is widening this year due to a boost of domestic demand (stemming from the tax cut) triggering more imports and due to weaker exports suffering from a stronger dollar. A inconsistent mix between fiscal and monetary policy creates the opposite effect of what the American administration meant.

A new study from the European Central Bank suggests that even though the U.S. runs trade deficits, a trade war would reduce demand for U.S. goods more than it would reduce demand in the rest of the world. The Bank of England has reached a similar conclusion.

Protectionism mainly has to do with domestic policies and much less with any geopolitical power play, f.i. between China and the US. Let's have a look at the domestic situation in the US. The unequal distribution of income and wealth that has been building up in the last decades, especially in the US, creates huge tensions in societies. Wages have been stagnating for 40 years. Adjusted for inflation, the median male worker earns less now than he did in 1979. The C.E.O.s at the largest companies now make 270 times as much as the average worker, up from 27 times as much in 1980. Today, low unemployment and low wages are no longer contradictory. European economies are, thankfully, not suffering from that kind of disease. There are less 'left-behinds' and less cuts in social security expenses in Western Europe, but our

countries are confronted with populism nonetheless! Inequality is not the only cause of polarisation. I'll come back to this issue.

The answer of American leaders to this imbalance, or injustice in society is to look for guilty parties outside of the country.

"The others are hell ". The underlying reason for this reaction is domestic and not geopolitical. Those kind of political leaders try to make their own economies stronger by weakening other ones. They try to take away the uncertainties of their own people by blaming others. But the real solution is a more competitive and a more productive economy for all.

Targeted policies can also correct market failures. In regions where many sectors are in decline, public authorities can promote reconversion (as the EU and its member states have done in the coal and

steel industry), by retraining people or restructuring (as the US did with the automotive industry). It is a long-term option. A trade war will not even produce results on the short term. Here too, there is nothing to gain and everything to lose.

The Union remains a strong defender of open markets. The EU itself started as a common market! We continue to conclude and to negotiate free trade agreements with global players such as Canada, South Korea, Singapore, recently with Japan and hopefully very soon with Argentina and Brazil. We will pursue those efforts even after Brexit (29 March 2019). The EU doesn't need the UK to remain the most open trading block in the world and the biggest single market.

By the way, the EU-institutions proved their relevance when Commission president Juncker managed to avoid a

further escalation of the trade war launched by president Trump. Neither Macron or Merkel could obtain that result.

Of course, all countries have to abide by the WTO-rules to ensure that trade really is free and fair. The EU is a defender of the rules-based system. That result can be obtained by negotiations within the multilateral organisations. A trade war creates a climate of distrust, preventing a rational discussion and deepening the rift between countries. We have to talk or use existing dispute settlements procedures. Dialogue instead of 'war'.

Interdependency requires global governance. Freewheeling markets have to be constrained by rules and regulations. The financial crisis made that very clear. We built multilateral organisations to

correct market or political failures. But today we see the opposite happening: more unilateralism, and not only in the economic field. Every time international borders are not respected and international law is violated, we are confronted with political unilateralism.

Nationalism is on the rise in all parts of the world. It is not yet the kind of nationalism that will lead to war but we are treading a dangerous path.

We need more world governance as a countervailing power to free markets, not through a 'world government' but through different kinds of global governance systems, such as the G20, UNFCCC (United Nations Framework Convention on Climate Change), IMF, the UN of course, the WTO and others. The acceleration of climate change, globalisation and technological innovation

has thrown up a whole set of new challenges — extreme weather, cybercrime, crypto-currencies, social networks, ‘deepfake’ technologies, self-driving vehicles, artificial intelligence and migration. These can be managed only through global cooperation and new rules.

In the EU, there is another political factor that is a source of concern, for our economies and our societies: the rise of **populism**.

Migration touches on issues of identity but a lot of our citizens also fear that our social security is under threat in the long run. Each cut in social spending is seen as a result or cost of migration. Even if inequalities in Europe are not significantly on the rise (or even not at all), there is a

psychological link with social security and migration.

Populists are on the left in socio-economic matters and on the right on issues of migration, culture and identity.

The influence of populism goes beyond politics or the economy. Societal divisions are worsened by antagonistic rhetoric. The moral standards of how to live, work and speak to one another have been lowered. Aggression in human relations is the new 'normal'. Moderation has gone. Terrorism fuelled those negative feelings about migrants and migration on top of that. Democracy cannot be maintained in a climate of polarisation or hate, of a lack of mercy and forgiveness. Social fora became tribunals. The language of leaders

is as important as their deeds. Words can split a society.

But the room for manoeuvre of populist parties is limited in the Union. The EU is a fact of life. Leaving the EU brings instability as Brexit shows every day. The support for EU membership in the EU-27 enhanced dramatically after Brexit. People don't want to add instability to an already unstable world. The new Italian government already dropped the idea of a referendum on the euro after a few days in office and will be obliged to respect the budgetary rules. In some ways, Italy is even asking for 'more Europe', a stronger banking union, more solidarity on migration etc. Because populist parties

want to be popular, they changed their stance on Europe, in practice.

At the core of the programmes of many populist parties is **migration**. After the traumatic shock of the refugee crisis, a tougher stance on the protection of our external borders became mainstream policy. 'Fortress Europe' is a concept that is supported in practice by the Union. The purpose is to stem or to stop illegal migration. This policy is bearing fruit in the Mediterranean. With the closing of the Western Balkan route and the conclusion of the EU-Turkey agreement (both in March 2016), flows of irregular migrants and asylum-seekers were reduced by 97% in the Eastern Mediterranean compared to 2016, and by 80% in the Central Mediterranean compared to 2017.

The European Commission has proposed tripling the budget for external border management, migration and asylum under the next Multi-annual Financial Framework 2021-2027 – bringing it to nearly 35 billion euro – and raising the deployable staff of European border and coast guards from 2000 today to 10,000. The European Council already agreed on this objective.

But we have to be fully aware that migration is an issue that will be on the societal agenda for many decades to come.

According to the UN, the total population of Europe (including Russia) today is about 740 million people, while Africa's is 1.2 billion. By 2050, Europe-Russia will shrink to around 700 million people, and Africa will double to 2.4 billion. By the end of the century, the total population of Africa will

double again, reaching a level (4 bn) close to that of Asia, a huge migration potential.

The steep demographic decline in Europe will oblige us to accept a lot more legal migration, even though the digital revolution will be much more labour-saving than generally assumed. The societal support for legal migration is stronger if illegal migration is under control. According to reports by the Commission, the population gap in the EU could even amount to 50 million in 2080. The scope of the problem will not be the same across all countries in the Union. Germany, Poland, former communist countries and southern member states will be hit the hardest.

The EU is proposing a new Alliance for Sustainable Investment and Jobs between

Europe and Africa. This Alliance – as we envision it – would help create up to 10 million jobs in Africa in the next 5 years alone. The EU wants to create a framework that brings more private investment to Africa. Its External Investment Plan, launched two years ago, will mobilise over €44 billion in both the public and private investment. Alone the projects already in the pipeline will unlock €24 billion.

We are still very present in Africa with which we share history and it has to remain that way. 36% of Africa's trade is with the European Union. This compares to 16% for China and 6% for the United States. The EU and its Member States are the first partner in terms of Official Development Assistance, mobilising 55% of the total to Africa.

The EU is already Africa's biggest investor, with its Member States holding an investment stock of €291 billion in 2016 and representing approximately 40% of Foreign Direct Investment flows to Africa annually.

I add a word on the impact of the **digital revolution** on the job market. It is very mainstream to say that it will create new types of jobs to replace those it is destroying. History tells us this. 'Don't worry' is the message. There are so-called benign forces at work. It is a refrain we should treat with scepticism. Innovations in digital technology will be disruptive. Look at the developments in the transport sector alone! But every sector will be

affected. Growing inequalities in the market incomes, especially in wages, are explained by a shrinking demand of lower skilled jobs (the middle class) and a stronger one for those with a higher and better formation. Digitisation and globalisation are the main drivers of this phenomenon in the West.

Technology will not be everybody's friend. But our future will be digital. Europe needs digital sovereignty.

Sustained investments in Europe's research and development programmes over the past decade, as well as on training and skills mean that Europe still leads many industrial sectors and is home to a thriving SME scene.

9 million Europeans are already working in the clean energy sector. This includes jobs in energy efficiency and the construction

sector. These are local jobs that cannot be outsourced to another part of the world. This number is expected to double by 2030. Although China is leading in many clean tech sectors, such as the manufacturing of solar cells, Europe is strong and can compete. 10 out of the 20 companies with the highest market capitalisation in the New Energy Global Innovation Index are European. And Europe is world leader in wind turbine manufacturing.

As the world enters the fourth Industrial Revolution, being at the fore of technological cutting edge is more important than ever to exert global influence.

Today, technology firms dominate Fortune 500 lists once topped by energy and

financial services companies. All of the top 20 technology companies are from China or the USA. None are European.

The EU must work more on fast-tracking investments into sectors of the future. It needs to better incentivise private venture capital investments. While Europe has made real advances in narrowing the gap to the US with regards to seed and early-stage funding for start-ups, it lags behind on later-stage funding of companies. As a result, European unicorns like Delivery Hero and Spotify, for example, had to turn to foreign investors to gain access to the capital they needed to scale up and become globally competitive.

Empowering people by STEM- education (skills in Science, Technology, Engineering and Mathematics) is one part of the answer. It is a task for public authorities.

A big part of the problem is that Europe continues to lack the skills needed to thrive in a digital environment. Today, still only 2% of European enterprises are taking full advantage of new digital technologies despite the fact that digitising has been proven to lead to productivity gains and increased growth potential. 4 in 10 Europeans do not have basic digital skills even though 90% of jobs will require some level of digital literacy in the near future.

The European Commission placed digital issues at the top of its agenda and has presented all the initiatives initially announced. Mobile roaming charges have been abolished, citizens can now continue to enjoy their online content and subscriptions when travelling in the EU, and they can shop online freely across EU

borders thanks to the abolishment of unjustified geoblocking. Reflecting how much Europeans care about privacy and the strong demand for more responsible and transparent digital tools and services, the EU's new General Data Protection Regulation (GDPR) is setting standards around the world. Facebook, Google, Amazon, Twitter, Apple, Microsoft have largely acknowledged the benefits of the GDPR and taken measures to ensure they comply with the new EU regulation. The EU also boldly stood up to digital companies practicing unfair tax operations, with landmark cases against Apple, Amazon and Google.

A fifth factor of economic uncertainty (after trade, populism, migration and the digital revolution) is the very high level of global private and public **debt**. The IMF and other institutions have warned

against this evolution. Global debt has increased by 12 % of GDP since 2009, immediately after the global financial crisis, reaching a level of 225 % of GDP. Looking at the US and China, this development is not yet reversed.

Economic growth is fuelled artificially by credit in order to boost employment and social cohesion. But the unequal distribution of the results of this growth, are at the root of the current social malaise! A rise of interest rates -already happening in the US- in a world with too much debt is a major problem. A new financial crisis can happen but we do not know when and how.

A sixth factor of uncertainty is **climate change**. Awareness has risen dramatically and actions are being taken, nationally and at a global scale. The EU will decrease its GHG-emissions with 23 pct by 2020

whilst the economy will be 53 pct bigger than in 1990. We are as ambitious for 2030 and 2050. We must further develop an energy policy that is focused on renewables, whose share in the energy mix of the EU has almost doubled in ten years' time. The key question is whether this is enough. Is it not 'too little and too late'? The long, hot summer of 2018 (which it was almost everywhere on the planet), was the umpteenth 'warning shot'. Looking at the political priorities of many leaders and knowing what is at stake in our world, I understand the anger and even the despair of many. All the more because there is no contradiction any more between the economy and ecology. On the contrary. Renewable energy is a high tech sector and an important provider of jobs. Short termism is out of the question. Climate change

necessitates world governance. The UNFCCC is such a platform. The implementation of the Paris Agreement (December 2015) is a minimum. The Union spoke with one voice in Paris and is determined to go ahead, even if others are fighting a rearguard action.

In times of uncertainty leaders have to provide stability. If they don't, others will try to do it in their place, but without principles and scruples and focused on immediate results, mostly in terms of perception and not of substance.

We have to better protect our people against real or perceived threats: high unemployment, insecure jobs, mass illegal migration, climate change, terrorism, social, commercial and tax dumping, huge inequalities, and threats of war on our Eastern and Southern borders. If we cannot protect people, they will choose protectionism. If we

fail, tribalism and nationalism will be further strengthened. If we fail, large parts of our population will turn away from our open societies, our open economies and our open democracies. It is not only the idea of the European Union that is in danger; the liberal worldview, which values democracy and freedom is under siege. Even though we already obtained results on all those domains that citizens see as threatening, it is not enough. That's why openness is under pressure in parts of our Union. Protection ('Une Europe qui protège' as President Mitterrand once said) and openness are key words for our political and social models.

3. World politics is another new source of concern for many ordinary people, especially in Western Europe. After the end of the Cold War, we lived in an exceptionally stable period. We got used to it and forgot the tensions of the past.

The situation on the Korean peninsula, the ongoing cruel war in Syria and the current trade 'war' create a feeling of disorientation. What are we heading for?

People are noticing a **shift in the balance of power in the world**, in particular the rise of China and its economy. The 'quiet firmness' of China impresses more than the volatility and the zig-zag course of the US. Where will this geopolitical rivalry lead to? Historians speak of the 'Thucydides trap', named after the famous ancient Greek historian. How does the established power react to the rise of a potential challenger? Should it pre-empt the possible threat or make adjustments to ensure it does not happen? In Greek history Sparta opted for war with Athens and lost. A 2012 Harvard study examining fifteen such instances since 1500 found that in eleven cases the rise of a new

power resulted in war. But it is not inevitable.

Going deeper into this topic, we have to make 'distinguo's', distinctions. I mention three of them.

First, what does power mean in this century? The economy is now the biggest power factor. Military strength in nuclear times is, above a certain level, less important because one simply cannot use nuclear weapons. On the other hand, traditional warfare has proven to be ineffective in the Vietnam War, the Soviet invasion in Afghanistan, the Iraq wars, and the EU-action against Gaddafi in Libya (2011). The end result was either chaos or defeat. Cyber warfare could become a new instrument but it could lead to a war of 'everybody against everybody'.

If the famous quote 'it's the economy stupid' is right, China is in pole position. In terms of purchasing power parities, China represents 18,3% of world GDP, the US 15,3% and the euro area 11,6%. Just to compare: Japan represents 4,3%, the UK 2,3% and Russia 3,2%.

A second distinction is the question if there is geopolitical rivalry. The trade war is often seen as proof. My thesis is that it has more to do with American domestic politics than with geopolitics. American foreign policy is more and more inspired by the defence of direct American interests, by military restraint after the debacles of the last decades, by 'leading from behind' and even isolationism. This was, to some extent, already true during the Obama administration.

A third distinction is that rivalry as such does not necessarily pose a threat to

world peace. Competition between countries and political systems can even be positive.

We are living in a new world, much more interconnected and interdependent, which provides built-in stability. A world that isn't ruled by a hegemon or by one or two countries. We are living in an a-polar world, without a polar. Irrational elements can disturb this picture. People and nations are not always rational 'animals'. They are able to act against their own interests. Look at Brexit. But in our time, countries can lose so much and people are so used to the 'consumption society' that it is extremely difficult to justify a war that can ruin everybody.

This is all the more true for democracies but even in authoritarian regimes leaders have to take public opinion into account. The upcoming decades will also see many changes in all kind of regimes. Our democracies will be

much harder to govern because they are too lively! We live in a world where everyone with a grievance and an iPhone can wield power. One can even acquire power with a twitter account! Therefore I don't think that the future lies with 'illiberal' democracies but with more 'liberal' societies all over the world, including those that are now undemocratic. The economic performances of authoritarian regimes such as Russian and Turkish are anything but impressive.

So we have to be cautious when interpreting 'historical' laws and the 'Thucydides trap'.

Let me add another evidence of hope. The Oxford economist Max Roser estimates that in 1820 more than 90% of the world's population lived in extreme, absolute poverty, defined as living on less than \$2 per day in today's money. By 1981 this had fallen to 44%

of the world's population. Today it stands at less than 10% of the world's population.

On this admittedly low standard, world poverty has reduced by three-quarters in less than three decades, and against a background of a 67% rise in the world's population. This is impressive. It took the UK a century, from the 1820s to the 1920s, to achieve the same degree of poverty reduction.

In the last 40 years people in emerging economies, and the world's richest people, have seen the fastest rise of income.

4. What is the position of the EU in this new geopolitical context?

First of all, let us look at the current status of the Union. It is not a state. It is a union of 27/28 sovereign nation states which can only take decisions in consensus or with a strong, special majority. The EU has no army. Its budget amounts to 1 % of European GDP.

These structural handicaps don't prevent the EU from overcoming two existential crises (euro zone and refugees), speaking with one voice or delivering the same message on trade (The Commission president recently negotiated with the US president on behalf of the 28; the leaders of the EU institutions recently reached an agreement with China on investment and trade frictions); speaking with one voice on monetary policy (the euro is the currency for 350 million people), on climate change (as we did in Paris in December 2015), and on large parts of foreign policy (Iran, sanctions on Russia, Korea, deal with Turkey on migration, Brexit). These topics are at the core of world policies. I admit that the EU is almost absent in the Middle East but interventions of other global players were costly and ineffective. The Syrian war is a tragedy for its people, but it is no longer geopolitically important.

Frictions in the Union are normal because there are 27/28 sovereign states. The main disagreements today are about migration, but even in this domain accords were made recently. The most controversial issue, the relocation of refugees across the Union as a whole, is now less urgent because the inflow of migrants was stemmed. In countries such as the US and the UK, migration is also a very divisive topic.

The EU is preparing a relaunch programme for the European project. The Macron-Merkel proposals are a starting point. We need a deepened Economic and Monetary Union (with the banking union as a priority) and a stronger passport-free Schengen area. We are already working on the military dimension of the Union with much more cooperation among national armies. Brexit and Trump are an incentive to intensify our efforts. On every topic we have to find a compromise between

responsibility and solidarity, risk sharing and risk reducing, national sovereignty and inevitable stronger integration. It is, as always, a gradual process. Don't expect a 'big leap forward'. A step-by-step approach has proven to be successful in the past.

Faced with growing citizen concern for their security and safety after the lack of solidarity shown by the US president and after the Russian military build-up and aggression in Ukraine, the EU has taken giant strides to improve its collective security both internally and externally. More progress has been achieved in the past two years than in the past twenty years. In December 2017, 25 Member States took the historic step to boost defence collaboration on a regular basis by putting into effect the permanent structured cooperation ('PESCO') in the field of defence, as foreseen in the Lisbon Treaty.

Under the umbrella of the European Security Union, cooperation on counter-terrorism has grown much stronger over the past few years. The EU has taken numerous measures to close down the space in which terrorists operate.

5. Brexit is the biggest political setback for the Union of the last decades. We are negotiating a withdrawal agreement and a framework for our future relationship. It is a difficult exercise because the UK is still not capable of having a clear position on both of them, at least not one that is supported by the government *and* a majority in Parliament. Actually, there is no majority for any political proposal. Not even for a 'no deal' scenario. Britain underestimated the degree of its integration in the EU after forty years, its

weak bargaining position due to its high dependency on exports to the EU (45%), the united negotiating position of the 27 and its international isolation under the Trump administration. Brexit is a choice made by a narrow majority of older people in England against the young, the regions, and London, financial capital of the world. I still hope that, confronted with the abyss of a 'no deal', reason finally will prevail on the divorce treaty , especially on the last remaining issue how to avoid a visible border between the two parts of the island whilst respecting the Good Friday agreement. Facts are stronger than ideology. First things first. After the withdrawal and during the transition period of two years we can find an agreement on our future relationship. For the EU it has to be based on the indivisibility of the 'four freedoms'.

Nothing in life is irreversible, not even Brexit.
Wait and see.

To conclude:

In this world of uncertainty and with the challenges I described it is obvious that more global and European cooperation is needed. It is a paradox that we need more Europe in times of euro negativism. Nation states cannot handle these problems on their own. They cannot fully protect people against high unemployment, insecure jobs, mass illegal migration, climate change, terrorism, social, commercial and tax dumping, huge inequalities, and threats of war on our Eastern and Southern borders. It is even common sense. People hope that 'Europe protects', as president Mitterrand said almost 30 years ago. We have to keep our societies, our democracies and our economies open but we

only can convince people that openness is key if we protect our citizens better against real or perceived threats. If we cannot protect people, they will choose protectionism. If we fail, tribalism and nationalism will be further strengthened. The biggest threat to a stable world is aggressive, nostalgic nationalism. That kind of national unity is artificial and often masks deep internal divides.

Europe matters even more today than yesterday. It is still a worthwhile ambition.

The European Union shouldn't forget the reasons why it was founded, the stability and prosperity it brought to so many people. It is fully aware of the role it can play in the world, totally different from some of its member states' past hegemonic ambitions. Making Europe great again' or even 'Making Europe great' is on nobody's agenda. Power is now

less of an issue. We are more realistic and at the same time we try to make the world a better place to live. You can call it: moral realism. It is a worthwhile ambition. Yes, Europe still makes sense!