

June 2, 2005

2 'No' Votes in Europe: The Anger Spreads

By [RICHARD BERNSTEIN](#)

BERLIN, June 1 - Some are calling it a divorce; others, a disenchantment. Whatever you call it, the French "non" on Sunday and the Dutch "nee" on Wednesday have clearly left the European Union's proposed constitution a dead letter for now, frustrating the efforts of Europe's leaders to move to the next stage of integration.

The impasse could stall efforts to develop common foreign policies and push the euro, a potent symbol of unification, into a downward spiral.

But there is something at stake here far broader than the constitution itself, which the Dutch rejected emphatically on Wednesday, 61.6 percent to 38.4 percent, according to unofficial results.

There is a disaffection, perhaps even a rebellion, against the political elites in France, Germany and Italy.

The governing parties of the left and the right are saying the same things to their people: that painful, free-market economic reforms are the only path toward rejuvenation, more jobs, better futures. And the people, who have come to equate the idea of an expanded Europe with a challenge to cradle-to-grave social protections, are giving the same answer: We don't believe you.

A French lawyer and commentator, Nicolas Baverez, who once wrote a book titled "The Fall of France," called the French vote "an insurrection, a democratic intifada," that reflected the "despair and fears of the French in front of the decline of their country and the inability of their leaders to cope with the crisis."

The repercussions of this uprising will be felt widely.

"I think there's a revolt against the establishment that leaves governments from Great Britain to France to Germany to Italy singularly weak," said Charles Kupchan, an associate professor of international relations at Georgetown University and a fellow at the Council on Foreign Relations, "and that spells trouble for Europe and it spells trouble for an America that will be looking to Europe for help on many different fronts."

The public disaffection is different in each country, and more than economic matters are involved. Europeans are worried, among other things, that the rapid enlargement of the European Union, especially the prospect of Turkey's membership, will leave them more vulnerable to uncontrolled immigration, especially by Muslims. There is a sense, palpable in the Netherlands, that the whole European enterprise is controlled by unresponsive, unelected and unaccountable bureaucrats in Brussels who have it in their power to rob countries of their national identities.

But in France, Germany and Italy, already beset by high unemployment, the worry that free-market reforms will only make matters worse predominates. A week before the French rejected the constitution, Germany's chancellor, Gerhard Schröder, called early elections, after local defeats had left him essentially without the authority to govern. Italy's prime minister, Silvio Berlusconi, has promised reforms but failed to deliver them, out of concern for mass discontent.

The paradox here is that if the political elites and most economists are right in saying that free-market reforms and more competition are essential for these nations to match their economic competition, then the "democratic intifada" could rob the faltering core of Europe of the very means it needs to rejuvenate itself.

"Old Europe lacks confidence and is therefore defensive, trying to freeze things rather than look forward, feeling that any change is bad," Mark Leonard, a specialist on European Union affairs at the Center for European Reform, said in a telephone interview. "It's a toxic brew of failure to build support for reform, terrible economic circumstances and elites that are tarnished and shop-soiled."

It would make things a bit too simple to depict public distrust of politicians in Europe these days as purely resistance to economic reform. Indeed, in Germany most people seem to accept the idea of reform, at least theoretically. The nub is that Germans are more strongly attached to a countervailing idea - that even as a country enacts reforms, it has a responsibility to protect people against their effects.

"We do need more liberalism," said Janis M. Emmanouilidis of the Center for Applied Policy Research in Munich. He was speaking of economic liberalism in the European sense, meaning greater reliance on free

markets, reduced benefits and less government protection for the work force.

"The problem is that you don't have that kind of tradition in France or Germany," he continued. "The intellectual elites in Germany argue in favor of economic liberalism in a couple of newspapers, like Frankfurter Allgemeine Zeitung and Süddeutsche Zeitung. But the rest of the elite looks at this from the standpoint of solidarity, of how you uphold solidarity in the face of reform."

This explains what might seem a paradox in the German situation: namely that in repudiating Mr. Schröder because they do not like his reform program, the Germans are turning to the conservatives' candidate for chancellor, Angela Merkel, who is likely to enact even tougher reforms than Mr. Schröder did. Of course, it does not help that unemployment keeps rising, to 12 percent now, just as Mr. Schröder's reforms have started to take a real bite out of the public welfare.

In the view of many analysts, Mrs. Merkel will have a grace period in which to enact her program, during which Germany will have a real chance to lift itself out of its stagnation. The risk is that if the conservatives' reforms do not show results fairly quickly, the political pendulum will swing against her just as it has swung against Mr. Schröder.

In France, too, those who favor liberal reforms say there is one figure who may have the convictions and the political skill to carry them out: Nicolas Sarkozy, who is expected to be reappointed interior minister and is a likely candidate for president in the next elections, in 2007.

But Mr. Chirac himself seems to have reacted to the crushing defeat he suffered on Sunday by reaffirming his attachment to what he called the "French model," which seemed a coded way of putting tough reforms on the back burner, as he has done at similar moments in the past.

"There is a gap between what reality demands and what the French people want," said the political philosopher Pierre Hassner. "The elites weren't courageous enough to explain things."

In this sense a great part of the problem, many here say, is that French leaders themselves seem to be uncertain about the need for reform, or at least are inconsistent. "Chirac is a victim of his own contradictions," said Guy Sorman, a French commentator and a rare proponent of free-market liberalism in France. "He said, 'I am for Europe but against liberalism,' but this is completely absurd because people understand that Europe is a liberal construction."