

**Munich European Forum**  
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# Opening Address



Check Against Delivery

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Welcome to the 1st BMW Foundation Munich European Forum!

When I was young, I had the dream that when traveling from Munich to Salzburg or Paris, I would not have to wait in line at the border crossing.

That pursuing my legal studies in Bologna or Prague would be possible without major administrative hurdles.

That living and working in Madrid or Stockholm would be as natural as building a livelihood in Heidelberg or Cologne.

This dream has become reality!

500 million people have the freedom to live, study or work anywhere within the European Union.

Schengen is granting us passport-free, borderless travel.

The free movement of goods, services and capital has made the EU one of the biggest single markets in the world, the very reason for the unprecedented prosperity of our societies.

But most important, our last two generations have enjoyed the longest period of peace in European history. Stable institutions underpinning democracy, a functioning market economy and a strong rule of law have become the backbone of our societies.

Europe, which during the previous two centuries has been the global center of conflict and war, has transformed itself into a continent of stability and prosperity. Today, it is an example for many other world regions.

And yet, our public discourse indicates that this dream becomes increasingly blurred.

The EU is being portrayed as a weak international actor, incapable of safeguarding its citizens from dangers like terrorism, migration or global warming.

Social inequality is on the rise, in basically every member State.

The rule of law is being challenged in member States like Hungary or Poland.

EU skepticism, which has always been a phenomenon accompanying European integration, is today higher in Austria, Italy, the Czech Republic or a new member State like Croatia than in Great Britain even after the Brexit vote.

Populist movements in many of our societies are strong advocates of “less Europe” and a return to the nation state.

What are the reasons for this turnaround?

Why do we see a resurgence of nationalist policies which have been the very reasons for the conflicts and wars of the 19th and 20th centuries?

When President Macron made his flamboyant speech at the Sorbonne two years ago, he made many of us realize the problem. The European project is being perceived by many people as an elite project, a technocratic concept which keeps producing norms and standards. It has lost the soul and hearts of our citizens.

Macron's speech made us feel proud of the most diverse cultural landscape in the world, its great intellectual capacity which is second to none, a community firmly based on common values.

But it also made us realize that the dramatic changes in our world required Europe's ability to adapt to the tremendous challenges ahead, to reinvent itself to become a strong actor in a global environment characterized by insecurity and risks, to take responsibility as a guarantor of a rule-based international system.

One might not agree with all of Macron's propositions, but his call for resolute action was timely and important.

Yet the response by most other European leaders has been timid at best, and we have seen tactical responses instead of strategic thinking.

I am sure most of us feel that the time has come for bold thinking and bold action. Europe is a treasure that needs not only to be defended, it needs to be filled with new dynamism and enthusiasm.

Europe needs Responsible Leadership – a mindset which the BMW Foundation is reinforcing through its global leadership programs.

We believe that everyone can make a crucial contribution to social and political change. Because people in positions of responsibility, like you, have an impact on organizations and institutions.

This is why we organized three European Tables – in Estonia, France and Italy – with creative minds from all sectors of society and from across the EU trying to refocus Europe from the citizens' perspective. All participants are here in Munich and ready to share their assessments and ideas.

Allow me a few initial thoughts to trigger a discussion on how to refocus the European project.

## **1. The European crisis is a symptom of a wider crisis: the crisis of liberal democracy**

When the Berlin Wall fell, back in 1989, when the Soviet Union collapsed and Germany as well as Europe were united, the American political scientist Francis Fukuyama concluded that liberal democracy had succeeded, that we had reached the end of history. His prognosis was strikingly false.

Since the first decade of the new century, we have observed a steady regression of liberal democracy, not only in far-away regions but also within the European Union.

Let's take migration as an example. Populists claim that our governments are granting immigrants more rights than are enjoyed by their own citizens.

Their narrative is: To cope with the massive influx of refugees, our governments are selling out all our achievements, our prosperity, our stability, our culture. Refugee misbehavior, which does exist, is being portrayed as the rule.

In view of the actual numbers of migrants, it is obvious that the existential threat to Europe is not migration but rather a political crisis that has taken the migration issue hostage.

By riding the populist wave, politicians of mainstream parties have contributed to an erosion of trust. Trust in the ability of governments to find workable solutions not only for the migration problem but for many other complex challenges as well. What we observe is a significant loss of trust in the political system as a whole.

Our politicians must have the courage to admit that not all problems can be solved within a nation-state framework. That some problems require European or even global approaches.

And, in particular, that solutions must be designed on the basis of our liberal values.

Europe's strength has been its value-based rule-of-law approach. The protection of human rights, including minority rights, is at the heart of our understanding of a fair and stable society.

These rights are universal and non-negotiable. This is why they are at the core of the Sustainable Development Goals of the 2030 Agenda of the UN, which also provides the framework for our work at the Foundation.

They are most relevant for our topic in the next two days: Building a Strong Europe for Citizens!

We need to understand: Our community would be losing its very rationale and its soul, if we sell these core values for short-term interests or political gain.

Trump's America should be a warning signal.

## **2. Europe needs more participation by its citizens**

More and more citizens claim that politicians are not listening to them.

Given the rising complexity and insecurity of their lives, many people are getting increasingly frustrated.

The loss of trust and the resulting frustration is driving these people into the arms of populist movements who pretend to have easy answers to complex issues. Supporting groups of activists whose common denominator is an attack on the political system as a whole offers comfort against the feeling of being lost.

What we observe is a regression of the democratic “we”.

“We” of course does not mean consensus on all issues. But “we” is a collective effort to achieve the best for society, a process based on common rules of the game, on a fundamental consensus on basic values.

I would like to emphasize: Elected officials are important in a system of representative democracy requiring stable institutions. But they cannot act in isolation.

We need more active participation by other actors, in particular business and civil society. Participation by all of us. Every one of us can make a difference.

Business leaders have leverage to influence policies. Scientists and scholars are obliged to bring reason and facts into the debate. Civic movements should pool their strengths to safeguard liberal values.

Democracy requires an active “we”. We need to forge a democratic alliance of unlikely allies.

I am glad to welcome to this Forum a number of civic movements who seek to strengthen the European process. They have decided to form an Alliance Europa – an initiative which is a direct output of our European Tables.

The BMW Foundation is happy to support the Alliance Europa and we will connect it with our Responsible Leaders Network which has a great potential for scaling this great initiative.

But they also need the support of business leaders, of politicians, people who have the courage to put common interest over self-interest.

Europe must become a union of citizens. Let us build a strong alliance inviting all citizens in our countries not only to participate in the next European elections in May 2019, but to vote for those political forces that support a strong European Union.

### **3. We do not need more Europe, we need a more efficient Europe**

We need to forge a Europe which is capable of meeting our citizens’ needs, interests and aspirations.

Europe must be firm in safeguarding our basic values. Why?

Because this is our USP, our unique selling point, the comparative advantage over all other systems I know.

But that requires, if necessary, resolute action against those who undermine these fundamental values, even if they are members of the EU. If unchecked, developments in Poland, Hungary or Italy will be causing damage to our value base.

Guaranteeing the security of our people, leading the global fight against climate change and regaining its place as a global champion of new technologies are only three of the key areas in which our citizens expect Europe to deliver.

My argument is not about individual policies.

I argue in favor of a concentration of creative and political power in the hands of the EU so that Europe will be better positioned than any individual nation-state to achieve sustainable results for our citizens.

#### **4. Europe must be the champion of efficient multilateralism**

The world is changing more rapidly than anyone expected. The bilateral world of the superpowers has not or not yet turned into a cooperative, multipolar world. On the contrary, it is becoming more and more fragmented.

Everything somehow seems to be connected: global capital flows and influx of migrants, conflicts and terror, global warming and egocentrism, political malaise and disregard of human dignity.

Crises of this complexity cannot be solved easily, let alone by individual actors. A single nation-state, even of the size of the largest European member state, is not capable of solving them. Regional and global partnerships and multilateral solutions are essential.

But the world is moving in the opposite direction. Trump's America is deconstructing the multilateral world of which it has been a major architect. Putin's Russia has decided to return to the geopolitical "Great Game" strategy, relying on military power to gain political influence.

China is on its way to return to where it was in the middle of the 19th century, namely to being the most powerful economy in the world. It still depends on multilateral cooperation. But if the western powers are not allowing Beijing to be an equal partner in building new structures of global governance, it will develop its own legal and political networks.

None of these big powers are willing or capable of taking on global leadership responsibility. Europe would be best suited to build bridges in this new and still fragile global system. We are the largest common market and still one of the most innovative economies. We have developed an unprecedented ecosphere of stable political institutions, legal standards and economic power.

But Europe is not ready.

Our governments are divided, the political elites are more interested in safeguarding their individual influence than in transferring power to European institutions.

Our societies are torn by self-doubt, although they are objectively in better shape than the rest of the world. They have lost their sense of direction.

Business has for too long concentrated on self-interest only: to develop good products, successfully play the markets, make profit. They have taken for granted a favorable political environment granting them continued opportunities. Well, that time is over.

And many of us European citizens have chosen to retreat in-to private life, to sit back, to comment on the political theatre, to remain passive actors. They are what the French sociologist Alain Ehrenberg calls the "exhausted self".

All of us need to make an active contribution enhancing Europe's readiness for assuming the role it can and should play in the world.

We must put our act together, not only within our societies, but across our continent. If I look around I see so many engaged and committed people.

Let's join forces and make Europe strong again.

Strong as a bridge builder, a leader of effective multilateral cooperation. And strong as a flag bearer of liberal values.

That, Ladies and Gentlemen, is what we want to contribute to at this European Forum in Munich. So, let's get to work.