

On the legitimation of the European Union :

The European Union and an e-democracy

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Seminar paper on the lessons of Dr. Thomas Mehlhausen

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Introduction

Why an e-democracy could be a remedy for the European Union, and with which consequences ?

European integration has never been more contested. Whether it is a question of the large internal market, tax issues or borders, most of what were considered the Union's advances are now being questioned or even contested. The peoples of Europe have not come that close to each other. Major events, such as the election of Donald Trump in the USA or the referendum for Brexit have also recently shown that this challenge was very real, and that progress towards the European dream had never been so complicated, in a context of questioning globalisation and its consequences.

Citizens have gradually turned away from a political system that overlaps with their national system and no longer see the EU as a means of solving their problems and protecting them, but rather as a slow, distant and dictatorial set of institutions.

The aim of this essay is to understand, in a first part, why citizens have turned away from the democratic system of the European Union. In a second part, we will look at how digital could be a cure for this in the coming decades and the consequences it could have.

I. The current state of the debate : the European Union's democratic deficit

There's a lot of reasons why the European Union fails to be democratic, and why citizens are always less interested by EU, who appears distant from citizens, they consider it complicated. In addition, member states are unable to reach consensus on some of the most important issues.

- Citizens don't understand EU's institutions working, and don't feel empowered -

The Parliament, the only institution directly elected by EU citizens, have weaker powers than other institutions (bicameral system). Even if the European Parliament has gradually seen its competences increase in order to be on an equal footing with the Council of Ministers. It's elections suffer from a low turnout. For example, in 2014 elections, only 35% of the UK citizens voted ! It's an important legitimation problem. An other problem is that electors of the Parliament tend to vote more on the basis of their opinion of national issues, rather than EU issues : electors globally feel distant from EU problems and workings.

The Commission is not democratically elected : the most powerful EU institution is not directly under control of EU citizens. An other example, is the Treaty establishing a Constitution for Europe in 2004, who was an important fail : EU citizens don't really trust the Union, they trust more their country to protect them and make decisions.

It seems like the European Union has an important problem of legitimation (believe on authorities and institutions).

Within the European Union, the member states have never been so selfish and concerned about their own interests : from the migrants' crisis where everyone rejects responsibility to the neighbor to unfair tax competition between member states, European subjects divide and feed Eurosceptic political parties.

- The interests of different states/peoples are distinct and almost impossible to balance -

How can countries with such different living standards and industries be reconciled ?

"The creation of the euro was based on the idea that the nominal convergence of economies, their exchange rate, their inflation rate and their public finances would guarantee their real convergence and facilitate their political integration in the long term", recalls Hakim El-Karoui, coordinator of a report by the Franco-German consultancy Roland Berger.

The result was very different because of the non-coordination of economic policies but also because of the productive specialization inherent in any monetary union resulting in increasing heterogeneity between two groups of countries, those in northern Europe led by Germany and those in the South.

The former concentrated their efforts on supporting the competitiveness of enterprises and favored policies of budgetary rigor, the latter opted for domestic demand support financed by the increase in public or private debt facilitated by the convergence of interest rates.

The euro crisis, a symptom of the Franco-German and de facto crisis of the European Union, would require an open clarification of the aims of the European Union between the Germans and the French in order to solidify a relationship necessary to the European and global geopolitical balances. The euro, in its current form, is above all the result of reciprocal neutralisation driven by intra-European rivalries, and cannot become an instrument of economic and political power that benefits its members in a balanced way.

In addition, there are also enormous cultural differences among the peoples of Europe, whether in terms of consumption patterns, the role of the medias, the place of women in society or homosexuals..

We can see here the problem of legitimacy of the European Union, who is not always viewed as right and proper by citizens.

- The EU will find it very difficult to continue its progress and skills transfers with the current system -

We can therefore see a growing distrust on the part of citizens towards the supranational power of the European Union. It seems increasingly difficult, in this context, to imagine the signing of new treaties in the near future making it possible to continue the transfer of competences from the Member States to the EU. On the contrary, it seems that we are in a context where the Member States want to maintain, or even recover, as many powers as possible in order to legislate and regulate their economies themselves. Citizens and member states have never been so unwilling to take the risk of their interests being drowned with those of their neighbors.

The global context shows the emergence of these economic egoisms in the world. A striking and current example is Trump's America, which is also looking more than ever to put its needs first, for example with more protectionism and border barriers to protect the strategic interests of its industry. Within the European Union, Germany, the exporting country by excellence, is extremely dependent on imports from the United States, and could be tempted to dissociate itself from the other EU member states and negotiate alone with Trump's America to protect this economic interest, rather than see its interests drowned out among those of its European neighbors who import more. The single currency is in the middle of these divergences: exporting countries would like to see its value decrease, while others would like to see the value of the euro increase in order to increase their purchasing power through their imports.

- Taxing problem : new treaties are necessary, the EU is paralyzed -

Taxation is also at the centre of the differences : the Member States wanted to keep this competence sovereignly. But multinationals are taking advantage of this weakness to encourage tax competition between member states, which deprives them of a lot of money and drags tax rates down. The example of Apple which established its head office in Ireland is striking: Apple pays very little tax, depriving other member states and their people of important revenues. But this is the normal functioning of the European Union, and it can do nothing against it. This would require new treaties to transfer tax powers to the EU, but this must be done unanimously. However, because this weakness benefits a few small countries such as Ireland or Luxembourg, it is clear that they do not want to change anything. The European Union is therefore paralyzed in the face of this problem,

and if this intolerable situation is not resolved by some form of tax harmonisation at European level, it will be resolved by less Europe and a return to national selfishness.

With all these problems brought about by the European construction, the idea of having less Europe is winning over some of the European peoples.

The extreme right Eurosceptic parties have progressed a lot in recent years and are stronger than ever : the Alternative für Deutschland in Germany, the Front National (FN) in France the Vlaams Belang in Belgium, the Freedom Party in the Netherlands or the Northern League as well as the Brothers of Italy (direct descendant of a fascist party) in Italy. However, the borders are blurred between moderate Eurosceptics and pro-European parties who are increasingly asking to rethink the functioning of the European institutions, and no clear consensus solution has so far emerged.

II. How digital could be a remedy for the European Union ?

The observation is therefore that a large proportion of European citizens, if they do not vote against European integration by choosing eurosceptic parties, will turn away from their democratic processes and vote less and less in European elections. If citizens do not vote activate to participate in decisions the system is not legitimized and cannot function properly.

It is from this observation that a form of "e-democracy" could emerge and bring a solution to this problem. As the digital age advances, why not use the profiling techniques usually used in marketing to find out what European citizens think and want without them having to do anything (for example : no more vote) ?

While consumer citizens continue to increase their production of data on their opinions, consumption patterns, lifestyles, readings, writings, it will always be less and less expensive to collect, store and analyze huge amounts of data. Why not use this as a pure form of expression in democratic debate with as little bias as possible ? It will then be possible to draw up a very large number of sensitivity profiles, probably much more precise and numerous than the number of elected representatives in Parliament. Increasingly sophisticated and trained artificial intelligences will have the ability to interpret and formulate citizen's demands, and to identify what brings the majority together.

- The massive collection of data for electoral purposes already exists : Obama's example -

However, massive data collection in the political field is not science fiction. The first time big data techniques were used for electoral purposes was during Obama's presidential campaign in 2008. That was the great innovation of the Obama team : a gigantic database of potential supporters and supporters, accumulated via the candidate's website and meetings. Thanks to a computer, sociological, geographical and statistical analysis, these voters were divided into groups. The analysis allowed Obama campaign volunteers to know, for example, what arguments would motivate single women, or young people, or Hispanics, to mobilize more. It was used to target ads, phone calls and calls for donations.

On polling day, in real time from its Chicago headquarters, the campaign could see up close where people were going to vote and where it was more difficult to concentrate their volunteers and

mobilize voters. The Romney campaign could not compete with such an organization and found itself faced with a bitter defeat, much stronger than the very tight vote announced by national polls, based on the assumption of a less mobilized electorate. In the end, Obama's campaign was won, at least in large part, thanks to the big data".

Elected representatives could be led to carry out much less important, rather secondary, work directly in the service of citizens through the data they have produced. They could serve only as faces to represent one political sensibility or another. They must guarantee total transparency: citizens must be able to know all the debates and votes in a simplified way on the subjects that interest them. If they retain a certain role, elected representatives must also be easily assessed in their work by citizens and, where appropriate, dismissed if they are not perfectly suited.

- Fast checking and the fight against fake news -

False information is not new, but it has taken on a certain importance during the last elections (Brexit, Trump..). They have grown in recent years and there is a need to combat them. The explosion of social networks associated with a press crisis that is having difficulty renewing itself, the invasion of Iraq, or the recent wave of terrorist attacks have caused a strong rise of populism. So do the movements of millions of refugees. In this busy context, the fake news and other hoaxes have found an environment that is favorable to their proliferation, abusing the naivety and ignorance of citizens as well as their fear of change. As usual, it is the most modest and precarious people who are most affected, and who find themselves manipulated with a false vision of the world. If decisions are directly driven by citizen's data and opinions, they must not be distorted.

This is why the establishment of an e-democracy within the European Union is conditional on a certain rigor for the media and the new media. It is necessary for an institution to organise fast checking on suspicious information, in partnership with the most serious press organisations. Freedom of the press remains a very important treasure for a democracy, but must be balanced against the right of citizens to know the truth. Scientific truths should not be denied, especially when there is a large consensus. Donald Trump was elected to the presidency of the United States after having many times repeated that global warming was an invention of the Chinese to slow down the American economy, this is not acceptable, this kind of thing must not be allowed to happen again.

- The need for clear rules to protect citizens' data -

The rules concerning the production, storage and processing of personal data must be clear for everyone, in order to respecting the privacy of citizens. The rules must be strict to protect citizens' data, and make their opinions anonymous to avoid totalitarian abuses. All citizens must know their rights to e-democracy, and know how and by whom their data are processed. The digital age applied to democracy must not mean that we must do without the basic rules that every rule of law must respect. If citizens are supposed to communicate their views sincerely to the political sphere, they must not feel under surveillance, otherwise they will distort their behavior and democracy will no longer work.

The European Union has recently taken a first step in this direction. This is the General Data Protection Regulation (GDPR), which entered into force on 25 May 2018. The far west of personal

data is coming to an end. The GDPR is a common foundation for all EU member states, making the European continent the first area in the world to care so much about citizens' privacy in the digital age. The main objectives of the GDPR are to increase both the protection of the persons concerned by the processing of their personal data and the accountability of those involved in this process, private companies or administrations. These new principles can be applied by increasing the power of regulatory authorities.

Sovereignty problem : the operating systems used today and the majority of their ecosystems are American, whose source code is rarely open and readable.

The main real producers of artificial intelligence in the world are either American with GAFAM (Google, Apple, Facebook, Amazon, Microsoft) or Chinese with BATX (Baidu, Alibaba, Tencent and Xiaomi). There is currently no artificial intelligence provider of comparable size and performance in Europe. This is not a fundamentally new problem, since the current operating systems used by state and European officials and agencies are also American (Windows..) and rarely free, which means that the source code is not readable, so it is impossible to know exactly how the computer equipment works.

These systems could be infiltrated by the American government, which poses a major sovereignty problem: how can we ensure that there is no back door? The example of the NSA surveillance scandal, revealed by Edward Snowden, must lead the decision-making bodies of the European Union to be wary, as much for its own computer equipment as for that of the citizens. Apple and Google share the mobile operating system market, and the social networks used by European citizens are currently also mostly American. It will therefore be necessary to ensure the way in which citizens' data are produced and processed without interference from third parties. Having access to the source code of the software to check it, and modify it if necessary, seems unavoidable. Why not turn to free and open systems like Linux ?

- Taxing digital giants where they do business ? -

The need to impose digital companies is never more relevant. Recently, a "GAFAM tax" was under discussion. It is a question of raising taxes where the users of online services are located, rather than where the profits generated by them are concentrated.

This does not include businesses, but "activities". In this case, those where users contribute to the bulk of value creation: sale of advertising space linked to the exploitation of private data (Facebook, Google, etc.), or intermediation platforms facilitating sales of goods and services between Internet users (Airbnb, Uber, Booking, etc.). These tax projects, debated at the initiative of Emmanuel Macron, should concern between 130 and 150 companies, a good half of which are American companies, is already considered in Washington as a crude attempt by the European Union to recover part of the huge profits generated by the Californian technology giants.

While it received strong support from Germany, Italy, Spain and the Netherlands on Wednesday, it was far from unanimous. Not surprisingly, member states with accommodating taxation (Ireland, the Netherlands, Malta, Cyprus or Luxembourg) have already reported to Brussels that they thought it was a bad idea...

- Tax harmonisation : why not floating rates according to activity ? -

To end unfair competition to attract companies, tax harmonisation within the member states of the European Union seems necessary. Since it is difficult for member states to agree on this, why not create quotas based on the turnover of companies / relative to the population of a state? If this overall turnover is too low, the tax rate would decrease to make the state in question more attractive for companies. On the contrary, if companies are very (too) abundant in one state, the tax rate would gradually increase, until it becomes prohibitive for companies, which would then wish to locate in a neighboring state with less activity and consequently a lower tax rate.

They would be dynamic and automatic rates of taxation. This could be done in an objectively fair way to adjust member state's taxation to their activity. One can also imagine a slight advantage in this calculation for member states with little infrastructure or poorly placed geographically. This would therefore be the end of the downward leveling of tax rates within the EU, which would allow states and therefore peoples to recover their due without the possibility of tax optimisation.

Conclusion

While the member states are incapable of agreeing on certain extremely important decisions, the citizens, who understand less and less the meaning of European integration and the slowness that derives from it, are turning away from it and are even tempted by the eurosceptical parties. Member states are less and less inclined to make concessions with others to take joint decisions. The current situation is not in favor of establishing new treaties to give more powers to the Union.

With the establishment of an e-democracy and a governance of citizens through data, the democratic deficit of the European Union could be filled. It would therefore enable citizens, even passive citizens, to generate transnational ideas, gathered and then expressed in the European Parliament. This could create a more favorable context for continuing to establish new treaties in order to transfer competences from the member states to the Union, unlocking the possibilities. However, it will be necessary to remain vigilant regarding data processing rules and the risks of surveillance or even interference by other States. Citizens will also have to be as enlightened as possible about the EU's major issues, so we will have to fight as best we can against false information, which will prevent the most precarious from weighing properly in decisions. Finally, objective criteria will allow member state's taxation to be harmonized dynamically and automatically in order to put an end to tax competition within the EU.