

[Brexit and the Future of Europe]

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Speaker:

- **Gerhard Schröder**, Former Chancellor of Germany

“Trust is something like a currency in international politics, and such trust has been severely damaged,” said Gerhard Schröder, the former Chancellor of Germany, of the exit of the United Kingdom from the European Union (EU). Mr. Schröder gave the opening remarks entitled Brexit and the Future of Europe on the first day of the 2016 World Knowledge Forum in Seoul, Korea.

Mr. Schröder began by explaining the process of unification of the European states. He said, “The European Union was a response to painful separation and conflict of our continent.” He explained that this was possible because “unification was based on a policy of dialogue. However, after decades of progress, we have now come to a standstill.”

Six decades after the formation of the EU, Europe is facing a time of uncertainty, escalated by the Brexit crisis. Mr. Schröder called Brexit “Britain’s biggest policy failure.” It was “a break in the political dimension that is far beyond the economic one.” He predicted that the UK would face long-term disadvantages, both socially and economically.

Additionally, he argued that the European crisis is a structural crisis, especially since the United States is politically moving away from the EU. And in order for the EU to continue to grow economically, they must form a single economy and act like a single nation.

He compared this process to the reform process, Agenda 2010, which took place in Germany to promote economic growth. When Germany enacted the reforms, the country was considered “the sick man of Europe.” Now, due to the successful reform process, Germany has become a prosperous economic power in the EU.

He went on to discuss the international conflicts Europe is facing, particularly in the Middle East, urging, “These conflicts cannot be viewed in isolation from one another.” This regional destabilization is the reason Europe has faced the largest wave of immigration, he said. He prioritized tackling the problem of refugees as one of the foremost issues in Europe today.

Mr. Schröder called for a political solution because “military intervention alone will not solve the problem.” Additionally, he said, “All actors must be gathering together at the negotiating table, including Iran and Saudi Arabia.”

Mr. Schröder emphasized that mutual distancing and isolation will only cause more setbacks. He stressed that without negotiation and cooperation, there can be no guarantee of stability and security.

Fortunately, he believes, most European nations will not follow in the footsteps of the UK. Instead, he trusts that the EU will be stronger the more they integrate, especially as they witness the economic challenges he expects the UK to face.

One key component to the greater integration of the EU is a common monetary policy. He stressed that even though it might be difficult for each country to give up their sovereign rights, their financial and socioeconomic policies need to be in harmony. For example, if tax-related policies are not integrated, then it is not possible to have a stable currency.

“Flexible integration is the answer to the European crisis,” concluded Mr. Schröder, arguing that unification is the only way for the EU to exist between the two powerhouses of the United States and China. And if the EU states cooperate and build on the trust that they share with one another, Mr. Schröder thinks the future of Europe will be bright.