

Eurosclerosis 2.0: Creating ruins in peacetime?

Bigoted hurrah Europeans and hurrah nationalists drive the EU into the ground

Several generations worked hard for over 50 years for the EU to flourish politically and economically. But for the last two decades, a generation spoiled by prosperity has been driving the EU into the ground.

The decadence and incompetence of the European elites that Europeans have endured for two decades is unprecedented. No EU generation has had such a bad record since the Second World War. These elites drove the EU into second class status, and the EU is now a case of restructuring in many areas.

Everything has both positive and negative effects, including peace and prosperity. The collateral damage of European prosperity can best be explained in the words of Juvenal (around 60–127), the specialist in Roman decadence:

“Now we bear the evils of long peace:

We are oppressed by what is harder than war, by luxury.”

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The EU, a complex and efficient confederation of states, is to be revolutionized with infantile plans for the future

The EU is the most complex and powerful supranational association of states (*Staatenverbund*). Now revolutionaries and counterrevolutionaries have brought about since 2008 Eurosclerosis 2.0 through bigoted and selfish actions. They are about to drive the EU completely into the ground with infantile plans for the future. Hurrah nationalists talk and act like Donald Trump, while hurrah Europeans talk like Mother Theresa but act like Donald Trump.

The polarization of political discourse, especially in two important policy areas, has caused Eurosclerosis 2.0: disputes over the distribution of legal competences, monetary resources and political responsibilities between the European and national levels, and between the market and the state. These are exactly the same disputes between federalists and nationalists and between neoliberals and neostatists that were essentially responsible for the first Eurosclerosis (1966-1985). Both disputes also contributed decisively to Brexit.

In the following, first the terminology and the central political controversies are explained. Second, the ups and downs of European integration are described. Third, some ways to overcome Eurosclerosis 2.0 are presented.

The EU needs neither revolutionary innovations nor counterrevolutionary turns. The EU multi-level system must be maintained in its complexity and further developed through continuous incremental improvements (kaizen) as well as through innovations. Furthermore, the complementarity of market and state is important; without it, neither prosperity nor technological innovation are possible. Ways to overcome Eurosclerosis 2.0 are presented in another article:

European Union 2.0. Plea for an Update of the EU: lauer.biz/eu-20-en.pdf.



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Market versus state: neoliberals versus neostatists

The market stands for strategies from the perspective of the individual, e.g. of people (natural persons), companies and associations (legal entities). The focus is on the autonomy and freedom of the individual.

The state stands for strategies from the perspective of a collective, e.g. of communities, countries or regions, nations, supranational (EU) as well as international (UN) organizations. In this context, the sovereignty of a collective comes to the fore. The political aspect of these collectives is to determine binding laws and values for all citizens or members. More importantly, the political claims the competence-competence. Firstly, the legislative, executive and judicial branches demand that they also determine which topics can and cannot be placed on the political agenda, i.e. what is public and what is private is negotiated here. Secondly, the question of the level to which the competence-competence belongs is a matter of dispute.

Which competencies should fall to the market, which to the state? Five ideal strategies can be identified or have been practiced over the centuries:

1. *State of nature*: the market regulates everything; the state does not exist.
2. *Neoliberalism or Manchester capitalism*: as much market as possible, as little state as necessary.
3. *Pluralistic liberalism or Rhine capitalism*: complementarity between market, state and civil society, a pluralism of market economy, state and civil society strategies as well as a multitude of individual instruments for solving existential problems.
4. *Neostatism, socialism or French étatism*: as much state as possible, as little market as necessary.
5. *Communism*: the state regulates everything; the market is completely displaced.



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These ideal-typical considerations make it possible to better understand many of the past and present conflicts at the European level. When the EU was founded, it was clearly inspired by French statism, which was tempered slightly by Germany and the Netherlands, who not only wanted more markets but also a pluralistic approach. The 1985 Single Market program bore the British signature. Margaret Thatcher was able to push through positions at the European level that corresponded to neoliberalism. In the meantime, neostatism has returned to the EU for almost two decades.

European federal state versus nation states: federalists versus nationalists

Since the emergence of the nation states, the competence-competence mentioned above was clearly at the nation state level, here it was not only determined what was public and what was private, but also at which level (nation, region or municipality) or to which political institutions (ECB, CEN, CENELEC) public tasks and competences were transferred.

In Europe, several supranational organizations emerged after the Second World War, the main purpose of which was to prevent a renewed European war between nation states and, if possible, to enable intensive exchange between all member states. The following ideal models of supranational organization can be identified:

1. *Centralistic, supranational federal state*: here the supranational level dominates, while all other levels and political institutions are hierarchically controlled from above.
2. *Federal, supranational federal state*: there is a division of tasks, especially between the supranational and the national level, although the federal level has priority. The focus is on supranational integration. In the course of a spill-over effect, the national level should ultimately transfer its sovereignty to the supranational level.



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3. *Staatenverbund* (association of states – there is no appropriate term in English, so I use the German term): is used in Germany to describe the European Union but has no direct equivalent in other languages. This is a complex political multi-level system in which states work more closely together than in a confederation but, unlike in a federal state, retain their sovereignty. The competence-competence lies at the national level of the member states, and the sovereignty of the municipal, regional, national and supranational levels is guaranteed by the subsidiarity principle.
4. *Confederation of states* or *Europe of the Fatherlands*: this model is based on intergovernmental cooperation rather than supranational integration. Sovereignty clearly lies with the nation states. These conclude contracts with each other.

The first model, the centralized federal state, was implemented by the Soviet Union and Yugoslavia and ended in disaster. In Western Europe, this model never had a realistic prospect. Nevertheless, there are left-wing populists, especially in Germany, who want to abolish the nation state and are pursuing precisely this model. In this model, only solutions at the European level would be viable for the future.

The Europe enthusiasts, e.g. in the Europa Union, a non-partisan organization, as well as the political elites in the individual member states, but above all the elites working at the European level and in its institutions, have for decades been striving for the second model: a supranational federal state. In this, they are oriented above all on the USA.

The fourth model, a *confederation of states*, has been implemented by the European Free Trade Association (EFTA). EFTA was founded in 1960 primarily at the instigation of Great Britain in response to the EC. Today there it still has four members: Iceland, Liechtenstein, Norway and Switzerland. With his veto and the Luxembourg



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Compromise (1966), Charles de Gaulle temporarily enforced this model in the EC. It was only overcome with the Single European Act (SEA), which came into force in 1987.

The EC (European Communities) consisted of the European Coal and Steel Community (ECSC) from 1952, the European Economic Community (EEC) and the European Atomic Energy Community (EAEC or Euratom), both from 1957. Since 1993, when the Maastricht Treaty came into force, the official name has been the European Union (EU).

Since the SEA, the EU has been an association of states (*Staatenverbund*) with a complex multi-level system that not only enables autonomous political decisions at the municipal, regional, national and supranational levels, but must also guarantee them on a mandatory basis due to the principle of subsidiarity.

The legal competences of the EU have been expanded and, above all, the EU Parliament has been given more rights. Furthermore, majority decisions at the EU level have become possible. However, the EU's monetary resources are very small compared to those of the nation states. The total amount of own resources may not exceed 1.2% of the gross national income (GNI) of the EU.

Nonetheless, the power of the nation states was restricted by these legal competencies. In addition, the regional level was strengthened from above. In Germany and some other European states, the regional level was very powerful, while in most other countries the regional level was only of subordinate importance. By introducing the principle of subsidiarity, great importance was attached to the fact that the autonomy of the lower levels should also be preserved.

The competence-competence lies with the nation states; they are the "masters" of the treaties. In addition to executive tasks, the EU Commission also has judicial tasks; it is the "guardian of the treaties". The judiciary in the EU lies with the European Court of Justice (ECJ) and the national courts. In addition, the ECJ even interprets legislative



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tasks from the preamble to the EU treaties, which states the aim of the “creation of an ever closer union of the peoples of Europe”. The ECJ sees itself as empowered to always judge in favor of the EU level in disputes about legal competence between nation states and the EU.

In a democracy, it would be the task of the legislature to determine what a closer union of peoples should look like. There therefore is no real separation of powers in the EU, as these explanations make clear.

The main goals of European integration: peace in Europe and international competitiveness

European integration was intended to overcome centuries of war between European nation states. The second major goal was to secure Europe’s international competitiveness and thus its prosperity. Europe was to become an important and independent international major player and assert itself alongside the USA and the Soviet Union. The former was a prerequisite for the latter to succeed. Furthermore, the unity of Europe was to be achieved without national diversity falling by the wayside.

The rapid establishment of a European federal state on the American model failed in 1954 because the French National Assembly rejected a European Defense Community (EDC). Thereafter, a functionalist strategy was pursued. The inclusion of more and more policy areas into the supranational sphere through European harmonization was intended to create a spill-over effect and thus eventually overcome the nation state and create a European federal state.

After the Second World War, two strategies were implemented in Western Europe to establish a European community. The EC established *supranational integration*, while EFTA (European Free Trade Association, 1960), established *intergovernmental cooperation*. The first strategy achieved better progress and success; Great Britain



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asked to join the EC as early as 1962. But De Gaulle prevented accession, and it was not until 1973 that Britain was admitted to the EC.

The first goal of creating peace between the member states was achieved: disputes were no longer played out on the battlefield in Western Europe, but always in (interminably long) meetings in Brussels as well as at regular summit meetings in all member states.

On the military level, there have been very modest successes despite some attempts; without the USA, Europe cannot guarantee its own security. To date a European defense could only be realized in rudimentary form; the EU is still a ward of the USA in this respect.

There was more success in economic matters, although there have been two major setbacks in this area as well: the first Eurosclerosis from 1966 to 1987, and the second Eurosclerosis since 2008. The two most important reasons for both the first and the second Eurosclerosis are: blockage of the political system, and lack of international competitiveness. At its core, this sclerosis is a state failure. It reflects the incapacity of the political system, which prevents timely change and thus successful adaptation to new developments.

First Eurosclerosis (1966-1985): blockade of the political system, lack of international competitiveness

The term “Eurosclerosis” was coined in 1985 by the German economist Herbert Giersch. It is an artificial word made up of the terms “Euro” and “sclerosis” (hardening, calcification or blockage). Giersch focused primarily on economic parameters. In my analysis, I focus primarily on political-institutional as well as technological factors.

The unilateral preference for the European level was one of the main reasons for the first Eurosclerosis. De Gaulle brought supranational integration to a halt by reversing the very few majority decisions at the European level. The Luxembourg Compromise



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(1966) secured a veto right for each member state, so that decisions had to be unanimous at the European level. The dream of a European federal state was over for the time being; de Gaulle's "Europe of fatherlands" was the system of intergovernmental cooperation. This led to a serious blockade of the EC's political system, which would not be overcome until 1987.

Veto rights very often lead to the blocking of political decisions, and institutional changes become almost impossible. Since the EC was a multi-level system in which the nation state had by far the greatest number of competencies and resources, various interlinked structures emerged that prevented optimal control. In other words, there were political entanglement traps (*Politikverflechtungsfalle*), as Fritz Wilhelm Scharpf aptly put it. There was an urgent need to improve the decision-making system.

The second main reason was the decline in international competitiveness or the inability to adapt to the economic changes of the time. The importance of coal and steel declined rapidly, and this led to enormous distortions. Worse, however, was the inability to cope with Asian competition, just as is the case today. The Japanese took over entire economic sectors in the entertainment industry (photographic and television equipment). In the 1980s, even the German automotive industry was on Japan's shopping list, a fact hardly anyone remembers today. It was only the fear of being relegated to the second league economically that created the necessary pressure to advance European integration (militarily and politically, the EU had already been in the second league since the Second World War, since it could not stand against the two superpowers, the USA and the Soviet Union, in these areas).



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Further development of the European Communities (EC) into the European Union (EU).

The deadlock in the political system was overcome by introducing a complex multi-level system through the Single European Act (SEA, adopted in 1985 and entered into force in 1987). New decision-making procedures, especially the introduction of majority voting at the EU level, made it possible to realize substantial efficiency gains. The introduction of the subsidiarity principle as another structural principle of the EC has helped overcome political decision-making blockades. The importance of all levels of government (European level, nation states and regions, as well as municipalities) was explicitly emphasized. Only problems that could not be solved at the lower levels were to be transferred to the EU level.

In addition, there was an important strategic reorientation: instead of relying solely on European harmonization, from then on the focus shifted to also include the *mutual recognition of national rules*.

The *single market project* and *monetary union* led to the restoration of international competitiveness, from which the EU continues to benefit today. Of decisive importance for the practical implementation of the project were the detailed programs, the most effective of which was certainly the White Paper for the Completion of the Single Market of 1985, which envisaged the completion of the European single market by 1992.

It is important to note at this point that the national and regional levels, and not just the EU level, were greatly strengthened by these reforms. The strength of the EU is rooted in the fact that it can rely on strong nation states. At the same time, the nation states would be nowhere near as powerful if they were not part of the EU.

The single market program, and later the introduction of a common currency, the euro, as well as the enlargement policy to the east, set in motion an economic dynamic which



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today's prosperity is largely based on. The EU has been able to overtake not only Japan but also the USA in some areas.

The economic success was enormous. Today, the German automotive industry is on par with the Japanese and can easily compete with them, and is even often superior. Not least because of the three rounds of enlargement in the 21st century, the EU did very well economically; even more importantly, its appeal still survives. In the EU, however, primarily economically weak candidates are pushing forward, while a strong country like Great Britain is leaving the EU.

EU generation

The second powerful generation in Europe after the founding fathers included the following personalities: Jaques Delors, the most successful president of the EU Commission, Valéry Giscard d'Estaing, François Mitterand, Helmut Schmidt, Helmut Kohl, Margaret Thatcher, Giulio Andreotti and, as the youngest member, the young Jean-Claude Juncker. They overcame the first Eurosclerosis and laid the foundations that allow us to still be doing so well (!) in the EU today. I call them the EU generation that developed the EC into the EU.

Eurosclerosis 2.0

However, the lack of international competitiveness has been impossible to ignore for years. Developing countries like China and South Korea have overtaken not only Germany but the entire EU in digitization and education policy. Above all, government failure at the European and national level is responsible for this misery.

Bigoted hurrah Europeans and hurrah nationalists have contributed to an infantilization and polarization of the political culture. Instead of further developing and adapting the existing complex distribution of competences to the new realities through both steady incremental improvements (kaizen) and innovations, infantile, either revolutionary or counterrevolutionary, innovations are pursued, thus further reinforcing Eurosclerosis



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2.0. This has not only caused a paralysis of state institutions at both the European and national levels, but has also caused a split in the EU and resulted in Brexit.

Lack of international competitiveness: state failure at the European and national levels

At the beginning of the 21st century, a lack of international competitiveness is once again becoming apparent. The EU simply lacks international competitiveness in a digital knowledge society. Politicians both in Germany and at the EU level have been asleep at the wheel for this necessary change in both education and digital infrastructure policy. It is a paradox: although neostatism dominates both at the EU level and in most EU countries, international competitiveness has come about through state failure.

The 1985 Single Market program and the EU enlargement rounds led to enormous economic growth. Furthermore, the unleashing of market forces led to technological advances, with tremendous developments in many fields, not just the automotive industry.

The EU became the leader in cell phone production in the 1990s, with Nokia, Ericsson and Siemens accounting for well over 50 percent, and in some cases two-thirds, of global cell phone production at the beginning of the century. These companies supplied both the hardware and the software. Furthermore, the standards for the the first two generations of mobile communications networks were also set by these European companies.

In the meantime, Europe has become insignificant in both cell phone production and networks and has been overtaken by two former developing countries, China and South Korea. The expansion of communication networks in the EU cannot keep up with the network expansion in East Asia. In Germany in particular, it is catastrophic: Germany ranks second to last in the EU in terms of expansion of fiber optic networks.



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Furthermore, the hardware needed to run the networks is built primarily in Asia, while the software for the cell phones comes from the USA.

The state can perform a wide variety of tasks that have an impact on the economy. One such task is as a *regulator*, formulating rules for the economy. Ordoliberalism believes that this should be the only task in this regard. But the state can also act as a *provider* of economic services through state-owned enterprises. The state also acts as a *customer* of economic services. It is primarily in this role that it has failed in the transition to the knowledge society.

The European states and the EU have not invested enough in the digital infrastructure or in the digitization of public administration. On top of that, the states have behaved like highwaymen. In Germany alone, in two decades private companies have had to pay the state billions for each network generation for the use of radio frequencies.

Education policy reflects a similar picture. The PISA studies since the beginning of the 21st century have shown that the education system in Germany and many other EU countries cannot keep up with the East Asian systems (China, Japan, Singapore, South Korea or Taiwan). This is especially true for the MINT subjects, which are crucial for technological development. This disadvantage, which is central to the knowledge society, has barely been reduced to this day, although politicians have been promising to address it for over a decade. Even worse: a very complex and efficient education system is being destroyed in Germany for ideological reasons. The aim is to enforce equality through inclusion, but the result is equalization to the lowest common and the destruction of the efficiency of the German education system. In addition, while spending on education, like all government spending, has risen steadily, state services to citizens, especially in terms of education, have deteriorated.



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European bigotry: European rhetoric and nationalist action

Hooray nationalists are easily identified: they talk and act like Donald Trump. Hurrah Europeans are wolves in sheep's clothing, always hiding behind a humanist mask. They invoke European or humanist values while acting with extreme selfishness: they talk like Mother Theresa but act like Donald Trump.

Bigotry is a discipline that has been successfully practiced by Christian churches, especially in continental Europe, for two millennia. "Preach water and drink wine" and "Do what the pastor says, not what he does" are examples of popular wisdom in Europe. Common sense enables everyone to distinguish between bigoted Pharisees, who crowd the bishops' palaces in particular, and practicing Christians who take the Gospel and the actions of Jesus Christ seriously. The fish stinks from the head, as can be seen especially in the big churches of Europe. It is not the millions leaving these lying churches who are the problem, but the Christian establishment itself.

Left-wing populists (socialists, communists) also have over a century of experience with bigotry. Left-wing populists hide behind a humanist mask and invoke human rights, while trampling them underfoot in their daily actions.

Both bishops and left-wing populists speak of paradise in the hereafter, or in this world in the distant future. But actions speak louder than words, as the Bible also says. Bishops have no inhibitions about preaching on children's rights from the pulpit, at the same time abusing children themselves or protecting criminal pedophile brothers and thus consciously accepting the suffering of children in the future. Religious wars caused millions of deaths. In the short 20th century (1917-1991) alone, the left-wing populists have about 100 million deaths on their conscience, the National Socialists 25 million.

Christian and socialist politicians dominate all European institutions, including the European Parliament. While pragmatists dominated Christian parties until the turn of



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the millennium and reformers dominated socialist and social democratic parties, these two popular parties have been led by bigoted and unworldly moralists for two decades. Even among hurrah Europeans, Christian as well as socialist politicians, aspiration and reality are miles apart.

The fact that the British, the Poles and the Hungarians have been overplaying the nationalist card for years is discussed publicly extensively and has become “common knowledge”. The bigoted behavior of hurrah Europeans, who exist in all EU countries, often flies under the public radar and will be illustrated below with two examples. The most bigoted hurrah Europeans are found in Berlin, Luxembourg and Paris. Here, European rhetoric is preached at the highest level while nationalistic behavior is practiced.

Germany first

The double standard of German politics is illustrated very clearly by the example of energy policy. Claims and reality have been extremely divergent in this policy area for two decades. In Berlin, quite a few people talk like Mother Theresa and act like Donald Trump. Germany always presents itself as a model student when it comes to European and international cooperation. But in gas supply, Germany has been pursuing a Germany-first policy for two decades, long before Trump invented the slogan "America first", without regard for the interests of EU or NATO partners.

At the beginning of the century, the EU's plans were to diversify the EU's gas supply. Two new pipelines were to be built, the Nord Stream pipeline from Russia through the Baltic Sea to Germany, and the Nabucco pipeline. The latter was to bring natural gas from the Caspian Sea via Turkey to Italy and Austria. The first project was realized as Nord Stream 1 and inaugurated in 2011, while the second project was abandoned.

Later two more projects were launched, Nord Stream 2, again from Russia to Germany, and South Stream. South Stream was to deliver gas from Russia through the Black



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Sea to the Bulgarian coast, and from there one pipeline was to go to Austria and the other to Italy, supplying gas to all southeastern European states. But Russia's annexation of Crimea in March 2014 upset these plans. The EU imposed several sanctions on Russia in March as a result.

The German proponents of the Nord Stream 2 project claim, contrary to the truth, that it is a European project. The EU's main institutions, the Commission, Parliament and Council, have not only repeatedly spoken out against this project, but have also adopted concrete measures to prevent it. Germany, however, has selfishly asserted its interests against the EU and its European partner countries.

The countries of southern and southeastern Europe were unable to do so, although one of the largest EU countries, Italy, was also affected, along with Bulgaria, Greece, Hungary and Austria. In June 2014, the Commission initiated infringement procedures over South Stream against Bulgaria, which subsequently halted work. The EU Commissioner for Energy from 2010 to September 2014 was the German Günther Oettinger. No infringement procedure was opened against Germany. In December 2014, Putin buried the project. Now the gas is pumped through the Black Sea to Turkey through a pipeline named Turkstream. There are plans for a pipeline from Turkey to Greece that will eventually pump gas to Italy and Austria, if it is ever completed. The European part of this pipeline is now called Tesla. It has made Europe dependent on the whims of Turkey. Thus the goal of an independent supply for the EU was deliberately made more difficult by Germany. It is not Germany but its EU partners in southeastern Europe that are paying the price.

Germany and France are the only large countries in the EU that can ruthlessly assert their interests. Former EU Commission President Juncker responded to the question of why France was not charged with violating the Stability Pact, after all an important European treaty right, as follows: because it is France, France as it always has been (*"Parce que c'est la France, la France de toujours"*). Not only was the UK not given



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preferential treatment, it was simply isolated on important issues, which is certainly a significant reason for Brexit.

Luxembourg first

In addition to Germany and France, Luxembourg is the only country that can pursue an extreme nationalist strategy in the EU without being constantly criticized or sanctioned, as Hungary or Poland are. Together with Germany, Luxembourg is a moral superpower. Luxembourg's major exports are tax-saving models and moral lessons for EU countries that do not fall in line.

One of the most important problems of the EU was how to adjust the two elephants of the EU (France and Germany) so that the Franco-German engine of the EU could get started and going on. Luxembourg played a very useful role in this and was rewarded handsomely. A significant part of Luxembourg's prosperity is based on its tax-saving models for the rich and international corporations. Furthermore, together with Ireland and the Netherlands, Luxembourg has prevented tax harmonization in the EU for decades. As a result, tax policy is the only policy area in which the European single market has not been implemented. The other EU states lose billions in taxes every year due to this selfish approach.

In addition to the tax loopholes, it is also of note that Luxembourg hosts more major EU institutions than any other country: ECJ, European Investment Bank and the EU Parliament. Luxembourg benefits from the traveling circus of the EU Parliament, whose official seat is in Strasbourg, while committee and group meetings are held in Brussels and the Parliament's General Secretariat is in Luxembourg.



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Brexit or advanced Anglophobia

In continental Europe, the British are wrongly branded as nationalists and neoliberals. As a rule, the British do not take an ideological approach, but rather a pragmatists, even with regard to solving state problems. Thus, even under Margaret Thatcher, who is considered the very incarnation of a nationalist and neoliberal, they supported an expansion of the supranational level (see SEA). Furthermore, the English health care system (NHS) is purely state-run, something Germany is still miles away from.

The British have been marginalized and ignored by the federalist hurrah Europeans in negotiations on the future development of the EU. Since the resignation of Margaret Thatcher, they have been unable to get their ideas accepted, either in the distribution of competencies between the national and European levels or in the choice of free-market or state strategies. Hence the frustration with the EU among the majority of British politicians.

The infantilism of the hurrah Europeans is striking. They do not realize that the EU Commission, or Barnier, the negotiator in charge, is angering the British, and that this is also driving the EU into the ground – firstly because the divisions in Europe have reached a new dimension, and secondly because without the British and EFTA, the EU cannot establish itself as an independent player alongside China and the USA.

Decadent (bigoted as well as nationalistic) incompetents in government offices

“Incompetents in Pin-Striped Suits: Germany’s Managers in the Twilight” (“*Nieten In Nadelstreifen. Deutschlands Manager Im Zwielicht*”) was the title of a book published in 1992 by Günter Ogger. Ogger criticized the “self-serving” pussyfooters of the “carpeted storeys” in business. With his book, he drew attention to the charlatans who, through stupidity, ignorance, hubris or incompetence, have destroyed gigantic fortunes to the detriment of shareholders, employees and the German economy. But



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incompetents also exist in government. Two important differences can be noted between private managers and politicians, firstly that in business the length of time that incompetents stay in office is much shorter, and secondly that the damage caused by politicians is much greater.

The EU generation discussed above stands for the further development of the EC into the EU. The bigoted hurrah Europeans as well as the hurrah nationalists are responsible for both the technological decline and the division of the EU since the beginning of the 21st century. The state failure led to the EU falling behind in relation to the East Asians and the USA; worse, due to the poor education systems compared to the main competitors, the chances of catching up are very low. In addition, because of the coronavirus crisis, there are now trillions in national debt that future generations will have to shoulder with extremely unfavorable demographics.

The decadence and incompetence of the European elites that Europeans have endured for two decades is unprecedented. No EU generation has had such a bad record since the Second World War. Here are a few names, although the list is far from complete: Jean-Claude Juncker, the worst EU Commission President, Gerhard Schröder, Angela Merkel, Frank-Walter Steinmeier, Günther Oettinger, Ursula von der Leyen, Nicolas Sarkozy, François Hollande, Silvio Berlusconi, Tony Blair, Gordon Brown, David Cameron, Viktor Orbán.

The peak of mendacity is achieved by two former heads of government: Schröder and Cameron. Although both are generously paid by their countries, they act as lobbyists for foreign countries hostile to the EU, one for Russia, the other for China. And just when you think it could not get any worse, someone comes along and tops it. The fact that a current German president, Frank-Walter Steinmeier, is advertising a Russian project and instrumentalizing 20 million dead from the Second World War in the process would be unimaginable in one's worst nightmares. It is downright breathtaking how the infernal trio of Schröder, Steinmeier and Gabriel, all former SPD chairmen and



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holders of the highest state offices, promote disenchantment with politics and were actively supported by at least two Christian Democrats, Merkel and Oettinger, in the gas conflict.

The state failure is primarily due to poor policy strategies. However, personnel is at least as important. In the following, a comparison is made between the political-administrative personnel of China and Germany. At the beginning of the 21st century, Germany was technologically far superior to China; since then, China has long since achieved the digital knowledge society. It has an extremely powerful digital infrastructure of its own making, while Germany and Europe is dependent on China to build its digital infrastructure. Furthermore, China's education system is much more effective than Germany's.

During the Maoist Cultural Revolution (1966-1976), ownership and performance were frowned upon. The Red Guards, consisting of vulgar Marxist semi-literates, wiped out the Chinese elite, killing about 20 million people and catapulting the country back to the Stone Age. This mass murder was preceded by an even greater one: in the so-called Great Leap Forward, some 15 to 45 million people died in the Great Famine of 1959 to 1961.

The Chinese Communists have learned from this experience and have recognized the importance of property and performance, on which Western prosperity is essentially based. Today, millionaires and billionaires sit in the Chinese parliament. Vulgar Marxist semi-illiterates can at most look forward to careers in re-education camps; at the crucial political levers sit people who were often educated at two universities of excellence, one Chinese and usually a top American or other foreign university.

The most represented group in the Bundestag during the Bonn Republic (1949-1990) was civil servants. This fact was always criticized, but the benefits associated with it were overlooked. The Bonn Republic was not a capitalist system, as vulgar Marxists still claim today, but a pluralist system, including a very efficient state and political



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institutions. The most represented group in the Bundestag in the Berlin Republic (1990 to today) is college dropouts and plagiarists. Angela Merkel's favorite ministers are two plagiarists (Schavan and zu Guttenberg), who for years led very important ministries, education and defense. Even now there is another plagiarist (Giffey) in the cabinet.

Anyone who thinks that it cannot get any worse in Germany is wrong. The SPD, the oldest and most deserving party in Germany, is now predominantly led at the federal level by vulgar Marxists and Maoist apparatchiks. Kevin Kühnert, a 30-year-old college dropout, was elected deputy party chairman and even played a prominent role in the election of his two party leaders. His greatest achievement was putting the nationalization socialization of BMW on the agenda. BMW is one of the most successful and popular companies in Germany. Such Maoist concepts have been filtered out in China, but unfortunately not in Germany.

Kühnert and his comrades are not the first to drop out of university. The phenomenon is also seen in the USA. Quite a few dropouts are revered there too. However, there is one crucial difference to Germany. In the US, dropouts have to build something themselves, preferably a globally successful company, before they are revered, such as Bill Gates, Elon Musk or Mark Zuckerberg. In so-called capitalist systems, building achievement counts; socialist fun revolutionaries, meanwhile, can only destroy what others, capitalists and kulaks (rich peasants), have built.

A comparison of the achievements made under the Kohl government in foreign and European policy with the achievements of the Schröder and Merkel governments also reveals a clear picture. When the liberal-conservative government came to power in 1982, Germany was a frontline state in the Cold War, and the whole EC was in a technological and economic crisis. Relations with the most important ally, the US, were excellent under both Republican (Reagan, Bush) and Democratic administrations (Clinton). The same was true of relations with the second and third most important allies, France and Great Britain. Relations with all other EU states were also intact. In



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addition, from 1990 onward, relations were very good with the Soviet Union and later with Russia as well as Hungary and Poland. Relations with Turkey were just as good. In short: in 1998, at the end of the liberal-conservative Kohl governments, Germany was surrounded by friends.

In the meantime, the picture has changed completely. Relations with the US are very bad; anti-Americanism has been present in the German government for years. There is an extremely hostile relationship with Russia, despite Nord Stream. The relation with Turkey is not quite as bad, but it is far from the halcyon days. Most problematic, however, is the division in the EU, with Brexit and the very poor relations with Hungary, Poland, Greece and Italy. This is starkly illustrated by the fact that in the latter countries, even members of the government have been playing the Nazi card. This shows how dysfunctional the EU has become. With the example of the EU gas supply, I have shown how recklessly Germany has behaved. Unfortunately, this approach can also be seen in other important policy areas, leading other countries to feel that they can only force Germany to the negotiating table by using the Nazi card.

The Corona crisis clearly shows that Germany and the EU have been overtaken by the East Asian countries. Although German politicians declared themselves the Corona World Champion after the first Corona wave, it was at most a Corona European Champion. In the meantime, Germany is not even that. Regardless of which criteria are applied, infected people, corona deaths, psychological, economic damage, the East Asians not only in totalitarian China, but also the democratic countries of Japan, South Korea and Taiwan are miles ahead of the EU.

European panic orchestra

The decadent, bigoted and nationalist EU generation has not only caused Eurosclerosis 2.0, but is in the process of driving the EU into the ground and selling the result as a world salvation.



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Several generations worked hard for over 50 years for the EU to flourish politically and economically. But for the last two decades, a generation spoiled by prosperity has been driving the EU into the ground.

The generation of Honecker the leader of the German Democratic Republic and his socialist Eastern European colleagues in particular has succeeded in creating rubble during peacetime. But there is a difference: Honecker first built what he then ruined. The decadent present EU generation is destroying what other generations have built. Incidentally, Merkel and von der Leyen, two bigoted and destructive, i.e. not modern, but postmodern rubble women, prove that women can easily compete with men in the bad as in the good.

The current European panic orchestra is destroying what other generations have built. It took charge of an EU that was the world leader in economic terms, that could keep up with technological developments and even set the tone for cell phone hardware and software and network technology, and that was politically decisive alongside the USA.

The economic situation today is not bad by international standards, but the EU is left behind when it comes to digitization and educational policy. Politically, it is just a figurehead. Great Britain has left the EU. The remaining EU is divided in many ways. On one side the hurrah Europeans, on the other the hurrah nationalists, on one side the elephants and hegemons (Germany, France, Luxembourg), on the other the powerless (starting with Italy and another 23 countries). In the EU, the following obviously applies: *Quod licet Jovi, non licet bovi* ("What Jupiter is permitted, the ox is not"). In the EU today, there are three hurrah gods and twenty-four oxen. In short: within twenty years, the EU will only be a shadow of its former self. This is the balance sheet that bigoted, incompetent and postmodern fun revolutionaries will leave behind. It is a decadent EU generation that is capable of anything, but is of no use: "But you can't put a crown on a clown and expect a king."



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Apparently, quite a few politicians strive for one thing above all: *studio credibility*. The most important attribute is to look good in the media. On Sundays and on public holidays, wonderful slogans are presented in a tone of deep conviction, such as Merkel's "We can do it". In contrast, there is no action on working days, which primarily documents a lack of commitment and incompetence. This generation especially in Germany distinguishes between primary and secondary virtues. The most important primary or cardinal virtues are prudence, justice, bravery, temperance. The secondary virtues include, in particular, hard work, loyalty, obedience, discipline, sense of duty, punctuality, reliability, orderliness, politeness, cleanliness. The East Asians have not sorted out the secondary virtues; as a result, they were able to outclass the EU.

If you compare the political claims that the German and European elites have formulated in the last two decades with the results achieved, the result is not only a political analysis, but also a satire, or, in the words of Juvenal: *difficile est, saturam non scribere* ("It is difficult not to write satire").

Source: lauer.biz/eurosclerosis.pdf.

Ways to overcome Eurosclerosis 2.0 are presented in another article:

European Union 2.0. Plea for an Update of the EU: lauer.biz/eu-20-en.pdf.

This article explains why updating the EU is better than revolutionizing it by rebooting it. It discusses how to overcome Eurosclerosis 2.0. The EU needs neither revolutionary innovations nor counter-revolutionary turns, but an incremental and innovative further development. In short: the wheel doesn't need to be reinvented.



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