

The EU in (very) turbulent times

How major crises affect a rather peculiar polity

Maurizio Cotta

University of Siena

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How does the EU change over time?

The Monnet proposition

European integration develops through crises (Jean Monnet).

Three major crises over the past two decades offer an opportunity to test this proposition.

The EU's distinctive polity model poses challenges for theories of political change.

Research questions

1. Which crises affect the EU, and when?
2. How does the EU respond?
3. What effects do crises have, and on which dimensions of this polity?
4. How can we explain these changes?

Can developmental theories of the nation state help explain change in the EU?

Theories of state development and the EU

Can we apply theories of nation-state development to the EU? Is there a general theory of nation states?

State-building theories

Darwinian competition within and between sovereign polities encourages the accumulation of central political and bureaucratic resources.

Democratisation theories

The modern state's need for legitimacy interacts with societal mobilisation and competition among political actors.

Welfare-state development

Democratic states seek to preserve internal cohesion in the face of social conflict.

State responsibilities expanded significantly after the great economic crisis. Change combines strong institutional inertia with abrupt shifts during crises.

The EU as a special polity

The concept of polity

A relatively bounded political space, with an authority system and policies that apply within it.

The modern nation state is the predominant contemporary model, with significant variation across cases.

The EU has been described as a multilevel governance system, a compound polity, a *demoicracy* and a form of partial federalism.

The EU's distinctive features

Voluntary cooperation among established democratic polities with strong sovereignty traditions, coexisting within and alongside the EU.

Limited competences, especially in fiscal and economic policy, and no monopoly over foreign and security policy.

Limited financial and bureaucratic resources, but significant regulatory powers.

EU democratic institutions coexist with relatively weak representation and accountability, competing with established national processes.

How different polities respond to crises

A crisis is a concentrated set of unexpected economic, social or strategic events with potentially serious negative effects on a polity's internal and external well-being.

What a crisis can challenge

Politics: Elites and institutions may struggle to anticipate new problems and respond to them.

Policy: Existing policies may fail to counter the crisis's negative effects.

Polity: Internal cohesion and the polity's very form may come under strain or break down.

Member states are likely to respond first. EU responses are rarer and typically delayed.

Member states and the EU

National welfare states have broad responsibilities for citizens' economic and social well-being. Developed crisis sensors and accountability mechanisms press them to act.

The EU has more limited responsibilities and less active crisis sensors and accountability mechanisms.

Why EU responses may be delayed

Crises usually affect member states more directly and intensely than they affect EU institutions and policies.

Obstacles to a European response

Competition between national and European solutions

A lack of adequate EU policy tools

Institutional and procedural deficiencies

Weak political leadership at EU level, alongside strong technocratic features

What prompts EU action?

A crisis directly affects EU policy competences.

Member states cannot respond effectively alone and recognise the benefits of collective action through EU institutions.

The Union's cohesion and its most important acquis come under threat.

Potential EU responses to crises

Policy

Expansion or strengthening of existing policies

Introduction of new policies

Development of new resources

Politics

Strengthening of existing institutions

New institutions and procedures

The rise of new elites

Polity

A changing balance between the EU and member states

Possible movement towards federalisation

Possible reversals include a rollback of integration and stronger nationalist pressures.

Three major crises in two decades

Financial and sovereign debt crisis

Financial instability, sovereign debt pressures and recession

COVID-19 crisis

Severe pressure on healthcare systems and economic recession

War in Ukraine and conflict in Gaza

Changes in international relations and significant economic repercussions

The financial crisis: effects and responses

2008 onwards

Contagion and national responses

US contagion: A property bubble and defaults on subprime mortgages.

National effects: Banking crises (Ireland), rising sovereign debt and interest rates, unemployment and recession.

Defensive responses: State aid and higher public spending threatened the single market and Monetary Union rules.

Limits of national action: Limited capacity and spillover risks, exemplified by Greece, prompted a search for European solutions.

European responses

Budgetary discipline: Six-Pack (2011) and Fiscal Compact (2012).

Lending facilities: EFSF and EFSM (2010), then ESM (2012), addressed sovereign debt crises through EU and intergovernmental arrangements.

ECB empowerment: A stronger public role and sharper interest-rate cuts (2012–13), TLTROs for banks (2014, 2016, 2019), and quantitative easing (initial steps in 2009–11, broader deployment in 2015).

Financial crisis: preliminary conclusions

National limits: Member states alone could not provide an adequate response to a major financial and economic crisis.

ECB leadership: Innovative leadership helped the EU's most federal institution become a central crisis actor and expand its de facto mandate to support the economy.

European instruments: Bank bailouts and sovereign debt support became necessary despite Maastricht Treaty restrictions. The ESM offered an intermediate solution.

Fragmentation risks: Threats to the Union's cohesion played a significant role in prompting stronger responses and institutional innovation.

The COVID-19 crisis

February 2020 onwards

Effects and initial national responses

Severe pressure on healthcare personnel, equipment and supplies

Strict mobility restrictions and lockdowns

A sudden economic recession

Rising national debt and wider sovereign bond spreads

An urgent search for vaccines

Emerging problems

The scale of the crisis quickly exposed the limits of national solutions.

Existing EU market and financial rules proved counterproductive.

Competition among member states intensified.

EU cohesion came under threat.

COVID-19: EU responses

Immediate responses

Rules: Relaxation of state aid rules (March 2020) and suspension of the Stability and Growth Pact's fiscal requirements.

Procurement: Joint purchasing of medical supplies and vaccines. EU Vaccines Strategy (June 2020).

ECB PEPP: Purchases of private and predominantly public securities, from 24 March 2020 to March 2022. Cumulative net purchases: €1,718 billion.

ESM: Pandemic Crisis Support (May 2020).

Recovery and public health

NextGenerationEU: Commission proposal in May 2020, financed through EU debt and incorporated into the EU budget. European Council agreement in July 2020 and Parliament–Council agreement in November 2020.

SURE: Support to mitigate unemployment risks.

European Health Union: Greater Commission powers, with participation by national authorities (Ferrera et al., 2024).

COVID-19: preliminary conclusions

Pressure for a collective response

The crisis rapidly affected healthcare, the economy and sovereign debt.

Both national responses and existing EU regulatory regimes soon proved inadequate.

Urgent calls for solidarity highlighted the benefits of cooperation.

Policy and institutional change

Regulatory flexibility and tools inherited from the previous crisis, including the ECB's expanded role and the ESM, enabled an initial response.

The scale of the needs opened a window for stronger Commission actorness and major new instruments: SURE and NextGenerationEU.

War: the EU's strategic challenge

An ongoing crisis reshapes strategic balances in Europe and beyond. Russia increasingly appears as a military rival for control of European space, rather than a trading partner or economic competitor.

Can a predominantly economic Union become a fully fledged political actor?

National and external constraints

Foreign and security policy remains a national preserve, with a weak EU role and competing US and NATO influence.

National diplomacy failed to prevent war, despite the Minsk agreements and French and German leaders' contacts with Putin.

Institutional fragmentation

Dispersed leadership across the European Council, Commission and High Representative complicates coordination. Instruments remain weak (European Peace Facility, 2021, strengthened in 2022).

Threat perceptions vary. Fragmentation risks face little counterweight from an almost absent defence acquis.

War: EU adaptation and remaining limits

Resources and commitments

The EU is slowly adapting to the new international environment, with a commitment to unwavering support for Ukraine.

EU institutions and member states have increasingly replaced US support. As of August 2026: €201 billion from the EU and its members, compared with €101 billion from the US.

Support develops at both national and EU levels, with large differences among national contributions.

Diplomacy and European security

Europe's presence at the negotiating table remains weak.

ReArm Europe / Readiness 2030 provides fiscal flexibility. SAFE offers loans for European security.

The relationship between NATO and European defence efforts remains unclear.

Some critical military capabilities remain available only from the US.

Major changes across the three crises

Economic and fiscal responsibilities

A stronger ECB role in monetary policy and support for economic growth.

New tools for major banking crises and sovereign debt problems (EFSF and ESM).

A partial opening to common debt for recovery (NextGenerationEU), unemployment support (SURE), military investment (SAFE) and a support loan for Ukraine.

Continuing difficulties over the size and structure of the new multiannual budget.

Health, foreign policy and security

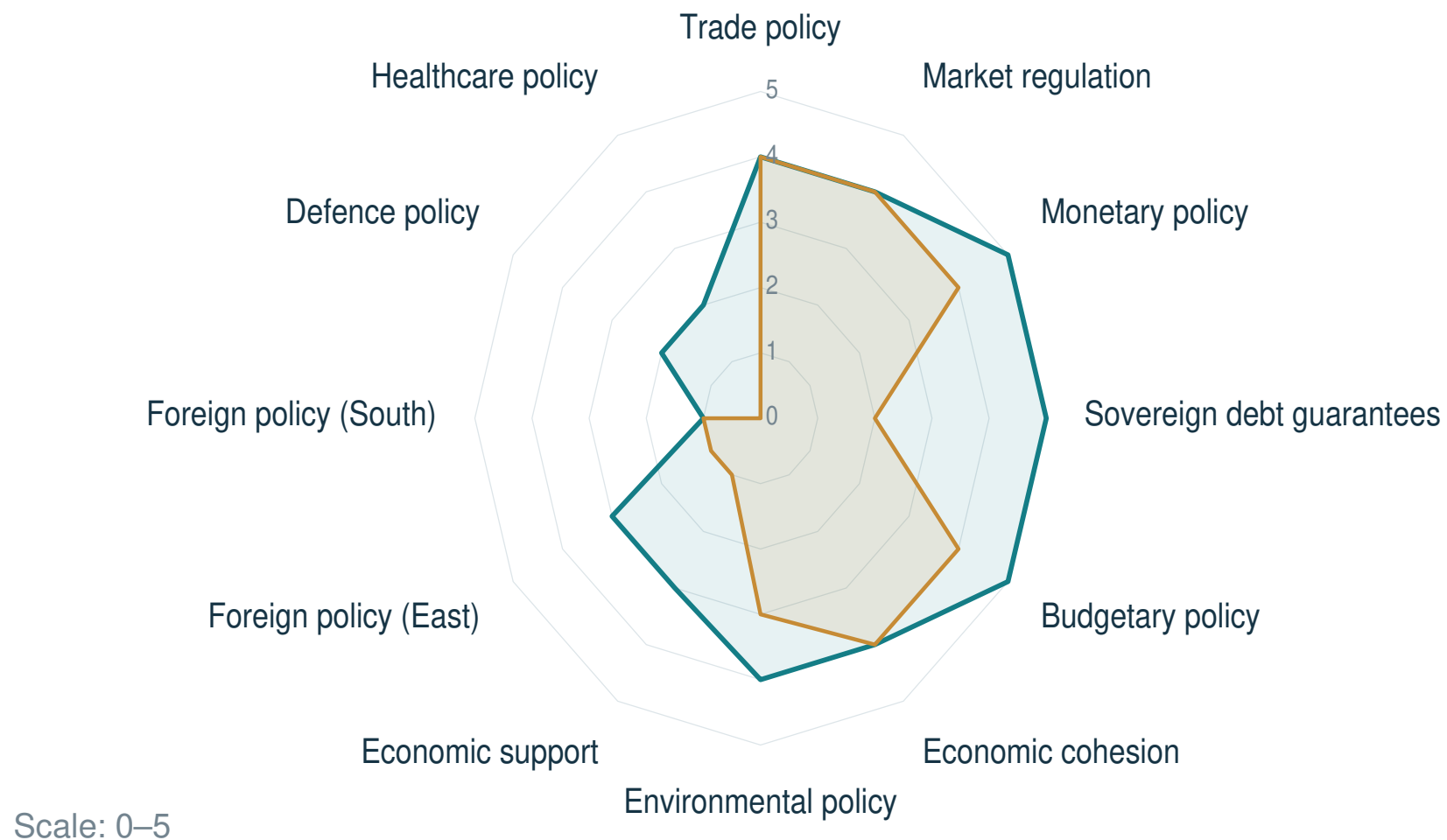
New EU powers in health emergencies, including common vaccine procurement and HERA.

Some common foreign policy positions, especially support for Ukraine, with more limited progress in other areas such as the Middle East.

Limited steps towards a common security policy.

Changes in EU policy responsibilities

2008 2025



Tentative conclusions

Monnet's proposition holds to a considerable extent.

Integration through crises

The first two crises produced significant policy and institutional change.

The EU has taken some steps in a federal direction, through both conventional and non-conventional forms of federalism.

Open questions

The ongoing third crisis is the most challenging, and its consequences remain uncertain.

The expanded role of EU institutions raises questions about democratic legitimacy.

The rise of populist and sovereignist parties makes forthcoming national elections an important test.

The EU facing three imperial powers

Weaknesses

National resistance makes it difficult to centralise foreign and security policy.

The EU lacks a single voice on crucial issues.

Defence resources remain limited and poorly coordinated.

Strengths

Consensus rather than unrestrained decision-making

Prudence rather than recklessness

Cooperation in international relations rather than unilateralism