

## Belgian finance minister warns EU: change or die



Mr Van Overtveldt said a “different” and “better” EU, that focused on key areas such as security, migration, jobs and trade instead of policing trivial policies would help to boost prosperity in the bloc CREDIT: AFP

By [Szu Ping Chan](#)

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Brexit has “shattered” the principle of ever closer union in the EU, according to the Belgian finance minister, who warned that the bloc had to transform itself to survive. Johan Van Overtveldt said there was “clearly a problem” with the European Union, as he called for a quick, comprehensive trade deal with the UK and warned that punishing Britain would be counterproductive.

Mr Van Overtveldt said a “different” and “better” EU, that focused on key areas such as security, migration, jobs and trade instead of policing trivial policies would help to boost prosperity in the bloc and remove the discontent sweeping across the Continent.

“Sixty years after signing the Treaty of Rome, and 25 years after the Maastricht Treaty, the European Union is in trouble and is certainly in need of new inspiration and new directions. The EU cannot continue operating the way it does today,” he

said at an event organised by the European Economics and Financial Centre in London.

He urged policymakers to take a different approach to integration and said the idea of an EU forged in crisis put forward by Jean Monnet - dubbed the father of Europe - was "dead".



Mr Van Overtveldt called for a quick divorce and new trade arrangement with the UK CREDIT: EPA

"This principle has now been shattered by the Brexit vote, and the fact that one of the largest and most prominent member states will be leaving the union means the so-called Monnet doctrine of continuous steps towards further European integration, most of the time through crisis, seems dead.

"One should not underestimate the psychological effect that the Brexit vote has had, not just in Britain but also in other European capitals," he said.

"Long time achievements of European integration such as free movement of people are being fundamentally called into question."

He also called on the rest of the EU to be pragmatic about Brexit, adding that smaller states such as Belgium, Ireland and the Netherlands had much to lose from a so-called hard Brexit where the UK was forced to trade under World Trade Organisation rules.

"Everything in my way of thinking argues to get a good deal for the British and not have as an ultimate objective to punish them. This is democracy. We should respect that. We should strike a good deal and be reasonable people - on both sides - and then go on."

Mr Van Overtveldt said securing a quick deal was also crucial.

“The sooner the better because the real danger of the Brexit process is that it will go on, and on, and on, and there will come a moment where that will start impacting expectations whether it be investments, producers or consumers which is of course bad for the economy overall.”

Asked to comment on reports that Jean-Claude Juncker, the president of the European Commission, [believed Theresa May was “deluded” over Brexit talks](#), Mr Van Overtveldt suggested it was part of political game playing.

“It’s very common in Belgian politics to say you only have an agreement when you have an agreement on everything, so in that sense Theresa May sounded very much like a Belgian politician, “ he said.

He said it would be “sad” if the only way the EU could remain attractive to its members was “by showing them you are able to punish the UK”.

He said making the EU single market work required better policing of “social security tourism” and enforcing a harder EU border.

He said Brussels had to move away from meddling in all aspects of law while politicians had to stop blaming the EU for their domestic woes.

“If Europe focuses on how the pots in which olives are sold should be sized, then I think Europe is very wrong,” he said.

“If Europe starts to work in a clever way on migration and protecting the border I think that would be appreciated by the population.”

He said the eurozone would need further integration if the single currency was to survive, as he urged policymakers to complete the monetary and banking union.

"The macroeconomic policies of the eurozone countries will need to be further integrated if we want the euro to survive successfully," he said.

“We need to focus on the things where Europe can give you an advantage and not lose ourselves in all kinds of details where quite often people know themselves what is best for them.”





