

# Integral Leadership Review

## Volume X, No.4

### August 2010



## The EU: An Organisation Divided by Values

### Why the European Union is not an Integrated Entity

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The European Union (EU) is a body which is divided by widely differing values in terms of the “**Old Europe**” and the “**New Europe.**” This is how Donald Rumsfelt described the EU while serving as US Defence Secretary in the Administration of President George W. Bush. In examining this statement it is interesting to consider the very different history and backgrounds of the original founding countries and including core states such as Germany, France and Britain, compared to some of the recent entrants and the pending request to join the EU from Turkey and other countries.

Although nominally part of the EU a number of the more recent members such as Romania, Bulgaria, the Czech Republic and Slovakia share very different “**values sets**” comparing them with the founding countries. This is one of the reasons why European political integration is still many years away, if it is to be achieved at all.

#### Demographics

The combined population of the 27 member states in January, 2010 was just over 501 million. This amounts to 7.3% of the total global population making this one of the most densely populated areas in the world. The largest cities in the EU are London, Berlin, Madrid, Rome and Paris. The most used languages are English, German, French, Italian and Spanish in that order.

#### Economy

Treated as a single economy the EU generated a GDP of US \$16.45 trillion in 2009 amounting to over 21% of the world’s total economic output, in terms of purchasing power parity (PPP). This makes it the second largest economic block in the world by PPP valuation, ranking only behind the United States.

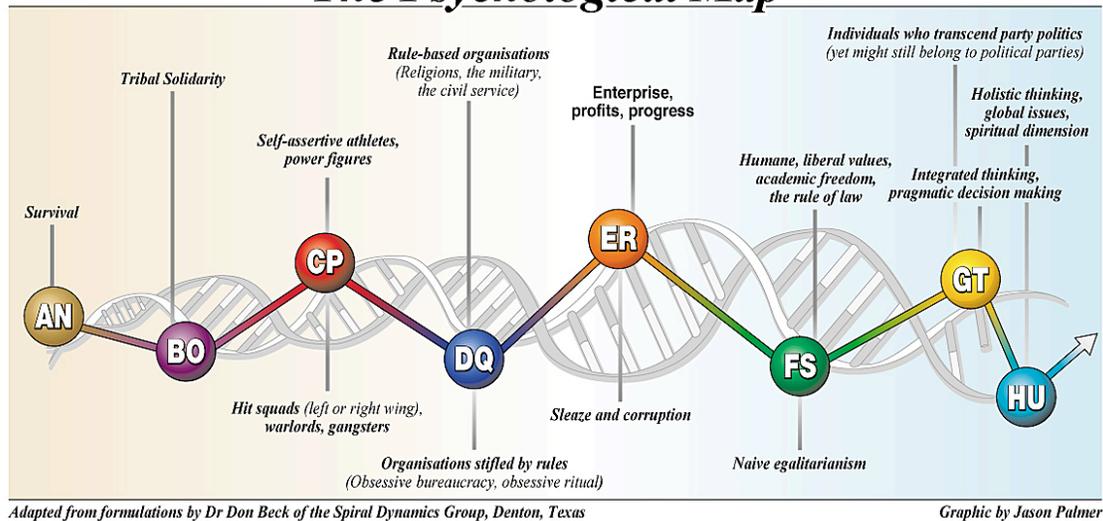
In considering the issue of values we will look at some of the core founding states as well as the more recent entrants in order to provide meaningful comparisons. At the same time we will consider why these differences occur and look at the underlying reasons for these based on values.

## Methodology

In making these comparisons I will be using selected information extracted from the work of Dr. Don Beck from the US who over the last 30 years has used the values approach originally put forward by Dr Clare Graves from Union College in New York. Don Beck has spent over 30 years in researching values around the world in a variety of areas including South Africa, the Middle East, South and Central America, as well as in Europe, Asia and North America.

The approach by Don Beck uses a colour coding approach to the values stations originally identified by Clare Graves. This system of values is open-ended and has evolved over the centuries to more advanced value systems. It is important to note that values exist in most people as a “values mix” rather than at one particular position – see [The Psychological Map](#) and [Stratified Democracy](#) graphics below.

### *The Psychological Map*



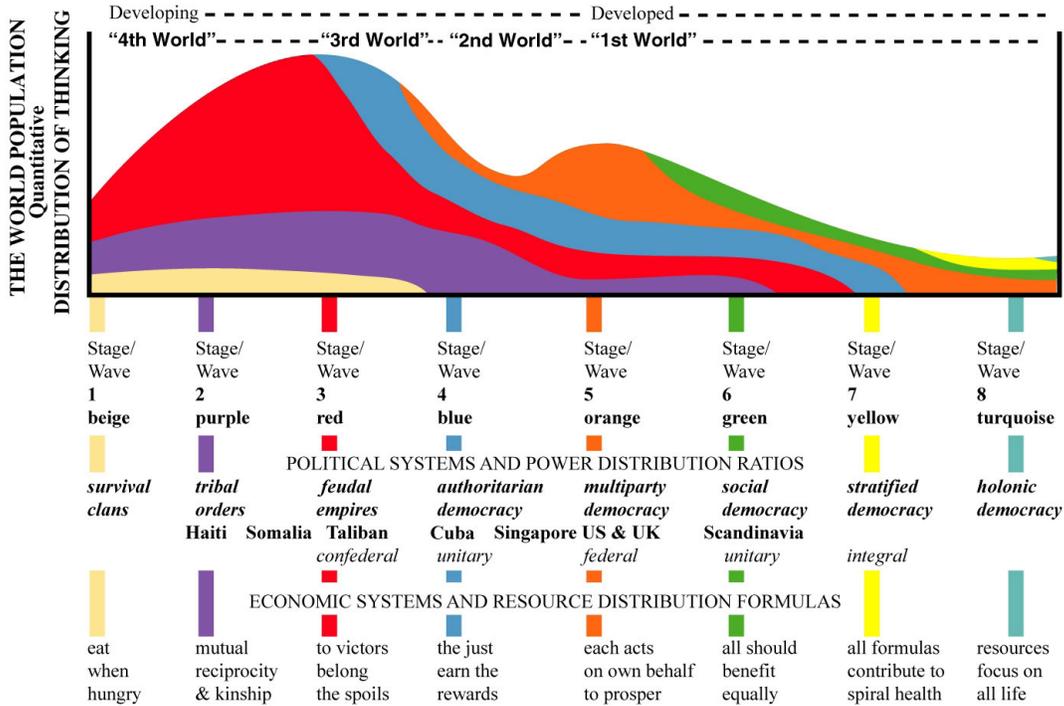
In addition, the values in people can move up and down the spectrum very much like changing gears in a car as “**life conditions**” change. This is like having an eight-speed gearbox for some individuals with others having fewer gears available to them.

In considering the EU as a whole it is important to note the differences between “**founding member states**” compared to new entrants who were previously part of Eastern Europe with very different values systems. Equally, the UK is much closer to the US values mix compared to some of the Scandinavian countries (see below).

In order to illustrate the above graphic in more detail it is intended to take selected groupings of EU member states and show how their values tend to differ. Here we will take a range from those still stabilising in Blue Order moving through Orange Enterprise and on to Green Social Democracies. We will also use a number of examples of countries still seeking EU membership such as Turkey.

# Stratified Democracy\*

The Emergence of Governmental Systems and Structures Over Time



\*Democracy or "rule by the people" can take many different forms and expressions. These are influenced by the natural habitat, the patterns of genetic and memetic migration, the unique set of life conditions, the impact of wild cards, the mesh of people and cultures, and the quality of leadership in all aspects of society itself. These Systems and Structures emerge in response to the unique set of problems of existence in each society. Movement may occur in the direction of greater complexity or less; there is no ideal or universal form; attempts to impose the model from one set of circumstances onto others are futile.  
 www.globalvaluesnetwork.com Telephone 940-383-1209 USA © Don Edward Beck, 2002

## Countries in Early Values Transition to EU Membership

### Turkey, Iceland, Croatia and Macedonia (Official EU Candidate Countries)

Turkey and latterly Iceland, Croatia and Macedonia have been pressing for EU membership. However, the EU Copenhagen criteria have up to now proved difficult for them to meet fully. In addition, Germany and France have often resisted some additions including Turkey, a full NATO member but still to join the EU.

Due to its history and large Muslim population, Turkey is grappling with the issue of becoming a fully secular state with the type of freedoms and governance required by the EU. On the other hand, the other states quoted above are still very much in the transition phase to meeting the requirements. Following the recent global financial crisis it is unlikely that any of these will be granted EU membership in the near future.

### Countries with an Emphasis on Strong Blue Order

#### Poland (joined 2004)/Romania/Bulgaria (joined 2007)

All three countries have a history of autocratic leadership and Soviet influence in the past through their links to the Warsaw Pact. This has now changed, but the values present in these countries still lag behind the core states of the EU. These countries are very similar in terms of values to many of the previous Eastern European

states who have joined the EU since the mid-1990's. As shown in the graphic above, authoritarian rule comes out of a strong Blue Order base.

### **Countries with a Strong Mix of Blue Order & Orange Enterprise**

#### **France and Germany (joined 1957)**

France and West Germany were founder members of the EU and East Germany was fully incorporated into West Germany in 1990 to form the larger German state, following the break up of the USSR. However, with the recent and ongoing global financial crisis there has been a regressive move towards more Blue Order and a step away from elements of Orange Enterprise. It is interesting to note that both President Sarkozy in France and Chancellor Merkel in Germany are losing the support of their electorates in terms of a conservative approach to fiscal policy.

#### **United Kingdom (Joined 1973)**

In joining the EU the UK retained its own currency and is not a part of the Eurozone. However, there is still ongoing discussion in Britain regarding whether the UK should remain in or take itself outside the EU. The UK is a very interesting example as it has a history of both positive and negative Blue Order in terms of its social net for citizens, while the role of the trades unions is often seen to be a negative influence. The current Coalition Government has a strong Orange Enterprise Conservative base but also a strong Social Conscience coming out of the Liberal Democrats trend towards Social Democracy.

#### **Italy (joined 1957)/Greece (joined 1981)/Spain (joined 1986)**

These countries have a more relaxed Mediterranean way of life and values mix than many other countries in the EU. They are also the countries which are currently experiencing severe fiscal deficits with all the attendant political uncertainty. Italy as one of the major economies of Europe was a founding member of the EU with Greece and Spain joining in the 1980's.

The relatively laid-back Mediterranean climate and culture cover the full values range from Red Power, through Blue Order and Orange Enterprise and on to elements of Green Social Democracy. This wide values mix has in its own way partly contributed to their current financial crisis.

### **Countries with a Strong Green Emphasis on Social Democracy**

#### **Denmark (joined 1973)/ Sweden (joined 1995)**

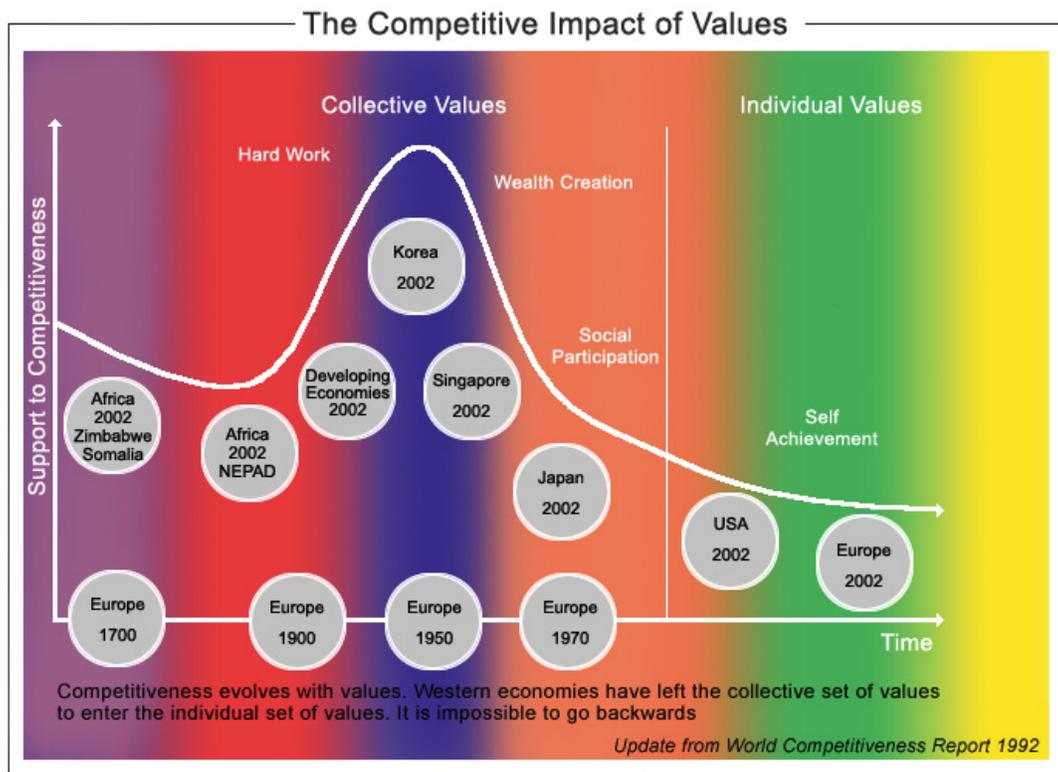
Both these countries fall into the "social democracy" values mix though Norway still remains outside the EU. However, in recent years the Scandinavian countries have become closer to the EU norm as other countries moved into a similar values space.

What is clear from the above examples is that although the EU is a formally constituted body it currently has a long way to go towards actively achieving a core of **"shared values."** This will inhibit future progress to a more uniform governance system and will restrict any real movement on the political front. This has been clearly illustrated in terms of obtaining agreement in resolving the current financial crisis caused by the "so called" **PIGS** (Portugal, Italy, Greece and Spain).

## The Competitive Impact of Values

In considering the countries described above we will also use a graphic adapted from the *World Competitiveness Report* prepared by IMD in Lausanne, Switzerland and updated by GVN in 2002. This clearly shows how the values in countries change over time and why it is almost impossible to see political union in the EU any time soon. In addition, the EU currently operates as a massive Blue Order bureaucracy with all the inbuilt inefficiencies and delays inherent to a system of this nature.

The graphic clearly illustrates how countries move through “values stages” as they evolve their economies. The “collective values” of hard work towards building a stronger nation evolve into “Wealth Creation” and on to the “individual values of “Self Achievement.” The emergence of China is an interesting example in this regard.



## Some Key Issues for the EU

In many ways the EU is a work still in progress that will continue to evolve over the coming decades and centuries. At this stage of its existence it is very much in its infancy and, like the United States, will continue to evolve and change its shape and membership over the coming decades, if not centuries.

A Yellow Integrated approach is required to manage not only the urgent issues facing the EU but also the “**Global Village**” as a whole. However, at this stage there are no really strong political examples to illustrate this. The majority of the actions taken by the G8 and G20 Groupings are really an attempt to stabilise the global economy from the Orange Enterprise economic perspective.

Even EU environmental issues are currently being overtaken by the urgency to stabilise the global banking and trading system by a number of remedies which do not always integrate at either the national, regional or global levels. As in the EU issues of national sovereignty take precedence over a more holistic global approach to these other major systemic issues.

In this regard the French sociologist Jean Joureis wrote: “The greatness of today is built on the efforts of past centuries. A nation is not contained in a day nor in an epoch, but in the succession of all days, all periods, all her twilights and all her dawns.”

### **Required: A Systems Approach to Values in the EU**

In looking at the issue of the EU from a systems perspective it is clear that the structure is top heavy and has been built from the “top down” rather than in an “integrated way.” In addition, and coming back to my introductory comment by Donald Rumsfelt, who does the United States talk to representing Europe? At present these are the individual heads of states, not the representatives of the EU.

In returning to the Don Beck “Psychological Map” this clearly outlines why different countries see things differently. There is often the misperception in the developed economies that “we are all alike” with similar needs. This is patently incorrect.

The EU in many ways represents the United Nations, an organisation that “talks the talk” but often fails to “walk the walk.” It is also an opportunity for ego’s to thrive and not to deliver results. It allows dictators and autocrats to criticise the more advanced values as these are a direct threat to their continued existence. Keeping people uneducated, poor and dependent is their key to retaining political control.

The “**Big Society**” movement espoused by David Cameron in the UK is an attempt to reverse the current European and British trend of large bureaucracies taking over from the individual. It is also a move to empower the ordinary citizen to take more responsibility for their own neighbourhood, as well as removing much of the unnecessary “red tape.” However, in the UK, a country with a large dependent Blue Order core value this is not fully understood by the majority outside this value. This type of approach requires open-ended thinking in terms of an eventual end state.

In addition to the above the quotation by Dr Clare Graves is also of significance: “The present moment finds our society attempting to negotiate the most difficult, but at the same time the most exciting, transition the human race has faced to date. It is not merely a transition to a new level of existence but the start of a new ‘movement’ in the symphony of human history.”

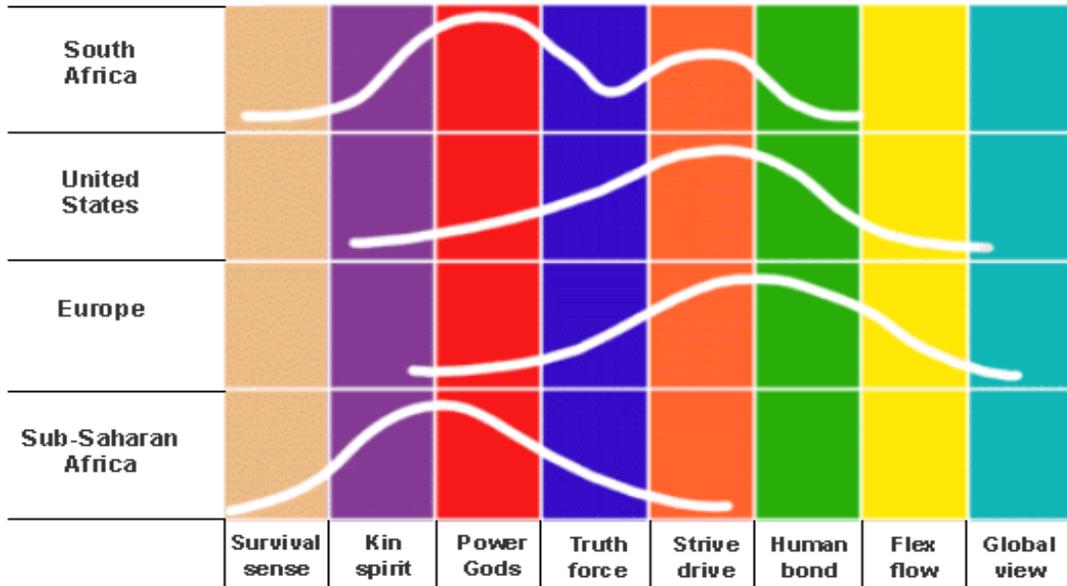
*The above points clearly indicate that the move towards a more integrated world is a process. This is a continuing journey that will probably never be completed, as we move towards the distant horizon which continues to show ever changing vistas and at the same time provides new challenges—see graphic below illustrating this:*

Finally, in concluding this section I will use a quotation from Thomas Jefferson:

“...laws and institutions go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths discovered and manners and opinions change with the change of circumstances, institutions must advance also to keep pace with the times. We

might as well require a man to wear still the coat that fitted him as a boy, as civilized society to remain ever under the regimen of their barbarous ancestors.”

*Some Selected Regional Values Profiles*



In closing this short piece on the EU and values it is clear that real integration of the “European Union” is an ongoing process which is at best many generations if not centuries away. This is both a reflection of history as well as of future global trends reflecting the type of global uncertainty and chaos we are currently experiencing as we move our values forward in our “Global Village.” In this chaos there are major challenges for us all, but also major opportunities for both individual growth and individual countries at all of the local, regional and global levels.

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 31 July, 2010

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