

The Euregion needs to tear down its walls. Just like Berlin did 25 years ago. Citizens and entrepreneurs should drive this idea up the political agenda.

Back to our future

A French International Business student at Maastricht University wants to visit his girlfriend in Berlin over the weekend. He goes to the Dutch NS train portal and buys a ticket for 199 EUR with a travel time of 08:17 hours. Little does he know that he should have gone to the German DBahn portal. Indeed, departing from Aachen HBF he would have paid only 125 EUR with a travel time of 05:32 hours. In sum, his ticket is now 59% more expensive and 54% more time consuming than necessary. Why is the sensible option not offered to him? And how amazed would the business student be to find out that the first railway line in Maastricht, in 1853, already connected Maastricht to Aachen? (This connection does not exist anymore). Could it be that the Euregion is effectively less connected nowadays than it was 150 years ago? Similarly, his German friend just booked the TGV to meet his girlfriend in Paris. Great idea, only the planned train arrival from Maastricht to Liège is a brilliant three minutes after the TGV's planned departure! Waiting time now adds about 50% to his high speed travelling to Paris. Are these just strange anecdotes, or symptomatic of how inefficient our local economies are in the Euregion anno 2015? Unfortunately, it is the latter. Why is this so, and can we do something about it?

The epicenter of nowhere

The Euregion is historically the epicenter no man's land between the great cultures, later Nations, of France, Germany the Netherlands and the UK. Still today, the Euregion is at the periphery of these States' zone of influence. There where first European civil wars and later cosmopolitan ambitions decided on the Euregion's frontiers and future. Illustratively, within one hour car drive many important milestones stand witness of Europe's history: Aachen first capital of Europe under Charlemagne, Waterloo 1815 opening to the concert of Nations, the first WWI battle in Liège on 5 August 1914, the WW II "Ardennen Offensive", the 1985 Schengen Treaty establishing the freedom of people to move, the 1992 Maastricht Treaty establishing the Euro, the EU institutions in Brussels. Our horizon has seen the best and the worst Europe has on offer. It has been in the middle of it. In its dust. And therefore in the middle of nowhere.

The Nation State deconstructed, step by step, transnational civil societies such as the Euregion. There is, indeed, far less solidarity nowadays between the peoples of the Euregion than there was centuries ago, before the Nation State. Nation States thrive on fostering a common past and a common destiny. They promote a national language, a national education, a national interpretation of history. And then funny things like a national railroad system described earlier. Illustratively, if a father from Dutch Bocholtz (2 minutes from Aachen) wants to help his daughter study in world class Aachen RWTH university, he needs to mobilise more family funding because his daughter loses the benefits of the Dutch scholarship system as she becomes an international student: she should rather travel two and a half hours to Delft, how strange is that? As the Nation State grew in the nineteenth century, the Euregion's authentic transnationalism came under attack from four Nation States simultaneously trying to build up their legitimacy. A huge, almost knock-out, blow to Euregional society came a hundred years ago with World War I, a pure product of Nationalism. It scarved the Euregion in three disconnected war-torn parts like nowhere else on the European continent: one part fought with the Triple Entente, one part fought with the Triple Alliance and one part remained neutral. All of this within reach of an (impossible) five seconds walk. In the Europe of Nation States, the Euregion somewhere lost its transnational cultural authenticity. Consequently, it is today struggling with its identity and purpose. And it is less armed to materialise its in essence cross-border opportunities. The fact that the Euregion lost Maastricht Cultural capital of Europe 2018 reflects *the malaise* in the Euregion. The Euregion has become unconvincing.

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Inadequate political structures

A Nation State evolves around its centre of gravity. There where its main economic and political stakeholders are. The Euregion, we just saw, is in its periphery. Moreover, the Nation State is ill suited to deal with local challenges like transportation, regional culture, the environment or real asset infrastructure. For local issues, the city is at the appropriate level of subsidiarity: it is closest to the challenges at hand and therefore best suited to deal with them adequately. Importantly, the issue gets very challenging when four Nation States need to deal with local transnational problems, far from their epicentre. Its political structures have not been created to deal with these type of challenges. Local transnational challenges are too far off, too different, too complicated and too time consuming. In economic terms: too costly. The impossibility to coordinate national railways sensibly for the Euregion is a perfect illustration of this. To contrast, imagine what would happen if the Dutch NS train portal would dare to direct a student from Rotterdam to Amsterdam, via Groningen? And sell a ticket at that heightened price? Impossible. The Euregion has local transnational challenges and opportunities, but there is no such thing as a transnational city to deal with those appropriately. Indeed, municipal structures largely operate in silos. They can be much more inventive, efficient, less bureaucratic and less costly. The current political stand-still around the high speed tram connecting the two capital cities of Limburg, Hasselt and Maastricht, over a not –for infrastructure projects- uncommon budgetary challenge illustrates deep rooted structural weaknesses in our local transnational societies. Even after political decisions are made, things remain uncertain for your neighbour and partner.

The cost of the non Euregion

The quasi evaporation of civil society in the Euregion has an economic cost. Deconstruction of the Euregion's transnational *Gemeinschaft* and its consequential current lack of *Kultur Fähigkeit* are economically relevant. Indeed, one understands and consequently trades far better with those whose language one speaks, whose culture one understands. Hence the geopolitical importance of the Commonwealth or la Francophonie, and their trade successes. In the past, entrepreneurial families like Regout (ceramics) and later Jongen de Liège (rubber) came from the wider Euregion to invest in Maastricht. Regout herewith incidentally started the industrialisation of the Netherlands. These entrepreneurs spoke French, Limburgs, Dutch, German equally well. Today we would ironically qualify them as an international investor. They just did what is sensible: create a start-up in your backyard. (At that point, Maastricht was a *banlieu* within the Principauté de Liège). They saw opportunities, not frontiers. The first employed over 3000 people, the second over 2000. These are economic relevant employment numbers, even for today's standard. Unfortunately, there are no great Euregional investors nowadays, and citizens are much less eloquent in their neighbour's language and culture than they used to be. Whilst the Euregion is at the heart of the so-called economic banana of Europe, it has lost its own heart. What a paradox.

Vested interests

Market inefficiencies like we have in the Euregion maintain local economies at a sub-optimal level. Sadly, oligopolies and crony entrepreneurs have a vested interest in maintaining the status quo as this protects their profits from 'outside' competition. The train ticket example mentioned earlier illustrates this perfectly well: Dutch NS makes more money by proposing an inefficient route. But inefficiencies do not stop with train connections. Analyse for instance housing markets. Whilst prizes are soaring in Aachen due to a lack of supply, you see major housing schemes in Maastricht on hold for an imaginary fear of demand shortfall. Now, let us take Berlin as a metaphor. Imagine you are living in the Charlottenburg neighbourhood and for some inexplicable reason house prices in the Mitte neighbourhood just dropped 25% in real terms since the 2008 crisis. The distance between the two neighbourhoods is 20-30 minutes. What would happen? Well, thousands of citizens would make a rational choice: jump on the opportunity and sell their house in Charlottenburg to buy a house in Mitte. Why would we not have a beneficial Euregional housing market, especially when the main cities are connected in 20-30 minutes to each other? There is a small group of citizens that play tennis in Maastricht, skate in Aachen, eat in Liege, goes out in Hasselt, strolls in the Hoge Venen, skis in the Ardennes and even does arbitrage on house prices and fiscal policy. But imagine if not, say, 5% of citizens would live this way, but 95%? How would that impact for instance the Euregional housing market? Is this a cosmopolitan utopia? No, the transnational society was much stronger in the past. So it can come back.

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There is no place like no place, really!

The Euregion has developed its own unique and poorly researched way of being inefficient. But there is good news: if you run behind, you can also catch-up. For instance in infrastructure, investments, employment, research and cultural attraction. This is what economists call convergence. But how do you do that? How do you orchestrate change? Well, it starts with courage. Because taking a fundamentally new direction means being prepared to take risks, and to make mistakes. Still, it is far better to start doing the right thing wrong, than continue doing the wrong thing right. Then, new blood must be pumped in the still existing veins of transnational solidarity, albeit though a *mis-à-jour* to XXI Century standards. Let us now turn to some of these new ways of thinking and doing. Let's turn to solutions.

Let it go

First, the Euregion, its citizens and representatives, have to abandon infra-regional provincialism and nationalism. They should draw inspiration from each other's strengths, celebrate those, and re-learn to strengthen them by working with neighbours. The adagio is simple: if your neighbour does better, it is also good for you, and vice-versa. For instance, the Euregion can do with one well functioning international airport. And if this would be Liège airport, then all local authorities must invest to make that work even better than it does now already. (And then re-name the airport so that the Euregion and its guests identify with it, a point we shall come back to shortly). It would still take less traveling time from that airport to any of the main cities in the Euregion than from Munich, London or Paris airport to these respective city centres. So for Maastricht to state that they will lose world class TEFAF antiques fair if they would lose Maastricht Aachen airport is not a rational argument. It is a counterproductive attitude. Similarly, if Liège's Royal Opera and Royal Philharmonic have better cultural cards, then Maastricht should have merged its financially crawling Limburg Symphony Orchestra with its Liège counterpart. Any Maastricht citizen can reach the Liège opera parking within 25 minutes. The merger with the Brabant symphonic orchestra is less practical, logical, ambitious. Needless to say, these cultural highlights in Liège are also very accessible from Hasselt and Aachen, and vice-versa. Some examples of letting it go may hurt even more: take football. A perfect showcase of what happens if emotions take over rational decisions. Alemania Aachen, Genk, MVV, Roda, Standard: you can hop in less than 20 minutes from one stadium to the other to find that none of these clubs are dominant at their national top level, and none is significant at European level. Would it not be much more logical to all sponsor one top team with our respective top players participating in the strongest league, in this case the German league, on behalf of all of the Euregion? The second strongest common team in the Euregion could then play the second strongest national league in another country, the last team could play the top amateurs in yet another country. To reach the higher level of cooperation and efficiency, we should embrace change and let go of old non productive habits, reshuffle and align the best team to win. Examples of specialisation and focus are to be found for all Euregional cities, also smaller one's. Letting go is a leadership issue, also for our local representatives

Penta City

Today, there is no grand vision of how the Euregion should work. Not against the Nation State or local municipalities, but complementary to them. Inspiration can be found in Gdansk-Gdyna-Sopot, Poland. These three Baltic sea cities re-constructed their sub-optimal individual future into a more coherent common one by agreeing to raise the level of cooperation between them. This ambition comes with a new common city brand name: Tricity. Taking inspiration from our Polish friends, we have a momentous historic opportunity to create the first transnational city in world history: Penta City. Penta, for the Greek number "five". Five reflects the five dominant cultures in the Euregion: Belgo-German, Dutch, Flemish, Rheinlandisch-German and Walloon. It also symbolises the five stages in development of society: tribal, feudal, national, international, cosmopolitan. Penta city is simply one city with a Dutch, Flemish, Walloon and two German speaking neighborhoods. One city with five international borders. One city. This is the *Kriegsentscheidende Unterschied*. Penta City's strength is to turn everything upside down conceptually, and herewith placing issues in the exact right perspective to start the process of reconstruction and propose and implement the evidently necessary solutions. For those living here and our guests, it would be an event similar to the fall of the Berlin wall: it shows that the pursuit of happiness is possible in a radically new society. A positive European answer at the

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micro level to a continent dealing with similar challenges at the macro level: loss of competitiveness, lack of solidarity and no strategic leadership. If new solutions are possible at the micro level of Penta City, they are also possible at the macro level of Europe. A fitting flag could be the European blue flag with five stars to reflect Penta City's adherence to the ideas of the founding fathers of Europe. People like Henrik Brugmans, Paul Henri Spaak, Wallter Hallstein.

Penta Council

Penta City is a transnational city and obviously needs a new type of local governance. One yielding strong democratic legitimacy so that is able to deal forcefully with all those cross border inefficiencies and lost opportunities. One that authentically reinvigorates transnational society. Given the convergence agenda, Penta City's institutional architecture would need a strong executive with clear political legitimacy. Illustratively, one can imagine to start with a Penta Council where all five neighbourhoods are represented by one of their already existing mayors who chair each for a six months turn. These would thus have both a national and a transnational legitimacy. In a second step, the mayors of the five most important cities should be called upon to draft a Charter defining its institutional set-up and scope of action. This charter could, in yet another historic event, be voted upon by its citizens simultaneously in the first consultative/symbolic transnational referendum in world history. Once approved, it should be explained further in Brussels and the respective capital cities to coordinate and embed it with national and European policies. Penta Council should be given the power to take common decisions and define common actions on those areas of sovereignty that need head-heart-and-soul cross-border commitment to make it work. Decision making could be on a simple majority basis with a vote weighting based on economic and democratic importance per neighbourhood. Municipalities could retain a consultative role as well as a controlling role, i.e. the mayor would remain politically accountable to his local municipality which he consults on all Penta City issues. In a later stage of integration, one can imagine a single municipality. Importantly, non cross-border issues could be dealt with as they currently are, at local level. The existing Euregion institution, with its seat in Eupen, should be transformed to focus on implementing decisions taken at the political Penta Council level, and should be the motor of delivery. It should be renamed Penta Commission. We would thus end up with a simple and democratic institutional triangle: a Penta Council, a Penta Commission and the already existing neighbourhood municipalities. The scope of activity should cover cross border infrastructure, sustainability, cross border culture and education, foreign direct investment, investments in research innovation and, lastly, security policy.

Penta Bond

There is an important investment backlog on the convergence agenda. Capital is needed to make up for the space and time lost in Penta City, and fund an ambitious investment programme. One of the first decisions that the Penta Council should therefore take is to issue common Penta Bonds to fund this common agenda. With the new EU Commission under Jean Claude Juncker, a neighbour of the Euregion, and the 300 billion EUR investment programme probably under the EIB, there is a clear opportunity for additional EU funding. Of course, co-funding from the private sector should be possible in some projects like infrastructure as well. Penta City could thus benefit from currently historic low interest rates to finance for instance the hard needed infrastructure and smart city projects of its convergence agenda. Importantly, public funding should in parallel be lowered in less productive areas, where there are unnecessary doubling ups (or worse), so as to increase our economic and social productivity without increasing overall debt levels. Illustratively, projects on this common agenda could include:

1. Infrastructure: the Charlemagne tram and train ring road

The creation of a Charlemagne ring road: all five major cities should be connected by a high speed public infrastructure network. The high-speed tramline between Hasselt and Maastricht should thus be continued to all major cities and supplemented by a functioning rail network, through multi-modal transport knots. Here the key stations are Aachen and Liège which connect to the high speed ICE and TGV trains. Establishing one decent Penta City airport and strengthening the very strong logistics position of what is already Europe's third largest inner port should also be high on the agenda. Investments in infrastructure trigger investments and a help bring citizens closer;

2. Education: language training as an investment

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Neighbour language courses in all primary and secondary schools should be introduced so that citizens can speak Dutch, French and German. Limburgs as a transnational language should be given its proper place too. In addition, one could think of a system of *jumelage* between school, where young people get to know their neighbour. Also, employment agencies should provide high quality and free of charge language training as an investment, and then connect with their neighbouring counterparts. These actions will make the labour market much more competitive, because they massively increase the job pool. For instance, if you are an ICT specialist in Hasselt, and you do not speak German it will be very difficult to find employment in Aachen, a world-class engineering city. This is highly inefficient. It is also likely that universities can benefit from a network connecting people, knowledge, funding, research. Penta City's four universities qualify together as a global knowledge centre. Already there are 140.000 university students present. (This is more than Amsterdam, Brussels or Berlin).

3. Foreign direct investments: mutual representation

Penta City should present itself as one city in every business fair it attends, and promote itself as such. For instance at Expo Munich, an international property fair, Maastricht should better not only join the Holland stand, but also the Aachen stand and both should represent Penta City including Penta City neighbourhoods that do not attend Munich Expo, like Hasselt, Liège and its other neighbourhoods.

4. The Euregion of security

Border areas are well known to attract criminals as they benefit from low levels of coordination between justice and police officers of the various Nation States. For instance, an endemic Euregional problem is drug policy. It differs widely from one Nation State to another in the Euregion, making the Euregion a privileged location for drug producers and drug dealers. Penta City should establish a special transnational police force to better deal with transnational criminals, like drug dealers, and terrorist cells. As a first step a stronger and more fluid transmission of information between the various police forces seems evident. This may ask for direct single command under Penta City.

5. Culture: the Museum of Cosmopolitanism

If he were to do it again, Europe's founding father, Jean Monnet, would have started with culture. Lesson learned, the start of Penta City should be cultural. Art, as no other medium, has the potential to symbolise life not as it is, but as it can be. The redevelopment plot of the A2 highway in Maastricht currently has the last red light bottleneck on the highway connecting Northern and Southern Europe. It neatly symbolizes stagnation. That red light is, however, about to disappear. It will be replaced by a two level underground tunnel. The greenfield that will arise on top lies at the epicentre of Penta City. Here, the high way, let us re-brand this to Charlemagne ring road, already connects the various neighbourhoods of Penta City. This location is perfectly suited to see arise a grandiose museum of Cosmopolitanism. A building that illustrates the inner struggles to let go of provincialism and enter the open horizon of world citizenship. By a world class architect like Frank Gehry. One that is a masterpiece of innovative technologies and art. A sanctuary that tells the story of the European Idea and its many facets, or the lack of it. Such strong message should welcome co-funding by the many philanthropic entrepreneurs who have built their careers on global trade, the rule of law, and who would like to leave a positive message to mankind. In retrospect, Maastricht luckily lost its unauthentic bid for European cultural capital 2018. Penta City should submit its bid to be Europe's culture capital city at the earliest possible next opportunity, through any of its Nation States, and open the doors of the Museum of Cosmopolitanism the year it becomes Europe's culture capital.

It starts with leadership

I hold that the best thing citizens in the Euregion can do today to make the lives of their grandchildren better, is to create Penta City. Leadership does not start at the top. It starts whenever people understand there is a problem, analyse it and have the guts to propose and implement solutions. The Charlemagne Society aims to bring together such individuals in a "work-tank". There where solutions can be articulated freely and that will help bring about much needed change. 25 years ago Berlin was a torn city, Lou Reed's symbol of separation, nobody expected another world to be possible. Today it is Europe's coolest capital city. How did that start again?

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