

Europe needs moral leadership from Germany

Por admin · 24/09/2015

Pressekongferenz anlässlich des Treffens zwischen Bundesfinanzmin

How Kant can help us understand Germany's position on the refugees question. It's time for the same attitude in relation to the Eurozone crisis

By [Yanis Varoufakis](#)

Economists err when they think that human rationality is all about applying one's means efficiently in order to achieve one's ends. That the efficient application of available resources in the pursuit of given objectives is an important dimension of our Reason, there is no doubt. The error however sips in when economists, and those influenced by them, assume that this is all rationality is about.

This type of instrumental approach to the meaning of Reason massively underestimates perhaps the one ingredient of human reasoning that makes us exceptional animals: the capacity to subject our ends, our objectives, to rational scrutiny. To ask ourselves not just questions such as "Should I invest in bonds or shares?" but also questions of the type: "I like X but should I like it?"

This summer we, Europeans, faced major challenges to our integrity and soul. The inflow of refugees tested our humanity and our rationality felt the strain of needing to make hard choices. Most European nations, and their governments, failed the test of history spectacularly. Closing borders down, stopping trains on their tracks,

treating people in need as an existentialist threat, indulging in bickering at the level of the European Union as to who will bear a lesser part of the burden – all in all, Europe behaved abominably leading the Italian Prime Minister to utter in desperation: “If this is Europe, I do not want to be part of it.”

One country stood out, showing moral leadership on this issue: Germany. The sight of thousands of Germans welcoming wretched refugees who had been turned away in several other European countries was one to savour and one to extract considerable hope from. Hope that Europe’s soul has not been lost entirely. Chancellor Merkel’s relaxed leadership on the matter, even the magnanimous attitude of otherwise misanthropic German tabloids to the inflowing refugees, made amends for Europe’s failure to rise up to this humanitarian crisis.

Many have imputed ulterior motives to Germany’s generosity. Poor German demographics may be helped by an influx of relatively young, highly motivated, mostly well-educated fleeing Syrians. Guntram Wolff, in the [*Financial Times*](#), recently drew a historical comparison with a 17th Century influx of French protestant refugees into the state of Brandenburg, who brought in with them skills and dynamism. Employers rejoice at the thought of more workers, putting downward pressure on wage costs, while macroeconomists try to calculate the fiscal costs to the welfare system in relation to the economic benefits from a boost in aggregate demand.

This cynical cost-benefit analysis misses the point, however. That there are benefits from immigration is beyond dispute – except by racists. Host countries (with the United States, Canada and Australia offering living examples) are the ones enjoying enormous net benefits, while the countries abandoned by their people suffer. But this is true for *all* aging Central and North Eastern European nations. Why is it only Germany and its people that took enthusiastically to

welcoming refugees? The answer, clearly, has nothing to do with economics. If there are positive economic repercussions, these are mere byproducts of some other type of motivation that made Germans open their borders and hearts to the refugees. What might it be?

Students of philosophy may be tempted, as I am, to seek the answer in one of Germany's grandest gifts to humanity: the philosophy of Immanuel Kant. Unlike economists and Anglo-Celtic philosophers, Kant is not satisfied with instrumental accounts of what it means to act rationally. Such accounts are fine for cats and sophisticated robots. But not for humans. Humans must have a capacity for moral reasoning that is, nevertheless, the result not of dogma but of pure Reason.

Kant's practical Reason demands that we should undertake those actions which, when generalised, yield *coherent* outcomes. For example, lying cannot be a rational choice because, if universalised, if *everyone* were to lie *all* the time, trust in what others say would disappear and language would lose its coherence. True enough, many people refrain from lying because of the fear that they will be found out. But Kant does not consider such instrumental reasons for not lying as fully rational. In his mindset, the rational and the moral merge when we develop a capacity to act on the so-called categorical imperative: of acting in a universalisable manner independently of the consequences. For the hell of it, in plainer language.

Taking refugees in is such a universalisable act. You do not take them in because of what you expect to gain. The fact that you may end up with great gains is irrelevant. The warm inner glow of having done the 'right' thing, the boost to aggregate demand, the effect on productivity – all these are great repercussions of one's Kantian rationality. They are not, however, the motivation. One's rational acts, according to Kant, are not to be determined by expected gain, that

instrumental 'utility' that depends on what others do and on a number of contingencies. There is no strategy here. Just the application of the deontological reasoning which requires that we should act upon 'universalisable' rules.

There is, of course, no way that one can prove empirically that German solidarity to the refugees was of the Kantian type, and not some instrumental attempt to feel better about themselves, to show up other Europeans, to improve the country's demographics. Be that as it may, I do not buy these cynical, instrumental accounts. Having observed so many Germans perform countless acts of kindness toward refugees shunned by other Europeans, I am convinced that something akin to Kantian reasoning is at work.

I say "something akin to Kantian reasoning" because full Kantian behaviour is neither observed in Germany nor necessarily desirable. There are times when good people need to lie (for instance when skinheads interrogate you on the whereabouts of a black person they are chasing) and there are several realms where German attitudes are far from consistent with Kantian thinking.

Indeed, this summer there was a second occasion when Europe harmed its integrity and damaged its soul: It happened on 12th and 13th July when the leader of a small European country, Greece, was threatened with expulsion from the Eurozone unless he accepted an economic reform program that no one truly believes (not even Chancellor Merkel) can alleviate my country's long standing economic collapse, and the hopelessness that goes along with it. On that occasion no universalisable principle was in play, the result being that a proud nation was forced to surrender to an illogical economic program for which everyone in Europe, including Germany, will pay a price.

This is not the place to recount the vagaries of Greece's never-ending crisis. And nor is there a need since its underlying cause has nothing to do with Greece: the

real reason Greece has been imploding, while Berlin and the troika are insisting on a 'reform' program that pushes the country deeper into a black hole and keeps it hopelessly unreformed, is that the German government has not yet decided what it wants to do with the Eurozone.

Berlin knows well that, as it is, the Eurozone is non-viable. It needs major reforms. It needs mechanisms for recycling surpluses from the regions where they amass to the regions in deficit. Alas, Berlin has not formed an opinion, yet, on what these reforms should be, what form of European political union it wants, or how to convince Paris to go along with its priorities. So, while the Franco-German elephants tussle, little Greece is being squashed, awaiting the outcome of this interminable clash. In the process, millions of Greeks languish in desperation, hundreds of thousands of educated young men and women flee the country, and the oligarchy is having a field day exploiting the political impasse caused by last July's surrender of our government.

Setting aside the Greek drama for now, Europe needs moral leadership from Germany. On the question of refugees, we have it – and that's excellent. On the question of how to deal, at long last, with the Eurozone's crisis, there has been no German leadership – indeed, quite the opposite, as the German government has been lagging behind developments, stepping in only at the last moment to tackle the symptoms but never its causes.

What should Berlin do? An excellent start would be to apply the same Kantian principle which has been evident in the case of the refugee crisis. Kant's practical Reason asks of us to adopt policies that, if generalised, will yield *coherent* outcomes. Large trade surpluses *cannot* be 'generalised'! Just as in the case of lying, securing economic prosperity in a monetary union by means of huge net exports, and increasing competitiveness *vis-à-vis* other European countries, fails

Kant's test. And so does a motivated blindness to the fact that one's surplus is another's deficit.

Time for Germany to extend its moral leadership from the refugee issue to the Eurozone's architecture. Evoking Immanuel Kant to ditch the incoherent view of itself as Europe's export-oriented workshop would be an excellent start.

Photo: Jörg Rüger

Published in German in [*Frankfurter Allgemeine Sonntagszeitung*](#)