



# The Coherence Mirage

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*A field guide to the compound deficit — and how the EU can  
learn to arrive together, in time*

The EU does not lack decisions — it lacks the capacity to arrive together, in time. This report diagnoses a compound coherence deficit produced by sovereignty fragmentation, the translation gap, asymmetric capacity, and time-scale mismatch, and proposes Coherence Regions as the concrete first step.

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## Executive Summary

The European Union has learned to decide together. It has not yet learned to arrive together.

In 2020, the EU agreed on a €750 billion recovery fund in weeks — a fiscal breakthrough that had been deemed impossible for decades. In 2024, the same EU was still negotiating how to implement the migration pact agreed in principle years earlier. The same system can move at radically different speeds depending on the alignment of urgency, interests, and institutional pathways. This is not inconsistency. It is a coherence deficit.

**The core diagnosis:** The EU does not lack decisions, legitimacy, or sensing. It lacks the capacity to translate agreement into aligned, timely, system-wide action across 27 sovereign member states — each with its own constitutional architecture, political culture, and adaptive capacity deficits. The EU suffers from a **coherence deficit**: a structural inability to arrive together, in time.

**The core contradiction:** The EU increases interdependence among its members faster than it increases its capacity for coordinated action. A shared currency without a fiscal union. Open borders without unified migration systems. Interconnected energy grids without joint strategic planning. Each integration step creates new vulnerabilities that the coordination architecture cannot yet manage.

**The compound property:** The EU is not a nation-state. It is a meta-system composed of sovereign governance systems, several of which suffer from their own diagnosed deficits — the subject of the four preceding reports in this series. Germany's execution paralysis slows the implementation of policies that France's integration brittleness already made fragile. Sweden's feedback lag means early-warning signals arrive too late for either to act on. The EU cannot compensate for these deficits from above. It inherits and amplifies them.

**The signature pattern:** the **Negotiation-Dilution Loop**. Crisis → emergency coordination → partial agreement → diluted implementation across 27 different administrative systems → temporary stabilisation → underlying divergence remains. The EU converges — slowly, partially, and often just enough to avoid collapse but not enough to fully solve the problem. It optimises for avoiding disagreement rather than maximising alignment. Decisions are calibrated to the most reluctant member — technically coherent, operationally insufficient.

**The hidden coherence engine — and its limits.** The European Court of Justice has historically produced coherence where politics could not: establishing the supremacy and direct effect of EU law, enforcing single-market rules, protecting rule-of-law standards. This is legal coherence — real, powerful, but slow. The ECJ can align systems over a decade. It cannot align them in time for a crisis. And it is now reaching its democratic ceiling, facing open rebellion from national constitutional courts. The EU has exhausted its workarounds. It must now build political coherence, not just legal coherence.

**The structural mechanisms.** Four interacting features produce the deficit. *Sovereignty fragmentation* — decision authority is shared, execution authority is national, and no single actor can command the full chain from intention to outcome. *The translation gap* — policies designed at EU level must be implemented nationally, experienced locally, and the connective tissue between these layers is weak. *Asymmetric capacity* — the EU contains administrative systems of radically different quality, and every policy must accommodate all of them. *Time-scale mismatch* — crises operate on days to months, while EU coordination operates on months to years. The system structurally produces late coherence.

**Two deeper tensions.** The *Kantian Hangover*: the EU was designed for a post-historical world where economic interdependence guaranteed peace and rules mattered more than force. That world is receding. The polycrisis — energy shock, geopolitical war, inflation, climate disruption — marks the return of a Hobbesian international order. The EU is the world's most sophisticated machine for a paradigm that no longer fully exists. The *Enlargement Paradox*: the EU actively prepares to absorb Ukraine, Moldova, and the Western Balkans, but the Negotiation-Dilution Loop does not scale linearly with more members — it scales exponentially. Enlargement without upgrading the inner operating system guarantees total systemic paralysis.

**What building coherence capacity looks like.** The EU does not need to become a state. It needs to become capable of coherence without uniformity — able to act with speed and legitimacy where coherence is necessary, while respecting diversity where diversity is legitimate. The upgrade involves six shifts: from ad hoc fiscal capacity to standing fiscal infrastructure; from unanimity to differentiated decision-making in strategic areas; from implementation dependence to implementation partnership; from 27 national public spheres to one polycentric public sphere; from reactive crisis management to anticipatory governance; and from subsidiarity as a shield to subsidiarity as a routing protocol — an institutional mechanism that determines, in a timely and binding way, which governance level is appropriate for which challenge.

**The transition architecture** works with the grain of the EU's existing strengths. Variable geometry made explicit — "coherence through selective synchronisation," where high-capability clusters move faster while others follow when ready. Crisis-time governance protocols formalising the emergency coordination that already occurs ad hoc. Coalitions of the willing as Trojan Horses in defence, green industrial policy, and digital infrastructure. And scaling by attraction rather than central mandate.

**The concrete first step: Coherence Regions.** A networked set of cross-border bioregions — the Alpine arc, the Baltic Sea catchment, the Danube basin, the Rhine-Meuse delta — granted structured experimentation authority to pioneer integrated governance across challenges that respect no border. These are not Interreg 2.0. They have binding cross-border authority for specific domains, a shared budget with a shared execution layer, and real-time data integration across borders. They build on the EU's existing macro-regional strategies while giving them the governance teeth they have always lacked. They are organised around the most undeniable functional reality — ecosystems do not respect political borders — and they provide an irrefutable rationale for the sovereignty-sharing that coherence requires.

**The series context.** This report completes an arc that began with four national diagnoses: Germany's execution deficit, France's integration deficit, Sweden's feedback deficit, and India's synchronisation deficit. The EU is the arena where the first three interact directly — and where they are compounded by a fourth, uniquely supranational failure mode. The EU is simultaneously the world's most ambitious governance experiment beyond the nation-state and the clearest demonstration of why coherence across sovereign actors is the hardest governance challenge of all.

**The opportunity.** In an interdependent world, uncoordinated sovereignty is increasingly illusory sovereignty. The EU does not need to become a state. It needs to become capable of arriving together — fast enough, legitimate enough — without surrendering the democratic diversity that makes the Union worth preserving. The question is whether the architecture designed for deliberation in a stable world can be upgraded for acceleration in a volatile one. The Coherence Regions are the experimental space where that question can begin to be answered.

# 1. The Coherence Mirage

## 1.1 The Vaccine and the Pact

In the spring of 2020, as the coronavirus swept across the continent and borders snapped shut for the first time in a generation, the European Union did something it was never supposed to be able to do. It agreed, in a matter of weeks, to borrow €750 billion collectively — a fiscal mutualisation that had been declared politically impossible for decades. The European Commission was authorised to raise debt on capital markets, backed by the collective guarantee of 27 member states, and to channel the proceeds into recovery grants and loans. The decision was not merely a financial instrument. It was a demonstration that the EU could, when the pressure was existential, act with speed, scale, and genuine solidarity.

The same Union, four years later, was still negotiating the operational details of a migration pact whose political framework had been agreed in principle years earlier. The pact had been hailed as a breakthrough — a common response to a challenge that no member state could manage alone. But the translation of that shared intention into aligned national implementation was mired in the ordinary machinery of European decision-making: lengthy negotiations over burden-sharing formulas, opt-outs for reluctant states, and the quiet erosion of ambition as each capital calibrated its position to domestic political cycles. The agreement was real. The arrival was not.

These two stories — the recovery fund and the migration pact — are not evidence of a system that works in one domain and fails in another. They are evidence of a single system that can operate at radically different speeds depending on the alignment of urgency, interests, and institutional pathways. When the crisis is acute enough, the interests convergent enough, and the procedural obstacles temporarily suspended, the EU can move with astonishing velocity. When urgency recedes and the ordinary machinery resumes, the same system reverts to its default pace: deliberate, negotiated, and calibrated to the speed of its most reluctant member.

This is the coherence mirage. The EU is not paralysed. It is not dysfunctional. It is capable of genuine, impressive collective action. But its capacity to align 27 sovereign systems — each with its own constitutional architecture, political culture, and adaptive capacity deficit — is intermittent, uneven, and structurally slower than the challenges it faces. Europe has learned to decide together. It has not yet learned to arrive together.

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## 1.2 The Pattern Across Domains

The coherence mirage is not confined to migration and fiscal policy. It is the recurring shape of European governance across every major domain.

**The eurozone debt crisis** of 2010–2015 produced a cascade of agreements — the European Stability Mechanism, the Fiscal Compact, the banking union — each negotiated over months of late-night summits, each hailed as a step toward genuine economic governance. Yet the underlying divergence between surplus and deficit economies persisted. The banking union remains incomplete, lacking a common deposit insurance scheme. The Fiscal Compact's rules were suspended during the pandemic and have not been credibly restored. The agreements were real. The alignment was partial. The next crisis — whether triggered by sovereign debt, financial instability, or asymmetric shock — will find the architecture still unfinished.

**The migration crisis** of 2015–2016 generated a similar pattern. Emergency summits produced relocation quotas, reinforced border controls, and a new European Border and Coast Guard. The quotas were resisted, ignored, or implemented minimally by several member states. The burden-sharing that was pledged in Brussels dissolved in national capitals. A new pact was negotiated — more flexible, more pragmatic — but its implementation depends on the same national administrations that proved unable or unwilling to implement the previous one. The Union agrees on solidarity. It struggles to make solidarity operational.

**The energy shock** of 2022, triggered by Russia's invasion of Ukraine, demonstrated both the EU's capacity for rapid collective response and the limits of that capacity. A joint gas purchasing platform was created. Storage targets were set and, in most cases, met. But the response remained overwhelmingly national: Germany's €200 billion energy subsidy package dwarfed anything done at the European level and exposed the asymmetry between national fiscal capacity and European coordination. The Union acted. But it did not act together — not in the sense of a shared, calibrated, mutually reinforcing response.

**Climate policy** tells a similar story. The European Green Deal is among the most ambitious decarbonisation frameworks in the world, with legally binding targets and detailed implementation mechanisms. But the delivery of those targets depends on 27 national energy and climate plans, each shaped by domestic political and economic realities, each implemented through national administrations of varying capacity. The Commission can set the direction. It cannot ensure that all member states arrive at the destination at the same time, or in the same condition, or at all.

In each domain, the pattern is consistent. The EU is a remarkable machine for producing shared intentions. It is a far less reliable machine for converting those intentions into aligned outcomes. The gap between agreement and arrival is the coherence deficit — and it is not a temporary phase. It is a structural property of a system that governs through negotiated consensus among sovereign actors who retain the legal and political right to diverge.

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### 1.3 The Negotiation-Dilution Loop

The coherence deficit has a signature pattern, and it is as recognisable to anyone who has worked in or around EU institutions as the Reform Loop is to a French civil servant or the Drift Loop to a Swedish municipal official.

It begins with a crisis or a strategic imperative. The European Commission, exercising its right of initiative, proposes an ambitious framework — a new climate target, a reformed asylum system, a digital levy, a defence procurement mechanism. The proposal is technically sophisticated, legally coherent, and calibrated to the scale of the problem as the Commission sees it.

The proposal then enters the intergovernmental machinery. The Council of the European Union, representing 27 member states, begins negotiations. Each state brings its own interests, its own red lines, its own domestic political constraints. The negotiations are lengthy — the ordinary legislative procedure routinely takes years from proposal to adoption. Ambition is diluted. Opt-outs are granted to secure the consent of reluctant states. The final agreement is a compromise: it retains the shape of the original proposal, but its edges have been softened, its timelines extended, its enforcement mechanisms weakened.

The diluted agreement is then transposed into national law and implemented by national administrations. This is where the coherence deficit becomes most visible. A directive that looked coherent on the page in Brussels is interpreted differently by 27 different legal systems, enforced unevenly by 27 different regulatory agencies, and experienced by citizens in 27 different ways. Some member states implement fully and quickly. Others delay, comply minimally, or exploit ambiguities to protect domestic interests. The Commission's enforcement powers — infringement procedures that can take years to reach the European Court of Justice — provide a backstop, but not a synchronisation mechanism.

The outcomes are partial. The underlying structural weakness — the fiscal divergence, the migration pressure, the energy dependency — is partially addressed, partially left intact. Frustration accumulates. Trust between member states erodes in small, cumulative increments. And the next crisis, when it arrives, enters a system slightly more brittle than the one before.

This is the Negotiation-Dilution Loop. It is not a sign of institutional failure. It is the predictable output of an architecture that was designed for deliberation among allies in a stable world — and that is now being asked to govern at speed among competitors in a volatile one.

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## 1.4 The Franco-German Engine — Strained

No analysis of European coherence can avoid the central role played by France and Germany. The Franco-German partnership has been the historical driver of European integration, the axis around which the Union's major advances have been negotiated. When Paris and Berlin align, the rest of the Union can be brought along. When they diverge, the Union drifts.

The preceding reports in this series have diagnosed the two nations individually. Germany, it was argued, suffers from an execution deficit — an administrative architecture fragmented across federal, state, and municipal levels, with permitting timelines that stretch to a decade and a digital infrastructure that remains stuck in the transactional. France suffers from an integration deficit — a hyper-centralised state that can decide with impressive speed but cannot make its decisions stick across a diverse territory, because the connective tissue between national intention and local legitimacy is absent.

The European Union inherits both of these deficits simultaneously. When a major policy is agreed in Brussels, Germany's execution paralysis slows its implementation in Europe's largest economy, while France's integration brittleness means that even when the policy is transposed, it is vulnerable to the spectacle of national political contestation and the street-level mobilisation that can unravel any reform. The engine that once pulled Europe forward is itself increasingly out of sync — not because French and German leaders lack commitment to the European project, but because the governance architectures through which that commitment must be expressed are themselves straining under the weight of 21st-century complexity.

This is the compound deficit at its most consequential. The two nations that must lead are each, in their own way, less capable of leading than they were a generation ago. And the Union as a whole has no mechanism to compensate for that diminished capacity — no alternative engine, no institutional bypass, no supranational execution authority that can fill the gap when the Franco-German motor misfires.

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## 1.5 The Union's Genuine Strengths

Before proceeding to the diagnosis, it is worth pausing to recognise what the European Union has achieved — not as a diplomatic courtesy, but because an honest diagnosis of the coherence deficit requires acknowledging the genuine capacities that the deficit constrains.

The EU is the most successful peace project in modern history. A continent that spent centuries tearing itself apart in wars of increasing scale and devastation has experienced over seven decades of peace among its members — a feat with almost no historical precedent. The single market remains one of the world's largest

integrated economic spaces, enabling the free movement of goods, services, capital, and people across borders that were once fortified. The euro, for all its incomplete architecture, has survived existential crises and remains the world's second reserve currency.

The EU is a regulatory superpower. The "Brussels Effect" — the tendency of global markets to adopt EU standards rather than maintain parallel production lines — means that the Union shapes the rules of the digital economy, the environmental standards of manufacturing, and the data privacy protections that affect billions of people far beyond its borders. This is not military power. It is not fiscal power. It is a subtler, slower, but genuinely effective form of global influence — and it is unique to the European governance model.

The EU's deepest strength is that it can coordinate without dominating. It does not conquer. It does not coerce. It negotiates. It sets shared rules and builds shared institutions that allow diverse, sovereign nations to act together without surrendering their identity. In a world increasingly defined by great-power competition, zero-sum nationalism, and the logic of domination, the EU's model — imperfect, frustrating, slow — remains the only serious attempt to govern a plural system without collapsing it into a single sovereign authority.

The question is not whether this model is valuable. It is. The question is whether the model, in its current architectural form, can operate at the speed and scale that the 21st century demands — or whether it must be upgraded to meet the challenges it was never designed to face.

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## 1.6 The Real Question

At this point, a familiar impatience may arise.

*So what should the EU do? Federalise? Centralise? Abandon unanimity? Build a European army?*

The argument of this report is that the very form of these questions — the instinct to reach for institutional solutions before understanding the architectural constraints — is part of the problem. The EU does not suffer from a shortage of reform proposals, any more than India suffers from a shortage of policy ideas or Sweden from a shortage of competent analysis. The shelves of Brussels think tanks groan under the weight of carefully designed blueprints for European federalism, differentiated integration, and treaty reform. Most of them remain unread, because the system that would need to implement them operates in a loop that converts ambition into dilution.

The real question is not "What should the EU become?" It is "How does the EU become capable of arriving together — at a speed that matches its challenges, with a fidelity that preserves the intent of its decisions, and with a legitimacy that its citizens recognise and accept?" The question shifts from institutional design to architectural upgrade: from debating the final form of the European project to building the connective tissue that would allow any form of the European project to function effectively.

The rest of this report is devoted to that question. It diagnoses the coherence deficit in its structural mechanisms: sovereignty fragmentation, the translation gap, asymmetric capacity, and time-scale mismatch — and acknowledges the hidden coherence engine, the European Court of Justice, that partially compensates but cannot close the gap. It describes what building coherence capacity would look like in practice, through a set of specific, incremental shifts that work with the grain of the EU's existing institutions. It names the political immune system that will resist — sovereignty-as-veto, consensus as dilution, the exhaustion of workarounds — and proposes a transition architecture that bypasses the veto without overriding the legitimacy of democratic choice.

And it proposes a concrete first step: **Coherence Regions** — cross-border bioregional laboratories, spanning the Alpine arc, the Baltic catchment, the Danube basin, and the Rhine-Meuse delta, where integrated governance can be tested, demonstrated, and allowed to spread. Not a European superstate. Not a return to national fragmentation. A third path: the path of arriving together.

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## 2. The Coherence Deficit: A New Diagnosis

### 2.1 What "Coherence Capacity" Means

The term "coherence" has a bureaucratic ring. In EU discourse, it often refers to policy coherence for development — the requirement that different policy domains do not work at cross-purposes. That is not what is meant here.

Coherence capacity, in the sense that matters for the European Union's current situation, is the ability of a governance system composed of sovereign actors to translate shared intentions into aligned, timely action — to arrive together, in roughly the same place, at roughly the same time, without requiring identical pathways or uniform institutional architectures.

This is a more demanding standard than coordination, which implies communication and mutual adjustment but not necessarily convergence. It is a different standard than integration, which implies the transfer of authority to a supranational level but not necessarily the capacity to act. And it is a more precise standard than solidarity, which implies shared values and mutual support but not necessarily operational alignment.

The EU is rich in coordination mechanisms. It has achieved remarkable integration in specific domains. It has demonstrated genuine solidarity in moments of crisis. What it lacks — what the Negotiation-Dilution Loop systematically erodes — is the capacity to convert these assets into outcomes that arrive together, across 27 different constitutional orders, in time to meet the challenge.

This is not a failure of political will. The Treaties, the institutions, the decision-making procedures — they are not broken. They are functioning as designed. The problem is that they were designed for a different world: a world of slower change, fewer existential crises, and a more stable consensus among member states about the direction of the European project. That world is gone. The architecture remains. The coherence deficit is the gap between what the architecture can produce and what the 21st century demands.

Four structural mechanisms produce the deficit. Each is a feature of the EU's constitutional design, not a flaw to be corrected. Each interacts with the others in ways that compound. And each is, in its own way, a reasonable response to the legitimate challenge of governing diverse democracies at continental scale.

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### 2.2 Sovereignty Fragmentation: Why No One Can Align the System End-to-End

The European Union is not a state. This is the most obvious fact about it, and also the most consequential.

In a nation-state, even a federal one, there is an identifiable sovereign authority — a government that can, in principle, command the full chain from policy intention to operational outcome. The chain may be long, fragmented, and contested, but there is a constitutional locus of authority that can be held accountable for results. In the European Union, no such locus exists.

Decision authority is shared. The Commission proposes, the Parliament and Council dispose, and the European Council sets strategic direction — but the distribution of initiative, amendment, and veto powers across these institutions means that no single actor can drive the system from intention to outcome. Execution authority is national. Over 90% of EU law is implemented not by EU bodies but by member state administrations, which vary dramatically in capacity, culture, and willingness. Legitimacy is mixed. The EU derives its authority partly from the Treaties (which are agreements between states), partly from the direct election of the European Parliament, and partly from the democratic legitimacy of the national governments that sit in the Council. No single source of legitimacy is sufficient to override the others.

The consequence is structural: **no single actor can align the system end-to-end.** Every major action requires negotiation across different mandates, alignment across different electorates, and compromise across different capacities. The Commission can propose an ambitious climate target, but it cannot ensure that national parliaments adopt the necessary legislation. The European Council can agree on a common migration framework, but it cannot make national administrations process asylum applications consistently. The Parliament can demand stronger enforcement, but it cannot send inspectors into member states without the consent of national authorities.

This fragmentation is not a design flaw. It is the constitutional expression of a fundamental political reality: the member states have not transferred sovereignty to the Union in the manner of a federal state, and they have repeatedly demonstrated that they will resist any attempt to do so. The fragmentation is the price of voluntary association among democracies. But the price is rising. As the challenges the EU faces become more urgent and more complex, the gap between the coherence they demand and the coherence the fragmented architecture can supply grows wider.

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## 2.3 The Translation Gap: Where Policy Loses Its Shape

If sovereignty fragmentation is the constitutional condition, the translation gap is its operational consequence. Policies are designed at the EU level — in the Commission's Directorates-General, in the expert committees, in the trilogue negotiations between Commission, Parliament, and Council. They are technically sophisticated, legally precise, and reflect years of careful deliberation. Then they are handed to 27 different national administrations for implementation, and something happens that no amount of drafting can prevent: the policy loses its shape.

Directives must be transposed into national law. Each member state does this differently — embedding the directive into its own legal tradition, interpreting its provisions through the lens of its own administrative culture, and allocating responsibility to different parts of its national bureaucracy. What was a single, coherent text in Brussels becomes 27 different legal instruments, each subtly (or not so subtly) different from the others.

Regulations, which have direct effect and do not require transposition, still require enforcement. The enforcement is done by national regulators, national inspectorates, and national courts, each operating within their own institutional constraints and subject to their own political pressures. A regulation that looks uniform on paper is applied unevenly in practice — not because anyone is acting in bad faith, but because the institutional machinery available to apply it varies dramatically from Stockholm to Sofia.

Between the EU level and the national level, there is almost no institutional middle. The Commission's enforcement powers are limited and slow. Infringement procedures take years to reach the Court of Justice, and even when the Court rules, the remedies are indirect. The EU has no corps of supranational inspectors, no standing implementation support agency, no structured mechanism for feeding local experience back up into policy design. The translation layer — the institutional connective tissue that would adapt EU policy to national contexts, monitor implementation in real time, and ensure that what was intended in Brussels bears some resemblance to what is delivered in Athens or Warsaw — is largely absent.

This is not an argument for a European super-bureaucracy. It is an observation that the EU has built a sophisticated legislative machinery with almost no corresponding implementation machinery. The system can design. It struggles to deliver. And the gap between design and delivery is where the coherence deficit lives.

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## 2.4 Asymmetric Capacity: One Policy, 27 Realities

The translation gap would be challenging enough if every member state had the same administrative capacity. They do not.

The European Union contains within its borders some of the most capable public administrations in the world and some that struggle to perform basic regulatory functions. Nordic states operate with high trust, high digitalisation, and low corruption. Southern European states, while administratively competent in many domains, face fiscal constraints that limit their enforcement capacity and political dynamics that complicate consistent implementation. Central and Eastern European states, many of which joined the Union in the last two decades, are still building administrative capacity and, in some cases, are actively undermining the rule-of-law institutions that EU membership was supposed to strengthen.

Every EU policy must accommodate this entire range. A directive designed to be implementable by the Estonian e-government will also need to work in a member state where digital public administration is embryonic. A regulation that assumes independent regulatory oversight will land differently in a state where

regulatory capture is a live political concern. The policy must be either tight — in which case it will generate compliance gaps in lower-capacity states — or loose — in which case it will be less effective in higher-capacity states. There is no clean equilibrium.

This is not a temporary transitional problem. Administrative capacity does not converge quickly. The structural funds and cohesion policies that were designed to accelerate convergence have achieved real but limited results, and in some areas the gap between the most and least capable member states has widened rather than narrowed. The EU's outer capacity — the ability of the system as a whole to implement what it decides — is only as strong as its weakest implementing member. And that weakness is not evenly distributed: it tends to be concentrated in the member states that are also under the greatest pressure from external challenges, from migration flows to geopolitical instability.

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## 2.5 Time-Scale Mismatch: The Structural Production of Late Coherence

Crises operate on short timescales. A financial panic can unfold in days. A migration surge can build in weeks. An energy shock can cascade through interconnected markets in hours. The European Union's decision-making machinery, by contrast, operates on months to years. The ordinary legislative procedure — Commission proposal, Parliamentary scrutiny, Council negotiation, trilogue — routinely takes two to three years from initiation to adoption. Unanimity requirements in foreign policy, taxation, and treaty change mean that a single member state can block or delay action indefinitely.

The result is a structural condition: the EU produces **late coherence**. By the time the system has negotiated a common response, the crisis has often moved on. The response that was calibrated to the situation as it existed at the start of the process arrives to meet a situation that has already changed. Sometimes this is merely inefficient. Sometimes it is dangerous.

The contrast between *crisis mode* and *normal mode* is instructive. In crisis mode — the pandemic response, the initial sanctions on Russia, the energy price cap — the EU can move with surprising speed. The normal procedural obstacles are temporarily suspended by overwhelming political urgency. Leaders meet, decide, and instruct the Commission to implement. But crisis mode is ad hoc. It relies on the alignment of interests being so overwhelming that the usual veto incentives are suppressed. It has no institutional foundation, no pre-agreed protocols, no formal mechanism for transitioning back to normal governance once the urgency recedes.

When urgency does recede — as it always does — the system returns to normal mode, and the coherence that was achieved under pressure begins to erode. The recovery fund was agreed in crisis mode. Its implementation — the national recovery plans, the disbursement of funds, the monitoring of milestones — is

happening in normal mode, and the divergence between member states is already visible. The sanctions on Russia were agreed in crisis mode. Their enforcement and the prevention of circumvention are now operating in normal mode, and the gaps are widening.

The EU lacks a formal mechanism for transitioning deliberately between the two modes — for identifying when a challenge requires crisis-mode speed and for maintaining coherence once the initial urgency fades. This is not a failure of the existing procedures. It is an absence in the institutional architecture.

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## 2.6 Legal Coherence Without Temporal Coherence: The Court of Justice's Role and Limits

The diagnosis so far risks implying that the EU has no mechanisms for producing coherence at all. That would be inaccurate. It has one very powerful mechanism — but it operates on the wrong timescale.

The European Court of Justice has been the quiet engine of European integration for decades. Through its jurisprudence — the doctrines of supremacy, direct effect, and state liability; the expansive interpretation of the single market freedoms; the enforcement of the rule of law through infringement proceedings — the ECJ has produced a form of coherence that politics alone could never have achieved. When member states could not agree, the Court could rule. When national administrations dragged their feet, the Court could compel. The legal architecture of the Union has been progressively tightened by judicial interpretation, and the result is a body of law that is more coherent, more enforceable, and more deeply embedded than the political compromises from which it originated.

This is legal coherence. It is real, powerful, and slow. The ECJ can align legal systems over a decade. It cannot align responses to a crisis that demands action within weeks. An infringement proceeding takes years to reach a ruling. By the time the Court has determined that a member state has failed to implement a directive correctly, the policy cycle has often moved on, and the remedy is retrospective rather than operational.

Moreover, the ECJ's coherence engine is now reaching its democratic ceiling. National constitutional courts — most notably in Germany, but also in Poland, Hungary, and elsewhere — have pushed back against the supremacy of EU law, asserting their own authority to review whether the Court has exceeded its mandate. This is not merely a legal dispute. It is a symptom of the deeper political reality: the stealth coherence that the ECJ provided for decades, precisely because it operated below the threshold of political controversy, is no longer sustainable. The Union's legal workaround has been discovered. It can no longer substitute for the political coherence that the member states have been unable — and often unwilling — to build.

The exhaustion of this workaround is a watershed. For much of its history, the EU could rely on the Court to fill the gaps left by political negotiation — to produce through law what could not be produced through legislation. That era is ending. The EU must now build political coherence directly — through its institutions, its procedures, and its public sphere — or accept that the coherence deficit will continue to widen.

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## 2.7 How the Mechanisms Reinforce Each Other

The four mechanisms — sovereignty fragmentation, the translation gap, asymmetric capacity, and time-scale mismatch — are not independent problems. They interact, and their interaction is what makes the Negotiation-Dilution Loop so stable.

Sovereignty fragmentation is the foundational condition. Because no single actor commands the full chain from intention to outcome, every policy must be negotiated. The negotiation process takes time, generating time-scale mismatch. The outcome of the negotiation is a compromise that is legally coherent but operationally ambiguous — because ambiguity is what allows 27 sovereign states to interpret the same text in 27 different ways. The translation gap ensures that this ambiguity produces divergence during implementation. Asymmetric capacity ensures that the divergence is uneven — concentrated in the member states least able to compensate for it with administrative quality or political stability.

The result is partial outcomes. The policy that was agreed in Brussels arrives in Athens, in Warsaw, in Lisbon in forms that bear some resemblance to the original but that differ enough to undermine the collective impact. The underlying structural challenge — the fiscal divergence, the migration pressure, the energy dependency — remains partially addressed. Frustration accumulates. Trust between member states erodes in subtle, cumulative ways — a northern finance minister noting that the rules are being stretched, a southern prime minister feeling that solidarity is conditional and grudging, an eastern government concluding that the Union's demands are endless and its protections unreliable.

The ECJ's legal coherence partially compensates — but too slowly, and with diminishing political legitimacy. The system as a whole produces just enough coherence to avoid collapse, but not enough to fully solve the problem. And the next crisis, when it arrives, enters a system slightly more brittle, slightly more mistrustful, and slightly less capable of the collective response it demands.

This is the coherence deficit at work. It is not a failure of competence, resources, or intention. It is a structural property of an architecture that was brilliantly designed for deliberation in a stable world — and that is now being asked to deliver coherence at speed in a volatile one. The next section describes what upgrading that architecture would look like.

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## 2.8 Why Constitutional Redesign Is Not Enough

Constitutional redesign proposals—from federal settlements to treaty simplification—address symptoms of the coherence deficit (unclear competences, weak political authority) without rewiring the patterns that produce it. A federal constitution would still inherit the Translation Gap, Asymmetric Capacity, and Time-Scale Mismatch unless the underlying coordination architecture is upgraded. The Union needs operational coherence capacity first—the ability to sense, translate, and align action across sovereign systems in real time. That capacity could eventually support formal constitutional revision. Or it might render such revision unnecessary by demonstrating that coherence is achievable within existing treaties, properly equipped.

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## 3. The Compound Deficit: Why the EU's Problem Is Harder Than Any Member State's

### 3.1 The EU as an Arena for Others' Deficits

The European Union is not a self-contained governance system. It is a governance system composed of governance systems — 27 of them, each with its own constitutional architecture, political culture, administrative capacity, and adaptive deficit. This is not merely a descriptive observation. It is a structural condition that makes the EU's coherence problem qualitatively different from the deficits diagnosed in the preceding reports in this series.

Germany, it was argued, suffers from an execution deficit — its administrative machinery is fragmented and slow, unable to translate fiscal capacity into physical outcomes at the speed its challenges demand. France suffers from an integration deficit — it can decide with impressive speed and intellectual clarity, but the connective tissue between national intention and local legitimacy is absent, and reforms repeatedly unravel. Sweden suffers from a feedback deficit — its high-trust, consensus-oriented model filters out disturbing signals until they have accumulated into crises that can no longer be ignored.

These deficits are not sealed within national borders. They spill over. When the European Union adopts a major policy — a climate target, a digital regulation, a financial stability mechanism — that policy must be implemented by the very member states whose governance architectures are, to varying degrees, incapable of the adaptive responses the policy requires. Germany's execution paralysis slows the permitting of energy infrastructure that the European Green Deal demands. France's integration brittleness means that even when a directive is transposed into national law, its implementation is vulnerable to the spectacle of national political contestation and the street-level mobilisation that can unravel any reform. Sweden's feedback deficit means that signals from the periphery of the Union — from the Baltic states on Russian hybrid threats, from southern Europe on climate impacts — are filtered through a national consensus culture that delays acknowledgment and response.

The EU cannot compensate for these deficits from above. It has no supranational execution authority that can override German administrative fragmentation. It has no supranational legitimacy that can substitute for French political consent. It has no supranational sensing capacity that can detect what Swedish institutions filter out. The Union is built on top of its member states' governance architectures, and the coherence it can achieve is bounded by the capacity of those architectures to cohere. When the component parts are, to varying degrees, architecturally incapable of the adaptive responses the whole system requires, the whole system's performance ceiling is set not by its own institutional design but by the accumulated limitations of its members.

This is the compound deficit: the EU does not merely suffer from its own coherence problem. It inherits, amplifies, and is constrained by the coherence problems of its constituent parts. And those parts include the Union's two indispensable powers, whose ability to drive the European project forward is itself diminishing.

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### 3.2 The Regulatory Superpower Trap

If sovereignty fragmentation and asymmetric capacity prevent the EU from acting with fiscal or military force, its primary lever of power has been regulation. The single market, the competition authority, the digital and environmental standards — these are genuine achievements that shape global markets far beyond the Union's borders. The "Brussels Effect" describes the tendency of multinational corporations to adopt EU standards globally rather than maintain separate production lines for different regions. The EU sets the rules for data privacy, for product safety, for carbon emissions, and the world — to a remarkable extent — follows.

This is not a small thing. It is a form of power that is subtler, slower, and more enduring than military force or fiscal dominance. It has allowed the EU to project its values and protect its interests without the coercive apparatus of a traditional great power. In a world increasingly defined by regulatory competition — whose standards govern artificial intelligence, whose privacy framework shapes the digital economy, whose carbon accounting determines trade access — the EU is a superpower in its own right.

But regulating the future is not the same as inventing it. The EU can set the rules for digital markets, but it struggles to produce the companies that compete in them. It can mandate carbon neutrality by 2050, but it cannot easily build the cross-border energy infrastructure, the industrial policy, or the investment framework needed to get there. The regulatory lever is powerful, but it is also limited: it shapes the context in which others act, while leaving the Union dependent on those others — member states, private capital, global markets — to do the actual building.

The imbalance between regulatory ambition and execution capacity creates a specific vulnerability. The EU makes promises to its citizens — a green transition, a digital future, a secure energy supply — but the delivery of those promises depends on actors over whom the EU has limited control. When delivery falters, the Union is held responsible, precisely because its regulatory presence is so visible. The regulatory superpower trap is this: the EU exercises power primarily through rules, but rules alone cannot build a grid, train a workforce, or secure a supply chain. And the more the EU regulates, the more it is expected to deliver — and the more exposed it becomes when delivery falls short.

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### 3.3 The Kantian Hangover

The European Union was built on a bet. The bet was that economic interdependence would produce political cooperation, that political cooperation would produce lasting peace, and that the combination of the two would create a zone of stability in which force mattered less than rules. It was, in the deepest sense, a Kantian project — the pursuit of perpetual peace through shared institutions and shared prosperity.

The bet paid off for over half a century. Western Europe, and then Central and Eastern Europe after the Cold War, experienced the longest period of peace in its recorded history. The single market deepened. The Union enlarged. The soft power of integration proved more transformative than the hard power that had previously dominated the continent.

But the world around the EU has changed in ways that the EU's founding assumptions did not anticipate. The return of great-power competition — Russia's invasion of Ukraine, China's assertive revisionism, the erosion of the American security guarantee — has reintroduced force as a primary currency of international relations. The weaponisation of interdependence — energy supplies as coercion, supply chains as vulnerability, migration flows as hybrid warfare — has turned the EU's greatest strength into a potential liability. The polycrisis — the simultaneous collision of climate disruption, geopolitical instability, demographic pressure, and technological transformation — has overloaded the deliberative architecture that was designed for sequential challenges, not concurrent ones.

The EU is not to blame for this shift. But it is structurally exposed by it. The Union's governance model was optimised for a world in which rules were more important than force, in which crises arrived one at a time and could be processed through deliberation, in which the external environment was broadly stable and the internal consensus broadly intact. That world no longer exists. The EU now faces adversaries who do not accept its regulatory logic, a geopolitical environment that demands speed as well as consensus, and an internal landscape in which the political consensus that once underpinned integration is increasingly contested.

This is the Kantian hangover: the residual assumption, embedded in the EU's institutional DNA, that the world will eventually conform to the Union's model — that economic interdependence will discipline aggression, that rules will constrain power, that deliberation will produce convergence. The assumption is not incorrect in principle. It is simply too slow for the world in which the Union now operates. The EU's coherence deficit is partly a design mismatch: an architecture built for deliberation among allies in a stable world, now being asked to deliver coherence at speed among competitors in a volatile one.

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### 3.4 The Enlargement Paradox

Enlargement is the European Union's most successful foreign policy. It has stabilised the continent by absorbing neighbours into the regulatory and economic order, transforming fragile post-authoritarian states into functioning democracies and integrated economies. The prospect of membership has driven reforms in candidate countries that no amount of external pressure or conditional aid could have achieved. It is, by any measure, a remarkable instrument of soft power.

And it contains a structural paradox that the Union has yet to confront.

The Negotiation-Dilution Loop — the mechanism through which the EU produces partial, delayed, and diluted coherence — does not scale linearly with the number of member states. It scales roughly with the square of the number of veto players. Each new member adds another sovereignty to respect, another translation interface to manage, another capacity differential to accommodate, and another potential veto point in the areas where unanimity still applies. The cost of coherence — the time, the dilution, the implementation gaps — rises faster than the number of actors whose coherence is needed.

The EU is currently preparing to absorb Ukraine, Moldova, and the Western Balkans — potentially pushing membership well past 30. Ukraine alone, with over 40 million people, a devastated wartime infrastructure, an agricultural sector that would fundamentally reshape the Common Agricultural Policy, and governance institutions under extraordinary strain, would stress the coherence architecture beyond anything in the Union's history. The accession of the Western Balkan states, each with its own unresolved territorial disputes and governance challenges, would add further layers of complexity.

The paradox is this: enlargement is the EU's primary geopolitical tool for projecting stability, but enlarging the outer hardware without upgrading the inner operating system — without eliminating unanimity in strategic areas, without building the translation layers and implementation partnerships that currently do not exist, without creating crisis-mode governance protocols that can function at 30-plus — guarantees total systemic paralysis. The Union cannot stop enlarging, because to do so would be to abandon its most powerful instrument of influence and to leave its near-abroad to the influence of less benign powers. But it cannot continue enlarging on the current institutional basis without further degrading the coherence it already struggles to achieve.

This is not an argument against enlargement. It is an argument that enlargement and institutional reform are not separate conversations. They are the same conversation. Every new member the EU absorbs increases the urgency of the coherence upgrade this report describes. The alternative — enlarging without reforming — is to accept that the Union will become progressively less capable of acting together at the very moment it most needs to.

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### 3.5 The Single Public Sphere Deficit

If sovereignty fragmentation, the regulatory trap, and the enlargement paradox are the outer dimensions of the compound deficit, the inner dimension is perhaps the most consequential — and the most difficult to address.

The European Union has no single public sphere. It has 27 national public spheres, each operating in its own language, through its own media ecosystem, shaped by its own political history and cultural assumptions. A policy decision taken in Brussels is refracted through 27 different lenses, interpreted through 27 different narratives, and contested in 27 different political arenas. The same decision can be simultaneously presented as a German-imposed austerity measure in Athens, a necessary fiscal discipline in Berlin, a threat to national sovereignty in Warsaw, and an insufficiently ambitious climate action in Stockholm.

This fragmentation is not merely a communication challenge. It is a structural condition that prevents the emergence of a shared political community at the European level. Citizens in one member state do not encounter the debates in another as intelligible or legitimate. They do not share a common media space in which European-wide public deliberation can occur. The European Parliament elections, despite being the world's largest transnational democratic exercise, are fought largely on national issues by national parties addressing national electorates. The democratic infrastructure of the Union — the elections, the media, the public discourse — remains almost entirely national, while the governance challenges it faces are increasingly continental.

The Union has attempted to compensate for this deficit through performance legitimacy. It has sought to earn the trust of its citizens by delivering visible outcomes — peace, prosperity, freedom of movement, a stable currency. When the outcomes are positive, this works. The EU's approval ratings have historically tracked economic performance. But performance legitimacy is fragile precisely because it depends on outcomes. When outcomes falter — when growth slows, when migration pressures mount, when energy prices spike — there is no underlying civic identity to fall back on, no reservoir of diffuse trust that allows national governments to weather crises without immediate legitimacy challenges, no "we" that can absorb the shock of a "not now."

This is the single public sphere deficit. The EU decouples economic and regulatory integration from emotional and identity integration — assuming that shared material interests will eventually produce shared political community. But human systems do not work that way. They operate on narrative, belonging, and the sense of a shared fate. The Union has built an extraordinary institutional architecture for coordinating interests. It has not built a corresponding architecture for coordinating meaning.

The consequences are not abstract. When a crisis requires sacrifice — higher energy costs, fiscal transfers, the acceptance of migrants — the absence of a shared public sphere means that the sacrifice is experienced as an external imposition rather than a collective choice. The populist movements that have challenged the

European project in country after country are not simply expressions of economic grievance. They are expressions of a deeper alienation: the sense that decisions are made elsewhere, by people who are not "us," in a language that is not "ours," for reasons that are never fully explained or debated in a forum where citizens feel represented.

The coherence deficit, in its deepest form, is a legitimacy deficit. And the legitimacy deficit is rooted in the absence of a public sphere that can make European governance feel like democratic self-governance rather than external rule.

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## 4. What Building Coherence Capacity Looks Like

The compound deficit carries a practical implication: if the EU's core problem is not a shortage of decisions, legitimacy, or sensing, but the inability to translate shared intentions into aligned, timely action across sovereign actors, then the central task is not to choose between federalism and intergovernmentalism. It is to build the missing connective tissue that would allow either model — or any hybrid between them — to function effectively.

The EU does not need to become a state. The goal is not centralisation. It is **coherence without uniformity** — the ability to act together, at speed, where togetherness is necessary, while respecting the deep diversity of constitutional traditions, political cultures, and administrative capacities that make the Union legitimate. This is not a halfway house between integration and fragmentation. It is a different axis entirely: not how much authority is transferred to the centre, but how well the system aligns what it already has.

This section describes what building that alignment looks like in practice. It is organised around seven shifts, each addressing a specific dimension of the coherence deficit, each building on capacities the EU already possesses, and each designed to work with the grain of the Union's institutional architecture rather than against it.

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### 4.1 From Ad Hoc Fiscal Capacity to Standing Fiscal Infrastructure

The pandemic recovery fund — NextGenerationEU — was a breakthrough. For the first time, the European Commission borrowed at scale on capital markets, backed by the collective guarantee of the member states, and channelled the proceeds into grants and loans for national recovery plans. The taboo on joint debt issuance was broken. The instrument worked.

But NextGenerationEU is a one-off. It expires in 2026. The borrowing authority it granted the Commission is temporary. The conditions that made it possible — a historically severe symmetric shock, a German government willing to make a historic concession, a window of political alignment that will not last forever — are not guaranteed to recur. When the next asymmetric shock hits, the Union will be back to negotiating new instruments from scratch, under crisis pressure, with no standing fiscal capacity to absorb the impact.

A mature coherence architecture requires a **permanent EU fiscal capacity**. This means a central budget with automatic stabilisers — a European unemployment reinsurance scheme, for example, that kicks in when a member state's economy contracts sharply, cushioning the shock without requiring political negotiation each time. It means a euro-area safe asset — a common bond that provides the risk-free benchmark European

financial markets have always lacked and that reduces the vulnerability of individual member states to speculative pressure. It means the ability to respond to asymmetric shocks without ad hoc summits and without the conditionality politics that have poisoned relations between creditor and debtor states.

This is not a call for a United States of Europe. It is a call for the same tools that every mature federal system already possesses — the United States, Canada, Australia, Germany itself — scaled to the EU's specific constitutional context. The question is not whether fiscal capacity should be shared. It already is shared, in the sense that the economic fate of every member state depends on the economic fate of every other. The question is whether the institutional architecture reflects that interdependence, or whether it continues to pretend that national budgets alone can manage risks that are increasingly continental in scale.

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## 4.2 From Unanimity to Differentiated Decision-Making

The areas where the Council of the European Union still requires unanimity — foreign policy, taxation, parts of the budget, treaty change — are precisely the areas where the EU most needs to act coherently, and where the veto power of a single reluctant member state can prevent collective action entirely.

A single member state can block sanctions on an aggressor, delay a trade agreement, or veto a fiscal reform. It does not need to be a large member state, and it does not need to have a compelling reason. The mere existence of the veto — and the domestic political incentives it creates for governments to posture as defenders of sovereignty — is enough to suppress ambition before negotiations even begin. The Commission calibrates its proposals to what is likely to pass, not to what is necessary. The Council negotiates in the shadow of the most reluctant member, not the most willing. The result is a systemic bias toward dilution.

Shifting from unanimity to **qualified majority voting (QMV)** in select strategic domains — foreign policy sanctions, aspects of taxation related to the single market, the next generation of the EU's own resources — would not eliminate national sovereignty. It would change how sovereignty is exercised: from a veto that can be wielded by a single actor to a collective decision that requires a broad coalition of states representing a majority of the Union's population. The democratic legitimacy of such decisions would be stronger, not weaker, because no single state could claim to have been coerced by the rest while also being unable to block the will of a genuine majority.

Coupled with QMV expansion should be a formalised system of **opt-outs with structured pathways back in**. A member state that genuinely cannot participate in a particular integration step — for constitutional, economic, or political reasons — should have the right to opt out, but that opt-out should be understood as temporary and subject to periodic review, not as a permanent derogation. The goal is not to force every state into every policy at the same pace. It is to create a system in which the cohort of willing states can move forward while the door remains open for others to join when they are ready. This is the principle of *variable geometry* made explicit and institutional — coherence through selective synchronisation.

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### 4.3 From Implementation Dependence to Implementation Partnership

The EU legislates. Member states implement. This division of labour is constitutionally embedded and politically non-negotiable — and it is also the point at which the coherence deficit becomes operational. Over 90% of EU law is implemented by national administrations. The Commission's enforcement powers are limited, slow, and retrospective. The gap between a directive's adoption and its consistent application across 27 different legal and administrative systems is measured in years, and often in decades.

The EU cannot and should not build its own administrative apparatus to replace national implementation. But it can invest far more heavily in the capacity of member states to implement effectively, and in the connective infrastructure that makes implementation gaps visible before they become compliance crises.

A **Cohesion Administration Fund** — modelled on the structural funds but directed specifically at administrative capacity — would provide technical assistance, training, digital infrastructure, and peer-exchange programmes to strengthen implementation capacity where it is weakest. This is not a transfer from rich states to poor states. It is an investment in the coherence of the system as a whole — because every member state's failure to implement weakens the effectiveness of the policies that all member states depend on.

Alongside the Fund, the EU needs a **standing Implementation Support Service** — a corps of technical experts, drawn from across the Union, who can be deployed at the request of a member state to assist with complex transposition or enforcement challenges. This is not an inspectorate. It is not an enforcement body. It is a capacity-building resource, analogous to the technical assistance that the International Monetary Fund or the World Bank provides to national governments — but embedded within the EU's own institutional framework and accountable to the Union's democratic processes.

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### 4.4 From 27 Public Spheres to One Polycentric Public Sphere

The single public sphere deficit described in Section 3.5 is both the most consequential dimension of the coherence deficit and the most resistant to institutional remedy. You cannot legislate a European public sphere into existence. You cannot mandate that citizens read newspapers from other member states or engage with political debates in languages they do not speak.

But you can invest in the infrastructure that makes a polycentric European public sphere possible over time — not by replacing national media ecosystems, but by creating the bridges between them.

The starting point is **massively scaled multilingual media platforms** — not a state broadcaster, but a publicly funded, editorially independent network of European media organisations producing and translating content across all official languages. The model exists in embryonic form: ARTE, the Franco-German cultural channel; Euronews, the multilingual news network; the European Press Prize, which celebrates journalism across borders. These initiatives are small, fragmented, and underfunded relative to the scale of the need. Scaling them — and linking them into a coherent digital infrastructure that allows a citizen in Lisbon to encounter, in Portuguese, the debates that are shaping policy in Helsinki — is an investment in the connective tissue of democratic legitimacy.

The second element is **standing EU-level citizens' assemblies** with genuine policy influence. The Conference on the Future of Europe demonstrated that randomly selected citizens, given time, information, and professional facilitation, are capable of deliberating on complex European issues and producing coherent recommendations. The next step is to make this permanent — not as a replacement for representative democracy, but as a complement that gives citizens a structured channel for shaping the direction of the Union between elections. The assemblies should be multi-level, rotating, and empowered: they should have the right to a formal response from the Commission and the Parliament, and their recommendations should feed into the legislative process with visible, traceable consequences.

The third element is **massively expanded educational exchange**. The Erasmus programme has been one of the EU's most successful instruments for building lived European identity, but it reaches only a fraction of each generation. Expanding it dramatically — and extending it beyond university students to apprentices, vocational trainees, and mid-career professionals — would build, over a generation, a European citizenry with direct experience of other member states, not just tourist impressions. The goal is not homogeneity. It is translation capacity: the ability of citizens in one state to encounter the political debates of another as intelligible, legitimate, and relevant to their own lives.

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## 4.5 From Reactive Crisis Management to Anticipatory Governance

The time-scale mismatch — crises on days, EU coordination on years — is structurally embedded in the Union's decision-making machinery. The system is overwhelmingly reactive. The institutional cycle — Commission proposal, Council negotiation, Parliament approval — is triggered by problems that have already become urgent. The Union lurches from crisis to crisis, responding with impressive improvisation under pressure, then reverting to normal mode once the urgency recedes, without retaining the institutional memory or the procedural infrastructure that would make the next response faster.

An **embedded EU Strategic Foresight capacity** — situated at the level of the Commission President and the European Council, with a mandate to raise early warnings that cannot be ignored by national capitals — would shift the Union's posture from reactive to anticipatory. This is not a new bureaucracy. It is a small,

high-calibre unit that synthesises intelligence from across the Commission's Directorates-General, the European External Action Service, and national risk assessment bodies, and that has the authority to brief leaders directly on emerging threats with implications for the Union as a whole.

Coupled with this is a formalised **crisis-mode governance protocol** — pre-agreed fast-track decision procedures that can be activated by a qualified majority of the Council when an objectively defined crisis threshold is crossed, with democratic accountability built in and a clear transition pathway back to normal governance. The protocol would specify, in advance, which procedural safeguards are suspended and which are preserved, which decisions can be taken at accelerated speed and which require full deliberation, and how the European Parliament is kept informed and empowered throughout.

The EU already does this informally. The pandemic response, the initial sanctions on Russia, the energy price cap — all were crisis-mode decisions taken with unprecedented speed. But they relied on ad hoc improvisation and the momentary suspension of political obstacles that reassert themselves once urgency fades. Formalising the crisis-mode architecture would make the next response faster, more transparent, and more democratically legitimate — and would preserve the institutional learning from one crisis for the next.

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## 4.6 From Digital Silos to Systemic Public Intelligence

The EU has invested heavily in digital infrastructure — the Digital Single Market, the Gaia-X cloud initiative, the data governance frameworks, the AI Act. But like Sweden's transactional digital state, the EU's digital investments have been primarily in regulation and market integration, not in systemic sensemaking. The Union can regulate data flows; it cannot easily see itself.

**Systemic Public Intelligence (SPI)** — the concept developed in the India report of this series — applies equally to the EU level. It means building the data infrastructure, the analytical capacity, and the feedback mechanisms that allow the Union to visualise its own coherence — to see, in real time, where policies are being implemented effectively and where they are stalling, where capacity gaps are widening and where they are closing, where signals from the periphery are being detected and where they are being lost.

The technical architecture exists in prototype: shared data spaces, federated identity layers, privacy-by-design protocols. What is missing is the political mandate to deploy them for governance sensemaking rather than for market efficiency. A **European Societal Sensing Dashboard** — not a centralised surveillance apparatus, but a distributed, interoperable platform that integrates data from national statistical offices, regulatory agencies, and citizen feedback systems — would give the Commission, the Parliament, and national governments a shared picture of reality. The same policy that looks fully implemented from Brussels might look partially implemented from the dashboard; the same divergence that is invisible in aggregate statistics might become visible when the data is connected across borders.

This is not a substitute for political judgment. It is an infrastructure for making political judgment more informed — and for making the coherence gap visible before it becomes a coherence crisis.

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#### 4.7 From Subsidiarity as Shield to Subsidiarity as Routing Protocol

The principle of subsidiarity — that decisions should be taken at the lowest level capable of addressing them — is one of the EU's foundational commitments. It is also, in practice, one of its most effective blocking mechanisms. National governments invoke subsidiarity to prevent EU-level action even when the scale of the problem clearly exceeds national capacity. The principle lacks any institutional mechanism for determining, in a timely and binding way, which level of governance is actually appropriate for which challenge.

The result is that subsidiarity functions as a permanent brake on coherence, wielded opportunistically by actors whose incentives are to protect national prerogatives rather than to optimise governance outcomes. The principle itself is sound. Its application is broken.

The solution is not to abandon subsidiarity. It is to transform it from an ideological battleground into a **governance design tool**. A **Subsidiarity Protocol** — an institutional mechanism that assesses the appropriate governance scale for specific policy domains based on the nature of the challenge, the structure of externalities, and the capacity of different levels — would make subsidiarity operational rather than rhetorical.

The Protocol would be administered by an independent body — perhaps a reformed Committee of the Regions, or a new agency modelled on the European Central Bank's independence — and would produce, for each major policy proposal, an assessment of the optimal governance level. The assessment would not be binding on the political institutions, but it would be public, reasoned, and difficult to ignore. Over time, it would create a body of precedent and analysis that shifts the subsidiarity conversation from "does this threaten our sovereignty?" to "which level of governance is best placed to deliver?"

The author's existing work on the **EU Subsidiarity Protocol** provides a full technical specification for such a mechanism. It is referenced here not as a plug for that work, but as evidence that the architectural upgrade described in this section is not a theoretical aspiration. It is a design that has been specified, costed, and is ready for implementation — if the political will exists to implement it.

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#### 4.8 The Coherence Regions: Where the Architecture Proves Itself

The shifts described above — fiscal capacity, differentiated decision-making, implementation partnership, polycentric public sphere, anticipatory governance, systemic intelligence, subsidiarity routing — are not independent reforms. They are components of a single architectural upgrade, each addressing a specific

dimension of the coherence deficit. But architecture does not develop in the abstract. It develops through application — through the attempt to solve real, complex problems in real spaces, using the new tools together.

The **Coherence Regions** are the living testbeds where this architecture can be built, tested, and demonstrated. They are cross-border bioregional zones — the Alpine arc, the Baltic Sea catchment, the Danube basin, the Rhine-Meuse delta — organised around the most undeniable functional reality: ecosystems do not respect political borders. A watershed cannot be managed by 27 incompatible national policies. A mountain range cannot be protected by fragmented approaches to tourism and conservation. A sea cannot be restored to health by coastal states acting alone.

The Coherence Regions are not a new layer of administration. They are a governance mode — an agreement among a small number of willing member states and their subnational regions to experiment with integrated, multi-level governance across challenges that no single state can manage alone. Each Coherence Region would be granted:

- **Binding cross-border authority** for specific, pre-agreed domains — water management, biodiversity, renewable energy siting, climate adaptation — where the functional logic of shared action is overwhelming.
- **A shared budget with a shared execution layer** — not parallel national implementations loosely coordinated, but pooled resources managed jointly, with transparent accountability.
- **Real-time data integration** across borders, creating a unified sensing picture that makes coherence gaps visible to all participants simultaneously.
- **A standing citizens' assembly** drawn from the populations on both sides of the relevant borders, with a formal role in shaping the region's priorities and scrutinising its performance.
- **Formal learning capture** feeding back into EU-level policy design, so that what is learned in the Alpine arc becomes available to other regions and to the Union as a whole.

These are not Interreg 2.0. Interreg is a funding programme for cross-border cooperation projects — valuable, but limited. Coherence Regions are governance laboratories with real authority, real budgets, and real accountability. They build on the EU's existing macro-regional strategies — the Alpine, Baltic, Danube, and Adriatic-Ionian strategies — which are already de facto bioregional governance experiments. The difference is that the Coherence Regions give these frameworks the governance teeth they have always lacked.

The selection of the first Coherence Regions should be voluntary. No member state is required to participate. Those that choose to — and the Alps, the Baltic, the Danube, and the Rhine-Meuse delta all span states with strong traditions of cross-border cooperation — are self-selected for readiness. Their experience, documented transparently and evaluated independently, would provide the evidence base for scaling the model to other functional integration zones: energy corridors, digital connectivity regions, migration transit areas.

The Coherence Regions are the experimental space where the question this report poses can begin to be answered: can the EU learn to arrive together — fast enough, legitimate enough — without surrendering the diversity that makes it worth preserving? The architecture is specified. The regions are ready. What remains is the political will to begin.

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## 5. The Political Immune System: Why Coherence Fails

### 5.1 Sovereignty-as-Veto

Every political order develops defences against change. In Germany, the immune system is bureaucratic inertia — the multiplication of veto points that makes decisive action difficult. In France, it is the national political spectacle — an arena that amplifies conflict and consumes reform before it can take root. In Sweden, it is satisfied competence — the belief, grounded in strong aggregate performance, that the machine is already working well enough. In India, it is the self-reinforcing cycle of capacity inequality and permanent electoral noise.

In the European Union, the immune system is **sovereignty-as-veto**. The reflex is not aggressive. It does not denounce or obstruct openly. It is the calm, reasonable, legally grounded response of a member state defending its constitutional prerogatives: *We agree in principle — but not at the cost of control*.

This reflex is embedded in the EU's constitutional architecture. The areas where unanimity is required — foreign policy, taxation, parts of the budget, treaty change — give any single member state the power to block collective action. Even where qualified majority voting applies, the political culture of the Council strongly favours consensus: a state that is outvoted is a state that may resist implementation, and the institutional memory of such resistance shapes the behaviour of negotiators who would rather avoid confrontation than maximise ambition.

The sovereignty reflex is not irrational. It protects national democratic autonomy against over-centralisation. It ensures that the Union cannot drift into a technocratic empire without the consent of its members. It reflects the legitimate reality that the EU is an association of democracies, not a democracy itself — that its ultimate authority derives from the Treaties, which were ratified by national parliaments, and that its democratic legitimacy is mediated through the member states that compose it.

But the reflex also imposes a hard ceiling on coherence. Reforms that would address the coherence deficit — expanding QMV, creating fiscal capacity, building anticipatory governance — are precisely the reforms that trigger the strongest resistance, because they touch the core of what sovereignty means in an interdependent Europe. The Commission proposes treaty change; the member states recoil. The Parliament demands more democratic authority; the Council invokes subsidiarity. The reflex is not a conspiracy. It is the predictable output of a system in which the primary political identity of decision-makers — presidents, prime ministers, ministers — is national, and the primary accountability they face is to national electorates.

This is the fundamental tension at the heart of the European project: the EU needs to act coherently to solve problems that exceed national capacity, but the democratic legitimacy on which coherent action depends is generated nationally, and the actors who must agree to coherence are rewarded for defending national prerogatives. The sovereignty reflex is the mechanism through which this tension perpetuates itself.

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## 5.2 Consensus as Dilution Mechanism

If sovereignty-as-veto is the immune system's first line of defence, the second is more subtle. It is the cultural preference for consensus that pervades the Council of the European Union, even in areas where qualified majority voting is legally sufficient.

The Council rarely votes. The overwhelming majority of decisions are taken by consensus, with the formal vote serving as a background threat that shapes negotiation but is seldom deployed. This consensus culture has virtues: it ensures that no member state is humiliated, that the concerns of minorities are taken seriously, and that the resulting decisions command broad political support. In a Union built on voluntary association, consensus is a source of legitimacy.

But consensus also functions as a dilution mechanism. When every member state must be brought on board — or when the political cost of overruling a reluctant state is considered too high — the outcome is calibrated to the most reluctant member, not to the most ambitious, nor even to the median. The result is a systemic bias toward the lowest common denominator: agreements that are technically coherent but operationally insufficient, because they have been stripped of the ambition that would have made them effective.

This dynamic is visible across every major EU negotiation. The climate targets are ambitious on paper, but the enforcement mechanisms are weak because strong enforcement would have lost the support of states that feared competitive disadvantage. The migration pact creates a common framework, but it contains opt-outs and flexibility clauses that allow states to diverge from its core provisions. The fiscal rules are periodically suspended because they are too rigid to accommodate economic reality, then renegotiated rather than enforced.

In each case, the agreement is real. The coherence is not. The consensus that makes the agreement politically possible also makes it operationally fragile, because the compromise that was necessary to secure consent is also the compromise that ensures uneven implementation. The EU optimises for avoiding disagreement rather than maximising alignment. The Negotiation-Dilution Loop is the predictable output.

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## 5.3 The Exhaustion of Workarounds

The EU has survived its coherence deficit for decades by developing **institutional workarounds** — mechanisms that produce coherence indirectly, without requiring the explicit political consensus that sovereignty fragmentation makes so difficult.

The most powerful of these workarounds has been the European Court of Justice. For decades, when member states could not agree politically, the ECJ integrated the continent through jurisprudence — establishing the supremacy and direct effect of EU law, enforcing single-market rules, and protecting rule-of-law standards through infringement proceedings. The Court produced a form of stealth coherence, operating below the threshold of political controversy, that accumulated over time into a genuinely binding legal architecture.

The second workaround has been the regulatory bypass — achieving through rule-making what could not be achieved through fiscal or military power. The Commission, exercising its delegated authority, has set standards that shape markets far beyond the Union's borders, often without the need for explicit political agreement on each specific measure. The "Brussels Effect" is a coherence mechanism of a kind: it ensures that European rules are applied globally, creating a de facto level playing field even where formal international agreement is absent.

Both workarounds are now reaching their limits. The ECJ's stealth coherence is facing open rebellion from national constitutional courts — most notably in Germany, but also in Poland, Hungary, and elsewhere — that assert their own authority to review whether the Court has exceeded its mandate. The regulatory bypass is similarly strained: as the EU regulates increasingly politically sensitive domains — digital sovereignty, artificial intelligence, carbon border adjustments — the political contestation that the workaround was designed to avoid has become unavoidable.

The exhaustion of these workarounds is a watershed. For much of its history, the EU could rely on indirect mechanisms to produce the coherence that direct political negotiation could not. That era is ending. The Union must now build political coherence directly — through its institutions, its procedures, and its public sphere — or accept that the coherence deficit will continue to widen. And direct political coherence is precisely what sovereignty-as-veto and consensus-as-dilution prevent.

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## 5.4 The Performance Legitimacy Trap

Beneath the institutional mechanisms lies a deeper vulnerability. The European Union lacks the reservoir of diffuse trust that allows national governments to weather crises without immediate legitimacy challenges. Citizens do not grow up with an emotional attachment to the Union in the way they grow up with an attachment to their country. The EU's legitimacy is almost entirely **performance legitimacy** — it depends on delivering visible outcomes.

When the outcomes are positive, this works. The EU's approval ratings have historically tracked economic performance. The single market, the freedom of movement, the stability of the euro — these are tangible benefits that citizens recognise and reward. But performance legitimacy is fragile precisely because it

depends on outcomes. When outcomes falter — when growth slows, when migration pressures mount, when energy prices spike — there is no underlying civic identity to fall back on, no "we" that can absorb the shock of a "not now."

This creates a vicious cycle. Coherence failures erode legitimacy, because citizens perceive the EU as unable to deliver on its promises. Eroded legitimacy makes future coherence harder, because national governments facing sceptical electorates are less willing to make the concessions that collective action requires. The Union then responds to its legitimacy crisis by attempting to demonstrate performance — launching new initiatives, setting new targets, promising new outcomes — which raises expectations that the coherence deficit then prevents it from meeting.

The trap is structural. The EU cannot build performance legitimacy without performing. It cannot perform without coherence. It cannot achieve coherence without legitimacy. The way out is not to abandon performance legitimacy — it is to supplement it with something more durable. That something is the public sphere infrastructure described in Section 4: the media platforms, the citizens' assemblies, the educational exchanges that build, over time, a sense of shared political community that can survive the inevitable moments when performance falls short.

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## 5.5 The Narrative Strategy

Given the immune system described above, the way the coherence agenda is

*talked about*

is not peripheral to its success. It is central.

A reform proposal that announces itself as a federalist leap — that frames the shifts described in Section 4 as steps toward a United States of Europe, as a transfer of sovereignty from nations to Brussels, as a surrender of democratic self-governance to technocratic rule — will trigger every immune response simultaneously. It will be dismissed as a threat to national identity, as an elite project disconnected from citizens' concerns, and as yet another attempt to centralise power that should remain with the member states.

The task, therefore, is to frame the coherence agenda not as centralisation but as **coherence without uniformity** — the ability to act together where togetherness is necessary, while respecting diversity where diversity is legitimate. The argument is not that sovereignty must be surrendered. It is that sovereignty, in an interdependent world, is increasingly illusory when exercised alone. A member state that cannot protect its citizens from a pandemic, a financial crisis, or an energy shock without European cooperation has already lost a measure of effective sovereignty. The choice is not between sovereignty and integration. It is between coordinated sovereignty — where nations pool their capacity to act on challenges that exceed their individual reach — and illusory sovereignty — where nations retain formal control while losing the ability to shape the outcomes that matter most to their citizens.

This framing must also speak to the legitimate pride that Europeans feel in the Union's achievements. The EU is not a failing institution. It is the most successful peace project in modern history, an unparalleled experiment in voluntary cooperation among democracies, and a regulatory superpower whose standards shape global markets. The question is not whether the EU has worked. It is whether the architecture that worked for the 20th century can be upgraded for the 21st — whether the Union that learned to decide together can now learn to arrive together.

The core message is deceptively simple:

*The EU does not need to become a state. It needs to become capable of coherence without uniformity — able to act with speed and legitimacy where coherence is necessary, while respecting the deep diversity that makes the Union worth preserving. In an interdependent world, uncoordinated sovereignty is increasingly illusory sovereignty. The question is whether the architecture designed for deliberation in a stable world can be upgraded for acceleration in a volatile one.*

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The political immune system is powerful, but it is not omnipotent. The coherence agenda described in this report is designed to work with the grain of the EU's institutions rather than against it — building on the regulatory capacity, the consensus culture, and the democratic legitimacy that already exist, while constructing the missing layers that would allow them to function more effectively. The next section describes the transition architecture that makes these upgrades politically feasible: the concrete mechanisms through which coherence can be built without triggering the immune responses that would consume it.

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## 6. Working with the Grain: Transition Architecture for the EU

### 6.1 The Principle: Variable Geometry, Same Direction

Every transition architecture must be matched to the immune system it navigates. In Germany, the strategy is to bypass bureaucratic inertia — to build capacity beneath the threshold of political controversy. In France, it is to bypass the national spectacle — to start in low-visibility zones where results can be demonstrated before the arena consumes them. In Sweden, it is to work with existing trust rather than against it. In India, it is to build on the platforms that already work — the digital infrastructure, the federal laboratory, the competitive energy of states.

In the European Union, the strategy is different again. It is to make **variable geometry explicit and institutionalised**. The EU already operates at multiple speeds. The eurozone is a subset of the Union. Schengen is a subset of the Union. Enhanced cooperation allows groups of member states to integrate more deeply in specific domains while others remain outside. These are not anomalies. They are the operational reality of a Union that has never been uniform and never will be.

The problem is that variable geometry is treated as a concession to political reality rather than as a design principle. It is improvised, ad hoc, and often stigmatised as a failure of unity. The transition architecture for coherence should reverse this: variable geometry should be embraced as the mechanism through which coherence can be built without triggering the sovereignty reflex that blocks it.

The principle is **coherence through selective synchronisation**. Not everyone needs to move together. But those who do move must be internally coherent — with shared budgets, shared execution capacity, shared data, and shared accountability. The cohort that moves first creates visible proof of what coherence looks like. Others watch, learn, and join when they are ready. The Union's role is to make the door open rather than closed, to make the pathway in transparent and well-signposted, and to ensure that variable geometry does not become permanent exclusion.

This is not fragmentation. It is the realistic acknowledgment that 27 member states with radically different capacities, political cultures, and constitutional traditions will not arrive at coherence simultaneously — and that the attempt to force simultaneity produces the dilution that the Negotiation-Dilution Loop describes. By allowing the willing to move first, the Union reduces the drag of the reluctant without sacrificing the legitimacy of voluntary association.

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## 6.2 Crisis-Time Governance Mode

The EU already shifts informally into a different operational mode when urgency is overwhelming. The pandemic response, the initial sanctions on Russia, the energy price cap — all were decisions taken with speed that the ordinary legislative procedure could never have matched. The problem is not that crisis mode does not exist. The problem is that it is not institutionalised. It relies on improvisation, on the momentary alignment of overwhelming political will, and on the suspension of procedural obstacles that reassert themselves the moment urgency recedes.

A formalised **crisis-time governance protocol** would transform this ad hoc capacity into a standing architecture. The protocol would specify, in advance:

- **Who decides that a crisis exists.** An objective threshold, defined in legislation, that triggers the protocol when crossed — a financial stability indicator, a public health emergency declaration, an energy supply disruption of specified magnitude. The determination would be made by a qualified majority of the Council, not by any single actor, preserving legitimacy.
- **What changes when the protocol is activated.** Which procedural safeguards are suspended — for example, the full ordinary legislative timetable, certain national consultation requirements — and which are preserved. Which decisions can be taken at accelerated speed and which still require full deliberation. The parameters would be defined in advance, not negotiated under pressure.
- **How democratic accountability is maintained.** The European Parliament would be kept informed throughout, with enhanced reporting requirements and the right to call emergency debates. The Court of Justice would retain jurisdiction to review the legality of crisis-mode decisions, but on an expedited timetable.
- **How the system transitions back.** A clear exit mechanism — perhaps requiring renewal by QMV every six months — that prevents crisis mode from becoming permanent governance by exception.

The protocol does not create new powers for the centre. It creates a predictable, transparent, and democratically accountable framework for exercising powers that the centre already assumes in practice when crises hit. It turns improvisation into architecture.

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## 6.3 Coalitions of the Willing as Trojan Horses

The term "Trojan Horse" has been used throughout this series to describe a specific strategy: a reform whose surface appearance is legible and acceptable to the existing system, while its deeper logic builds the missing connective tissue. In the EU, the most effective Trojan Horses are **coalitions of the willing** — groups of

member states that choose to integrate more deeply in specific domains under the enhanced cooperation mechanism, creating visible proof of what coherence looks like without requiring all 27 to move simultaneously.

The precedent exists. The Schengen Area began with five member states and now includes most of the Union. The euro began with eleven and has expanded to twenty. Enhanced cooperation has been used for divorce law, for a financial transaction tax, for a European patent court. These are not threats to unity. They are the mechanisms through which unity has historically been built — by demonstrating that deeper integration works, and letting the evidence do the work of persuasion.

The coherence agenda should deploy this same mechanism deliberately. A coalition of willing states — perhaps the founding members of the eurozone, or the Nordic-Baltic cluster, or the Benelux core — could pioneer specific components of the coherence upgrade: a shared fiscal backstop for unemployment reinsurance, a joint energy procurement and distribution framework, a common digital identity and data-sharing platform, a standing cross-border citizens' assembly. The coalition would be open to any member state willing to accept its obligations. It would be embedded within the EU's legal framework, not outside it. And its results — documented transparently, evaluated independently — would provide the evidence base for scaling.

The political logic is compelling. A government that is sceptical of the coherence agenda cannot easily object to other states voluntarily cooperating more deeply among themselves. The sovereignty reflex is not triggered, because no sovereignty is being taken — only offered. Over time, as the coalition demonstrates that coherence produces tangible benefits — faster crisis response, more efficient public services, more resilient supply chains — the political calculus shifts. Governments that initially stayed out face domestic pressure to explain why their citizens are being denied the benefits of an arrangement that demonstrably works.

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## 6.4 Scaling by Attraction

The traditional model of European integration is treaty change followed by implementation. An intergovernmental conference is convened. A treaty is negotiated, often over years. It is ratified by 27 national parliaments, sometimes by referendum. Only then does implementation begin — and, as the Negotiation-Dilution Loop demonstrates, implementation is where coherence unravels.

The alternative is **scaling by attraction**. Instead of mandating that all member states adopt a new governance architecture through treaty change, the Union makes successful experiments visible, accessible, and easy to replicate. The Commission's role shifts from legislative initiator to learning facilitator: it documents what the

coalitions of the willing achieve, it provides technical assistance to states that want to join, and it integrates the lessons into future legislative proposals. The Parliament provides democratic scrutiny and a forum for cross-national deliberation on the results.

Scaling by attraction is slower than treaty change in the short term. It does not produce a dramatic political moment or a definitive legal text. But it is vastly more durable. A member state that chooses to join a fiscal backstop or a digital identity framework after seeing it work in neighbouring states is far more likely to implement it effectively, to invest in the necessary administrative capacity, and to persist through difficulties than a state that is bound by a treaty it was outvoted on or only reluctantly ratified. The immune system is not triggered, because the system is not being attacked. It is being offered an upgrade that it can evaluate on its own terms.

Over time, as more states join, the voluntary arrangements become de facto standards. The legal framework eventually catches up with the operational reality — treaty change becomes the codification of what already exists, rather than the speculative design of what might be built. This has been the historical pattern of European integration more often than the heroic narrative of constitutional moments suggests. Schengen began as an intergovernmental agreement outside the Treaties and was only later incorporated. The euro began with a subset of member states and is now the currency of the majority. Coherence can follow the same path: built first, codified later.

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## 6.5 The Coherence Regions as Proof of Concept

The Coherence Regions described in Section 4 are the most concrete expression of this transition architecture. They are coalitions of the willing at the subnational and cross-border level — agreements among a small number of states and their regions to experiment with integrated governance across bioregional challenges that respect no border. They are Trojan Horses: their surface framing is environmental cooperation and administrative modernisation, goals that no political actor opposes and that fit comfortably within the EU's existing policy language. Their deeper payload is the coherence architecture itself — shared budgets, shared execution, shared data, shared deliberation.

They are designed to scale by attraction. A Coherence Region in the Alpine arc that demonstrably accelerates the energy transition, reduces implementation gaps, and builds citizen trust across borders becomes a visible proof of concept. Other regions — the Carpathians, the Pyrenees, the North Sea basin — observe the results and request the same framework. The Commission's role is to enable, to fund, and to evaluate — not to mandate. The experience accumulates. The evidence base grows. And the political case for extending the coherence architecture to other domains — fiscal, digital, security — becomes harder to dismiss.

The Coherence Regions are not an alternative to the larger shifts described in this report — the fiscal capacity, the differentiated decision-making, the public sphere infrastructure. They are the experimental space where those shifts can be tested, refined, and demonstrated at a scale that is manageable, visible, and legitimate. They are the first step, not the final destination.

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The transition architecture described here — variable geometry made explicit, crisis-time governance formalised, coalitions of the willing as Trojan Horses, scaling by attraction — is an expression of the same pragmatic evolution that has built the European Union from a coal and steel community into the most ambitious governance experiment on earth. It does not require treaty change as a prerequisite. It does not demand that 27 member states agree on a common vision of the final destination. It requires only that a few states, in a few regions, be willing to try something different — and that the rest be willing to watch, learn, and, when they are ready, follow.

The next section describes the concrete first step: the Coherence Regions in full operational detail — how they would be selected, governed, funded, and measured.

## 7. A Concrete First Step: Coherence Regions

### 7.1 The Logic of the Pilot

A framework without a first step is a thought experiment. The coherence architecture described in this report — fiscal capacity, differentiated decision-making, implementation partnership, polycentric public sphere, anticipatory governance, systemic intelligence, subsidiarity routing — cannot be built everywhere at once. Attempting to impose it across the entire Union through treaty change would be to commit the very error this report diagnoses: another grand design negotiated in Brussels, diluted by 27 veto players, and implemented unevenly across 27 different administrative systems.

The wiser path is to begin with a small number of cross-border territories that choose to pioneer the new architecture — territories where the functional logic of shared action is overwhelming, where existing cooperation provides a foundation to build on, and where the results can serve as visible proof of what coherence looks like in practice.

This section proposes the establishment of **Coherence Regions**: a networked set of cross-border bioregional zones — the Alpine arc, the Baltic Sea catchment, the Danube basin, the Rhine-Meuse delta — granted structured experimentation authority to pioneer integrated, multi-level governance across challenges that respect no political border. These are not Interreg 2.0. They are not another funding programme. They are governance laboratories with real authority, real budgets, and real accountability — spaces where the missing translation layers, the shared execution capacity, and the deliberative infrastructure described in this report can be built, tested, and demonstrated.

The Coherence Regions are organised around the most undeniable functional reality: ecosystems do not respect political borders. A watershed cannot be managed by 27 incompatible national policies. A mountain range cannot be protected by fragmented approaches to tourism and conservation. A sea cannot be restored to health by coastal states acting alone. This bioregional logic provides an irrefutable rationale for the sovereignty-sharing that coherence requires — not a political preference for centralisation, but a functional necessity grounded in the physical world.

The proposal builds on what the EU already does. The Union has four macro-regional strategies — for the Alpine, Baltic, Danube, and Adriatic-Ionian regions — that coordinate policy across borders without binding authority. The European Grouping of Territorial Cooperation provides a legal instrument for cross-border cooperation. The Interreg programme funds collaborative projects. The missing piece is the upgrade from coordination to coherence: from voluntary alignment to shared execution, from project-based funding to standing governance capacity, from ad hoc consultation to permanent deliberative infrastructure.

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## 7.2 Selection Criteria

The first Coherence Regions should not be selected by political bargaining or by a competition that rewards the most polished application. The goal is to create a credible proof of concept, and credibility depends on choosing territories where the functional case for shared governance is overwhelming, where existing cooperation provides a foundation, and where the political willingness to experiment genuinely exists.

Four criteria should guide selection:

**Functional coherence.** The territory should constitute a single, integrated ecosystem or resource system whose management is currently fragmented across national borders. The Alps — shared by eight nations, stressed by climate change, tourism, and biodiversity loss — are a paradigmatic case. The Baltic Sea — one of the world's most polluted marine environments, bordered by nine states with radically different administrative capacities — is another. The Danube basin — spanning fourteen countries from Germany to Ukraine, connecting the Union to its near-abroad — is a third. The Rhine-Meuse delta — a densely populated, economically vital, flood-prone region shared by multiple states — is a fourth. In each case, the functional logic of shared governance is so overwhelming that the case makes itself.

**Existing cooperation infrastructure.** The territory should already have a history of cross-border cooperation, institutional relationships, and at least embryonic governance mechanisms. The EU's macro-regional strategies provide a starting point. The Alpine Convention, the Helsinki Commission for the Baltic Sea, the International Commission for the Protection of the Danube River — these are existing frameworks that can be upgraded rather than built from scratch. The Coherence Region is not an invention. It is an acceleration of what is already underway.

**Political willingness across multiple levels.** At least two member states, and ideally three or more, must be genuinely committed to the experiment. This commitment must span the relevant subnational authorities — the regions, the *Länder*, the provinces — as well as the national governments. The reason is structural: coherence requires alignment across all the levels at which governance actually happens. A Coherence Region that has the support of national capitals but not of the regional governments that would implement its decisions is a Coherence Region that will fail. Political willingness must also be multi-partisan, spanning the major political groupings represented in the participating states.

**Scalability relevance.** The selected territories should collectively demonstrate that the Coherence Region model works across different geographic, economic, and political contexts — mountains, seas, river basins, and urbanised deltas. If the model succeeds only in a uniquely favourable combination of circumstances, its lessons will be dismissed as irrelevant to the rest of the Union.

A transparent selection process, with published criteria and an open call for expressions of interest, would itself be a signal of the coherence architecture at work. It would create a constituency of territories that have chosen to participate rather than been conscripted — an essential foundation for scaling by attraction.

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### 7.3 Core Design Features

Each Coherence Region would be shaped by its specific ecological and political context, but all would share a set of core design features that embody the coherence architecture.

**Binding cross-border authority for pre-agreed domains.** The participating states and regions would negotiate a Coherence Compact — a treaty-level agreement, embedded within the EU's legal framework — that specifies the policy domains in which the Coherence Region has decision-making authority. These domains would be selected based on the functional logic of shared management: water quality and quantity, biodiversity protection, renewable energy siting and transmission, climate adaptation infrastructure, and cross-border transport connectivity. The Compact would not transfer sovereignty in the abstract. It would pool it, for specific purposes, with clear boundaries, subject to democratic oversight.

**A shared budget with a shared execution layer.** Each Coherence Region would have access to a pooled budget, funded by contributions from the participating states, the EU's cohesion and environmental funds, and potentially own-resources such as fees for ecosystem services. The budget would not be divided into national allocations. It would be managed jointly by a Coherence Region Authority, with transparent procurement, independent audit, and public reporting. This is the operational core of the upgrade from coordination to coherence: not parallel national implementations loosely aligned, but pooled resources managed together.

**Real-time data integration across borders.** Each Coherence Region would deploy a shared sensing infrastructure — a bioregional digital twin — that integrates data from national environmental agencies, satellite monitoring, climate modelling, and citizen-reported observations onto a single platform. The platform would provide a unified picture of the territory's ecological and infrastructural state, visible to all participants simultaneously. This is not centralised surveillance. It is distributed sensemaking — the same principle as the Systemic Public Intelligence described in Section 4, applied at the bioregional scale.

**A standing bioregional citizens' assembly.** Each Coherence Region would establish a permanent deliberative body, composed of randomly selected citizens from the populations on all sides of the relevant borders, stratified to reflect the demographic diversity of the territory. The assembly would meet regularly, receive expert information and access to the shared sensing platform, and produce public recommendations on the Coherence Region's priorities and performance. The Coherence Region Authority would be legally obliged to respond formally to each recommendation. The assembly would not replace elected bodies. It

would provide a structured channel for the cross-border public sphere that currently does not exist — a space where citizens who share an ecosystem but not a passport can deliberate together on the future of the place they jointly inhabit.

**Formal learning capture and diffusion.** Each Coherence Region would be paired with an independent research consortium responsible for documenting its experience, evaluating its outcomes, and feeding findings back into EU-level policy design. The evaluation framework would track coherence metrics — the speed of cross-border decision-making, the fidelity of implementation across borders, the trajectory of citizen trust — as well as environmental outcomes. The results would be published openly and fed into a dedicated unit within the Commission, ensuring that what is learned in the Alpine arc becomes available to other regions and to the Union as a whole.

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## 7.4 Budget, Governance, and Legal Basis

**Budget.** The Coherence Regions should be funded generously enough to be serious but not so lavishly that their results are dismissed as the product of exceptional resources. A rough envelope of €1–2 billion per Coherence Region over a seven-year initial phase — corresponding to the EU's Multiannual Financial Framework cycle — would be appropriate. Funding would be drawn from a combination of sources: a dedicated Coherence Region Fund within the EU budget, contributions from participating states and regions, and alignment of existing cohesion, environmental, and research funds. The total investment across four Coherence Regions would represent a modest fraction of the EU's annual budget — roughly 0.5% of the Multiannual Financial Framework — while serving as a strategic investment in the Union's capacity to learn how to cohere.

**Governance.** Each Coherence Region would be governed by a tripartite board comprising representatives of the participating states, the participating subnational authorities, and the European Commission. The board would approve the Coherence Compact, oversee the budget and the shared execution layer, and appoint the Coherence Region Authority's leadership. Decisions would be taken by consensus wherever possible, with a qualified majority fallback for operational matters. The citizens' assembly would have observer status at board meetings and a formal right to be consulted on major decisions.

**Legal basis.** The EU already possesses the legal instruments to create Coherence Regions without treaty change. The European Grouping of Territorial Cooperation (EGTC) provides a framework for cross-border legal entities with their own budgets and decision-making powers. The macro-regional strategies provide policy frameworks that can be upgraded into binding governance. Article 352 of the Treaty on the Functioning of the European Union — the flexibility clause — allows the Union to take action necessary to attain the objectives set out in the Treaties, even where the Treaties have not provided the specific powers. A Coherence Region Regulation, adopted under Article 352 by qualified majority in the Council, would provide the legal architecture for the pilot phase.

The Regulation would include a sunset clause: after seven years, the Coherence Regions would be evaluated, and the model would either be extended, reformed, or wound down based on the evidence generated. The temporary nature of the legal basis is politically protective; it assures sceptics that the experiment is bounded and reversible, while giving the experiments enough time to demonstrate results.

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## 7.5 How to Measure Success

The Coherence Regions should be evaluated in terms that connect directly to the coherence deficit diagnosis, not just to environmental outcome metrics.

**Coherence speed** measures the time from the identification of a shared challenge — a flood risk, a pollution event, a biodiversity threat — to a coordinated cross-border response. The baseline would be established by comparing similar challenges in similar territories that are not part of the Coherence Region network.

**Translation fidelity** measures the gap between what the Coherence Compact specifies and what is actually implemented across the participating jurisdictions. When a water quality standard is agreed, how consistently is it enforced from one side of the border to the other? When a renewable energy corridor is planned, how aligned are the national permitting processes?

**Citizen trust trajectories** track whether the populations on all sides of the borders perceive the Coherence Region as legitimate, responsive, and effective. The citizens' assembly provides a natural mechanism for measuring this, supplemented by regular surveys.

**Learning diffusion** tracks how often the institutional innovations developed in one Coherence Region — a new model for cross-border permitting, a novel approach to participatory water management — are adopted by other Coherence Regions or by jurisdictions outside the pilot network. The ultimate metric of success is not whether the Coherence Regions themselves perform well, but whether their performance changes the behaviour of the Union as a whole.

The evaluation would be conducted by an independent research consortium and published in accessible, visual formats — public dashboards, annual learning reports, peer-exchange workshops — designed to make the pilots' experience legible to other regions, to the Commission, to national governments, and to the European public.

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The Coherence Regions are a proposal, not a demand. They do not require treaty change as a prerequisite. They do not demand that all member states participate simultaneously. They require only that a few states — in a few territories where the functional logic of shared governance is overwhelming — be willing to pool a

portion of their sovereignty for a specific, bounded purpose, and that the rest of the Union be willing to watch, learn, and, when the evidence is clear, follow.

That is how Europe has always built its most durable institutions: not through grand constitutional moments imposed from above, but through the patient accumulation of demonstrated success, the quiet spread of what works from one territory to another, and the gradual recognition that sovereignty shared can be sovereignty strengthened rather than surrendered.

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## 8. Coda: From Agreeing to Arriving

### 8.1 The Wealth That Matters

The European Union is rich in treaties, in institutions, in regulatory power, in the accumulated trust of generations who have known only peace among nations that once consumed each other in war. It is, by any historical measure, a triumph. A continent that spent centuries perfecting the art of organised violence has spent the last seven decades perfecting the art of organised cooperation. The achievement is not small. It is civilisational.

But wealth, in the sense that matters for a polity's long-term flourishing, is not the stock of what has already been built. It is the capacity to build again — to sense what is emerging, to align what is fragmented, and to arrive together before the window narrows. On that measure, the European Union is drawing on inherited capital. Its institutional architecture — the Commission, the Council, the Parliament, the Court — was brilliantly designed for deliberation in a stable world, among a manageable number of broadly like-minded states, facing challenges that arrived sequentially and could be processed at the pace of consensus. That world is gone. The architecture remains.

The Negotiation-Dilution Loop is the mechanism through which this gap between design and reality perpetuates itself. The Union agrees on what must be done. It dilutes the agreement to secure the consent of the most reluctant. It implements unevenly across 27 different administrative systems. The underlying challenge is partially addressed, partially deferred. The next crisis arrives into a system slightly more brittle than the one before.

This report has argued that the loop is not a curse or an inevitability. It is the output of a specific, diagnosable architecture — one that lacks the connective tissue between shared intention and aligned outcome. The coherence deficit is not a failure of political will, or a shortage of good ideas, or a sign that the European project has reached its limits. It is a structural gap in the machinery of governance — a missing translation layer, a missing implementation partnership, a missing public sphere — that can be filled once it is named.

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### 8.2 The Shift

The shift this requires is subtle but profound. It is not a shift in treaties, though treaties will eventually need to change. It is not a shift in resources, though resources will need to be allocated differently. It is a shift in how the Union understands its own architecture.

The EU has spent decades debating the destination: federalism or intergovernmentalism, deeper integration or repatriation of powers, ever closer union or a Europe of nations. These debates are not meaningless. But they have absorbed an enormous amount of political energy while leaving the operational machinery largely untouched. The question of who should have the final say has crowded out the question of whether the system can deliver — at speed, across borders, with fidelity — regardless of who has the final say.

This report has proposed a different axis: **coherence without uniformity**. The goal is not to choose between the centre and the member states. It is to build the connective tissue that allows any distribution of authority — however negotiated, however contested — to function effectively. The translation layers that adapt policy to context. The implementation partnerships that strengthen capacity where it is weakest. The polycentric public sphere that makes European governance feel like democratic self-governance rather than external rule. The subsidiarity protocol that transforms a blocking mechanism into a routing tool.

These are not alternatives to the federalist-intergovernmentalist debate. They are prerequisites for either vision to work. A federal Europe without implementation capacity would be a federal Europe that fails to deliver. An intergovernmental Europe without translation layers would be an intergovernmental Europe that cannot align. The coherence architecture is ideologically neutral. It is infrastructure for governance — and like all infrastructure, it is invisible until it is absent.

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### 8.3 The Series Arc

This report is the final piece in a series that began with four national diagnoses: Germany's execution deficit, France's integration deficit, Sweden's feedback deficit, and India's synchronisation deficit. Each nation is, in its own way, a variant of the same underlying challenge: the gap between what governance systems are asked to do and what their architectures are designed to handle.

The European Union is the arena where these national deficits interact — and where they are compounded by a fifth, uniquely supranational failure mode. Germany's execution paralysis slows the implementation of policies that France's integration brittleness already made fragile. Sweden's feedback lag means early warnings arrive too late for either to act on. The Union cannot compensate for these deficits from above. It is built on top of them. Its coherence deficit is partly its own and partly the accumulated weight of its members' limitations.

But the EU is also something more than the sum of its members' deficits. It is the world's most ambitious experiment in governance beyond the nation-state — an attempt to coordinate the affairs of half a billion people across an entire continent without conquest, without coercion, and without the erasure of national identities. It is, in its deepest logic, an attempt to prove that pluralism and collective action are compatible, that diversity need not produce fragmentation, that sovereignty can be shared without being surrendered.

The series as a whole has been a journey through the architecture of governance — from the national to the supranational, from the specific deficits of individual systems to the compound challenge of aligning them. The destination is not a blueprint. It is a diagnostic framework: a set of lenses, grounded in systems thinking and control theory, that can be applied to any governance system, at any scale, to identify where its architecture is failing and what it would take to upgrade it.

If the framework has value, it is not because it provides definitive answers. It is because it provides better questions: not "who should have power?" but "where is the connective tissue missing?" Not "should we centralise or decentralise?" but "how do we build translation layers that allow decisions to travel without losing their shape?" Not "what should the final form of the European project be?" but "how do we become capable of arriving together — in time?"

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## 8.4 The Global Significance

The European Union is not alone in facing the coherence deficit. Every region of the world that is grappling with challenges that exceed national borders — climate change, pandemics, migration, financial instability, digital transformation, geopolitical instability — faces a version of the same problem. The African Union, ASEAN, Mercosur, the various regional architectures of Asia and Latin America: all are attempting to coordinate collective action among sovereign states without the coercive apparatus of empire or the centralised authority of a federal state.

The EU is the most advanced of these experiments. It has gone further than any other region in building shared institutions, shared law, and shared identity. If it can solve the coherence problem — if it can learn to arrive together, fast enough, legitimate enough — it provides a model for every other region that is struggling with the same challenge. If it cannot, it demonstrates that sovereignty remains the ceiling on collective action, and that the problems of the 21st century will continue to outrun the institutions of the 20th.

The Coherence Regions proposed in this report are the testbed for that question. They are the first step toward an answer that is not theoretical but operational: can a small group of states, in a specific territory, with a clear functional logic and a shared democratic mandate, build the connective tissue that the Union as a whole still lacks? Can they demonstrate that coherence is possible without uniformity — that shared budgets, shared execution, and shared deliberation can coexist with diverse constitutional traditions and political cultures? Can they provide the visible proof that makes the case for broader reform?

The answer will not come from a single report, or a single pilot, or a single political cycle. It will come from the patient accumulation of demonstrated success — the quiet, unglamorous work of building institutions that function across borders, of learning what works and abandoning what does not, of proving that sovereignty shared is sovereignty strengthened.

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## 8.5 A Final Word

The European Union has learned to decide together. It has not yet learned to arrive together.

The question is not whether the Union will survive. It has survived far worse than the present turbulence — existential financial crises, the possible exit of a major member state, a pandemic that shut its borders, a war on its eastern frontier. The Union endures because it is not merely an institutional architecture. It is a commitment among peoples who have learned, through centuries of suffering, that there are worse things than the frustrations of shared governance.

But endurance is not the same as effectiveness. Survival is not the same as coherence. The question is not whether the European Union will exist in twenty years. It is whether it will be capable of acting with the speed, the scale, and the legitimacy that the 21st century demands — or whether it will remain trapped in a loop that produces just enough coherence to avoid collapse, but never enough to fully solve the problems it was built to address.

The architecture can be upgraded. The Coherence Regions can be launched. The translation layers can be built. The public sphere can be woven. The question is whether the political will exists — not to complete the European project in a single grand gesture, but to take the next step, and the one after that, with the same pragmatic determination that has built the Union from a coal and steel community into what it is today.

Europe has never advanced through a single constitutional moment. It has advanced through the accumulation of specific, bounded, demonstrable advances — a common market, then a single currency, then a recovery fund — each one controversial in its time, each one accepted as normal once it proved its value. Coherence can follow the same path: built first in the Coherence Regions, adopted by others who see it working, and eventually codified as the architecture of a Union that has learned not only to decide together, but to arrive together.

The fragments of that architecture are already visible — in the Alps, the Baltic, the Danube, and the Rhine. The question is whether the Union has the confidence to build on them — not because the old model failed, but because the world it was built for has changed, and the architecture must change with it.

Europe has learned to decide together. It can learn to arrive together. The first step is to see that the distance between agreement and arrival is not a footnote. It is the work. And it is time to begin.

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## Appendices

### Appendix A: Value Systems and Policy Mindsets — A Guide for the EU Context

#### *A Note on This Appendix*

The main body of this report avoids specialised terminology from developmental psychology or cultural theory. It speaks the language of governance architecture, coherence, and institutional design. This appendix offers a complementary lens for readers who wish to understand the deeper value-system dynamics at play in the European Union's multi-level governance. It is optional, but it makes the report's underlying logic fully transparent.

#### *A.1 The Basic Insight*

Different institutions and political cultures tend to operate from different centres of gravity in how they think about governance, resources, and change. These are not personality types or party affiliations, though they correlate loosely with both. They are underlying value systems — ways of constructing what feels real, legitimate, and important.

Each value system represents a coherent response to particular life conditions. None is "better" in any absolute sense. Each has characteristic strengths that emerge under certain conditions and characteristic blind spots that emerge under others. The challenge of governance in a complex, multi-level system is to integrate the legitimate concerns of multiple value systems without being captured by any single one.

The framework used here draws on Spiral Dynamics integral theory. What follows is a simplified map of the systems most relevant to contemporary EU governance.

#### *A.2 The Value Systems in the European Arena*

**Order and Stability (sometimes called "Blue") — the Constitutional Order.** In the EU context, this mindset expresses itself through the Treaties, the rule-of-law architecture, the Court of Justice, and the deep commitment to legal predictability that underpins the single market. Strengths: procedural integrity, institutional memory, and a framework of rights that constrains arbitrary power. Blind spots: rigidity, a tendency to elevate process over outcome, and an instinct to preserve existing structures even when their function has degraded. The sovereignty reflex and the reliance on legal coherence through the ECJ are expressions of this mindset.

**Achievement and Efficiency (sometimes called "Orange") — the Single Market and Competition Logic.** This mindset drives the EU's economic integration, the competition authority, the regulatory state, and the entrepreneurial energy of the single market. Strengths: innovation capacity, global competitiveness, and a results-oriented pragmatism that has delivered prosperity. Blind spots: externalities that fall outside market

metrics, inequality that growth does not automatically address, and a tendency to treat the EU as a market-making machine rather than a political community. The regulatory superpower trap described in the report is an expression of this mindset operating without sufficient integration from others.

**Inclusion and Care (sometimes called "Green") — the Social Europe Tradition.** This mindset expresses itself through cohesion policy, the Charter of Fundamental Rights, the European Pillar of Social Rights, and the civil society organisations that advocate for marginalised communities and environmental protection. Strengths: empathy, solidarity, and a genuine commitment to ensuring that integration does not leave people behind. Blind spots: consensus-dependency, difficulty with hard trade-offs, and a tendency to treat the expression of inclusive values as a substitute for achieved outcomes. The single public sphere deficit is partly a consequence of this mindset's preference for national welfare states over European-level solidarity mechanisms.

**Integrative and Systemic (sometimes called "Yellow") — the Coherence Architect.** This mindset prioritises functional fit, systemic awareness, and the capacity to integrate multiple perspectives without being captured by any of them. Strengths: flexibility, whole-systems thinking, comfort with uncertainty and experimentation. Blind spots: can appear detached, overly intellectual, or politically unworkable to those operating from other mindsets. In the EU, this mindset is nascent — visible in the Commission's Better Regulation agenda, in the Conference on the Future of Europe, and in the emerging discourse on subsidiarity as a design principle rather than a political battleground — but not yet institutionalised.

### ***A.3 The Coherence Deficit as a Value-System Clash***

The EU governance system is dominated by the interplay of the first three mindsets. The constitutional Blue insists on legal coherence and sovereign prerogatives. The entrepreneurial Orange builds the single market and projects regulatory power globally. The caring Green demands social protection and environmental sustainability. Each has made essential contributions to the European project. But the system lacks the integrative architecture that would allow them to cohere rather than collide — and a significant share of the Union's population, particularly in Central and Eastern Europe, also operates from a security-oriented mindset that prioritises national sovereignty and cultural preservation, adding another layer of tension to the system.

The coherence architecture proposed in this report speaks to all of them: it offers Orange measurable improvements in efficiency and innovation diffusion, Blue enhanced legal coherence and procedural integrity, and Green genuine channels for citizen voice, social equity, and environmental protection. The Coherence Regions are the spaces where this integration can be attempted — not by imposing a "higher" mindset, but by building an architecture that honours the strengths of all of them while compensating for their blind spots.

## Appendix B: International Analogues and Precedents

The proposals in this report are not without precedent. The following examples illustrate existing implementations of coherence-oriented governance reforms across multiple regions.

### ***B.1 The EU's Own Precedents: Macro-Regional Strategies and EGTCs***

The EU already operates four **macro-regional strategies** — for the Alpine, Baltic, Danube, and Adriatic-Ionian regions — that coordinate policy across borders in domains such as environmental protection, transport connectivity, and research collaboration. These are voluntary, non-binding frameworks that have demonstrated the potential for cross-border governance but lack the binding authority and shared execution capacity that the Coherence Regions propose. The Coherence Region model upgrades these existing frameworks rather than replacing them.

The **European Grouping of Territorial Cooperation (EGTC)** provides a legal instrument for cross-border entities with their own budgets, decision-making powers, and multi-level governance structures. Over 80 EGTCs currently operate across the EU, demonstrating that member states are willing to pool sovereignty for specific territorial purposes. The Coherence Regions would build on this legal precedent while expanding the scale, the budget, and the democratic accountability of cross-border governance.

### ***B.2 Switzerland: Cantonal Autonomy and Cross-Border Cooperation***

Switzerland's federal system combines strong cantonal autonomy with sophisticated cross-border cooperation mechanisms, particularly in environmental management and infrastructure. The International Commission for the Protection of the Rhine, in which Switzerland participates alongside EU member states, demonstrates that shared governance of a transboundary water system is achievable and durable. The Swiss model shows that sovereignty-sharing and democratic legitimacy are not incompatible — a relevant precedent for the Coherence Regions.

### ***B.3 United States: Interstate Compacts***

The United States Constitution provides for interstate compacts — binding agreements between states, approved by Congress, that create shared governance arrangements for specific purposes such as water management, transportation, and environmental protection. Over 200 compacts are currently in force, some dating back a century. The compact model demonstrates that sovereign jurisdictions can pool authority for functional purposes without sacrificing their constitutional identity — a relevant precedent for the Coherence Region Compact proposed in this report.

#### ***B.4 The African Union and ASEAN: Regional Integration Without a Centre***

The African Union's aspirations for continental integration and ASEAN's consensus-based, non-interference model of regional cooperation represent alternative approaches to coherence without centralised authority. Both face challenges of implementation and enforcement that are more severe than the EU's, underscoring the importance of building translation layers and implementation partnerships — the very mechanisms that the EU is best positioned to pioneer.

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## Appendix C: The Governance as Engineering Connection

### *C.1 The Architectural Foundation*

This report draws on a deeper body of work: the Governance as Engineering series, a set of formal analyses that model governance institutions as feedback control systems using standard mathematics from control theory, information theory, and cybernetics. The series is technical; this appendix summarises its core findings in non-technical language and shows how they underpin the coherence deficit diagnosis.

### *C.2 The Five Papers in Brief*

**Paper I — Governance Stability Simulator** demonstrates that centralised governance systems operating on aggregated signals destroy spatial information. A central controller observing only the European average cannot see which member states are in distress and which are stable. Its interventions are simultaneously too weak for the crisis locations and too disruptive for the healthy ones. This is the formal basis for the translation gap and asymmetric capacity problems.

**Paper II — Fractality as Stability** demonstrates that no single-scale controller can stabilise a system facing simultaneous fast, medium, and slow disturbances. The only stable architecture is a fractal hierarchy of controllers matched to their disturbance timescales. This is the formal basis for the argument that the EU needs governance layers at the supranational, national, regional, and bioregional levels, each handling what its latency and signal fidelity allow — rather than a single central controller attempting to manage all frequencies simultaneously.

**Paper III — The Observability-Democracy Connection** demonstrates that citizen preferences cannot be reliably transmitted through representation chains deeper than two or three layers. The EU's chain — citizen to national parliament to Council of Ministers to European Parliament to Commission — is among the deepest in the democratic world. This is the formal basis for the single public sphere deficit and the proposal for standing citizens' assemblies with genuine policy influence.

**Paper IV — Requisite Variety and the Commons** demonstrates that governance systems with low-dimensional observation cannot stabilise high-variety resource systems. This is the formal basis for the bioregional logic of the Coherence Regions: ecosystems are high-variety systems that require observation dimensionality matching their complexity, and fragmented national observation architectures are structurally incapable of providing it.

**Paper V — The Coordination Failure Tax** demonstrates that the four failure modes do not add — they multiply. A governance system exhibiting all four simultaneously is categorically incapable of the functions it claims to perform. This is the formal basis for the urgency beneath the calm tone of this report: the Negotiation-Dilution Loop is not a temporary phase but a compounding structural dynamic.

### ***C.3 The EU Subsidiarity Protocol: A Worked Example***

The author's existing work on the **EU Subsidiarity Protocol** applies the fractal architecture and requisite variety principles directly to the challenge of determining, in a timely and binding way, which governance level is appropriate for which policy domain. The Protocol is a worked example of what "subsidiarity as a routing protocol" looks like in practice. It is referenced here as evidence that the coherence architecture described in this report is not a theoretical aspiration but a design that has been specified, costed, and is ready for implementation — if the political will exists to implement it.

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## Appendix D: Anticipated Objections

### ***D.1 "This is just a call for a European superstate. It erodes national sovereignty."***

The coherence architecture proposed in this report does not transfer sovereignty to the centre. It builds the connective tissue — the translation layers, the implementation partnerships, the public sphere infrastructure — that allows any distribution of sovereignty to function effectively. In an interdependent world, uncoordinated sovereignty is increasingly illusory sovereignty. A member state that cannot protect its citizens from a pandemic, a financial crisis, or an energy shock without European cooperation has already lost a measure of sovereignty. The choice is not between sovereignty and integration. It is between coordinated sovereignty — where nations pool capacity for challenges that exceed their individual reach — and illusory sovereignty — where nations retain formal control while losing the ability to shape outcomes that matter.

### ***D.2 "The EU already has macro-regional strategies and Interreg. Coherence Regions are just more of the same."***

This objection deserves an honest answer, because the EU has indeed built fragments of what this report proposes. The four macro-regional strategies — Alpine, Baltic, Danube, Adriatic-Ionian — coordinate policy across borders. Interreg funds cross-border projects. Euroregions build relationships. The European Grouping of Territorial Cooperation provides a legal framework for cross-border entities.

These are genuine achievements. But they are not coherence. They are cooperation.

Existing EU Tools	Coherence Regions
Cooperation	<b>Coherence</b> — aligned outcomes, not just aligned intentions
Project-based funding cycles	<b>Permanent governance layer</b>
Voluntary coordination	<b>Binding shared execution authority</b> for pre-agreed domains
National implementation	<b>Pooled budget with shared execution</b>
Retrospective evaluation	<b>Real-time data integration and feedback</b>
Ad hoc or consultative citizen engagement	<b>Standing cross-border citizens' assemblies</b> with formal response obligations

The EU has built a decision layer, a legal layer, and a funding layer. It lacks a layer that synchronises action across space and time where the functional logic demands it. The Coherence Regions are not a replacement for existing tools. They are the missing integration step — the upgrade from "let's work together" to "let's act as one system where it matters."

The macro-regional strategies already organise policy around ecosystems and watersheds. The EGTCs already provide cross-border legal personality. The Coherence Regions build on both, adding what they have always lacked: the authority, the budget, and the democratic infrastructure to turn coordination into coherence.

### ***D.3 "Variable geometry will fragment the Union, not strengthen it."***

Variable geometry is already the operational reality of the EU. The eurozone, Schengen, and enhanced cooperation are all forms of differentiated integration. Making this explicit and institutionalised does not create fragmentation — it prevents the fragmentation that occurs when the demand for uniformity forces dilution of ambition. Coherence through selective synchronisation allows willing states to move faster while keeping the door open for others. It is the mechanism through which the Union has historically advanced — from Schengen to the euro to the recovery fund.

### ***D.4 "Citizens' assemblies are consultative theatre. They don't change anything."***

The Conference on the Future of Europe demonstrated both the potential and the limits of ad hoc citizen deliberation. The upgrade proposed in this report — permanent, multi-level assemblies with formal government response obligations and a statutory role in the legislative process — is designed to address precisely the criticism that citizens are consulted and then ignored. The citizens' assemblies in the Coherence Regions would be the testbed for whether this upgrade works in practice.

### ***D.5 "The EU is already over-bureaucratised. This adds more layers."***

The coherence architecture does not add new layers of bureaucracy. It builds the missing connective tissue between existing layers — the translation capacity, the implementation support, the data integration, the deliberative infrastructure — that would make the existing architecture function more effectively. The Coherence Regions replace fragmented national implementations with shared, streamlined governance. The result is less bureaucracy, not more — less duplication, less misalignment, less wasted effort.

### ***D.6 "The EU has tried regional approaches for decades. Why would this be different?"***

Because previous regional approaches have been designed as coordination mechanisms, not as coherence mechanisms. They fund projects. They build relationships. They produce reports. But they do not pool authority, share execution capacity, or create real-time feedback loops across borders. They are designed to talk across borders, not to act across borders.

The difference is not incremental. It is qualitative. A macro-regional strategy can recommend that member states align their water quality standards. A Coherence Region can set a binding standard and implement it through a shared budget and a shared execution layer. The first is a conversation. The second is governance. The EU has had the conversations. It has not yet built the governance. The Coherence Regions are the testbed for whether that governance is possible — and whether it works.



## Appendix E: About the Author and Method

### *The Author*

This report was written from a position of sustained comparative engagement with European governance, but not from within the EU's institutional core. The author is not a former Commissioner, a senior official, or an accredited expert on EU law. The perspective offered here draws on a deep engagement with complexity science, developmental psychology, governance theory, and the comparative analysis of political systems across multiple continents — pursued with the conviction that the most valuable diagnoses sometimes come from outside the system being diagnosed, where questions can be asked that insiders have learned not to hear.

The distance from institutional power is both a limitation and a resource. It limits access to the granular, day-to-day texture of European policy-making — the unwritten norms, the informal power structures, the lived reality that no formal framework can capture. But it also enables a freedom of diagnosis that proximity to power often discourages. The report does not claim insider knowledge. It claims a coherent lens — one that may prove useful to those who do hold institutional positions and are searching for frameworks that make sense of what they are experiencing.

The author has contributed directly to European governance discourse through the **EU Subsidiarity Protocol** — a technical specification for a subsidiarity routing mechanism designed to determine the appropriate governance level for specific policy domains. That proposal is available in full on the author's website and represents an attempt to translate the architectural principles discussed in this report into actionable institutional design.

### *A Note on Method*

This report was developed through a structured, multi-model synthesis process. Several large language models were engaged in parallel, each prompted to approach the EU's situation from its angle. Their contributions were woven together, challenged for contradictions, and shaped by the author's own systems-thinking framework into the final argument. The AI served as a research partner and a perspective engine; the voice, the editorial judgment, and the intellectual responsibility are entirely human.

This method is an experiment in cognitive amplification: using AI to facilitate analysis and also to deliberately juxtapose multiple strategic intelligences, surfacing patterns and tensions that might otherwise remain invisible. The report is richer for that polyphony. It is also, like any work of synthesis, provisional. It makes no claim to finality. It claims only that the lens it offers merits testing against reality — and that the testing, in the end, is what matters most.

### ***The Country Reports Series***

This report is the fifth and final report in a series of Country Reports for Systemic Change. The first examined Germany through the lens of an execution deficit. The second examined France through the lens of an integration deficit. The third examined Sweden through the lens of a feedback deficit. The fourth examined India through the lens of a synchronisation deficit. Together, the five reports form a global diagnostic framework covering the full spectrum of adaptive capacity: the inability to *decide*, *integrate*, *sense*, *synchronise*, and *cohere* — the five dimensions that determine whether governance systems can meet the complexity of the 21st century. The series does not claim to be complete. It claims to be a foundation on which further analysis, deeper testing, and better design can be built.