The far right has surged in just a few years from 15 percent to 30 percent of the vote in France, and now has the support of up to 40 percent in a number of districts. Many factors conspired to produce this result: rising unemployment and xenophobia, a deep disappointment over the left's record in running the government, the feeling that we've tried everything and it's time to experiment with something new. These are the consequences of the disastrous handling of the financial meltdown that began in the United States in 2008, a meltdown that we in Europe transformed by our own actions into a lasting European crisis. The blame for that belongs to institutions and policies that proved wholly inadequate, particularly in the eurozone, consisting of nineteen countries. We have a single currency with nineteen different public debts, nineteen interest rates upon which the financial markets are completely free to speculate, nineteen corporate tax rates in unbridled competition with one another, without a common social safety net or shared educational standards—this cannot possibly work, and never will.

Only a genuine social and democratic refounding of the eurozone, designed to encourage growth and employment, arrayed around a small core of countries willing to lead by example and develop their own new political institutions, will be sufficient to counter the hateful nationalistic impulses that now threaten all Europe. Last summer, in the aftermath of the Greek fiasco, French President François Hollande had begun to revive on his own initiative the idea of a new parliament for the eurozone. Now France must present a specific proposal for such a parliament to its leading partners and reach a compromise. Otherwise the agenda is going to be monopolized by the countries that have opted for national isolationism—the United Kingdom and Poland among them.

Just for starters, it would be important for European leaders—the French and Germans in particular—to acknowledge their errors. We can debate endlessly all sorts of reforms, both small and large, that ought to be carried out in various eurozone countries: changed opening hours for shops, more effective labor markets, different standards for retirement, and so on. Some of these are useful, others less so. Whatever the case, however, the failures to make such reforms are not enough to explain the sudden plunge in GDP in the eurozone from 2011 to 2013, even as the US economy was in recovery. There can be no question now that the recovery in Europe was throttled by the attempt to cut deficits too quickly between 2011 and 2013—and particularly by tax hikes that were far too sharp in France. Such application of tight budgetary rules ensured that the eurozone's GDP still, in 2015, hasn't recovered to its 2007 levels.

Important changes did take place as a result of the belated interventions of the European Central Bank and the agreement on the new budget treaty of 2012—the European Fiscal Compact, which created the European Stability Mechanism with a budget of 700 billion euros. These developments made it possible to move ahead toward debt mutualization, by which the debts of all eurozone countries would be jointly guaranteed. Such policies have finally managed to stop the decline, but without solving the underlying problems. The recovery remains timid at best; the crisis of confidence in the eurozone persists.

What is to be done now? We should put together a conference of eurozone nations on debt—just like those that were held in the postwar years, to the notable benefit of Germany. The objective would be to reduce public debt as a whole, starting with a system of allocation of payments based on the increases in debt that have occurred since the crisis began. In an early phase, we could place all public debts greater than 60 percent of GDP in a common fund, with a moratorium on repayment until each country has regained a trajectory of robust growth in comparison with 2007. All historical experience points in this direction: above a certain threshold, it makes no sense to repay debts for decades. It's more advisable to openly reduce debts in order to invest in growth, even from the creditors' point of view.

Such a process demands a new form of democratic governance, one that can assure that such disasters are not allowed to recur. In concrete terms, the interests of taxpayers and national budgets demand the establishment of a eurozone parliament composed of members drawn from the national parliaments, proportionate to each country's population. (Such a parliament, of course, would be different from the current parliament of the EU, which includes EU members that are not part of the eurozone and is relatively powerless.)

We should also entrust each national parliament of eurozone members with a vote on a common eurozone corporate tax, otherwise the outcome will still—inevitably—be fiscal dumping and scandals like that of LuxLeaks, in which leaked documents revealed the use of Luxembourg in tax-avoidance schemes. Such a common corporate tax would make it possible to finance investments in infrastructure and in universities. To take one emblematic example, the Erasmus education program—which provides opportunities for students and teachers to study and train abroad—is ridiculously underfunded. It has a budget of two billion euros annually, against the 200 billion euros set aside every year for interest on eurozone debt. We ought to be investing heavily in innovation and young people. Europe has every right and every capacity to be able to offer the finest model of social welfare on earth: we must stop squandering our opportunities!

In the future, the choice of what level of public deficit the eurozone nations should carry will also need to be made in this new setting of joint action. There are many in Germany who would fear being placed in a minority in such a new parliament, and they would prefer to stick to the logic of automatic budgetary criteria. But it was the hindrance of eurozone-wide democracy by a set of rigid rules that led us to the brink of the abyss in the first place, and it’s time to be done with that approach.

If France, Italy, and Spain (roughly 50 percent of the eurozone’s population and GDP, as against Germany, with scarcely more than 25 percent) were to put forth a specific proposal for a new and effective parliament, some compromise would have to be found. And if Germany stubbornly continues to refuse, which seems unlikely, then the argument against the euro as a common currency becomes very difficult to counter. Currently, a Plan B involving the abandonment of the euro is being touted by the far right, a policy that is increasingly tempting to the far left. Why don’t we start by actually giving a chance to genuine reforms that would make the eurozone work for the common good?