

Do we need more Europe?

Philosophy, Economics and Politics: Current Debates 2021
Jaromír Baxa, Vilém Semerák (IES FSV UK)

Introduction

The COVID pandemic revealed some of the long-term problems of the European Union: In many areas, the European Commission and the European Parliament can propose or pass legislation, but the implementation is in the hands of national governments.

=> the area of shared and supportive competencies, as they are defined in the Treaties (as of negotiated in the Lisbon Treaty:

https://www.wikiwand.com/en/Treaty_of_Lisbon)

Example: Border restrictions during pandemic => the European Commission swiftly proposed classification of countries based on their epidemiological situation, and recommended measures to restrict the movement from the most severely affected areas. However, it took then several months until such system was adopted by the member states.

Outline

Recap: The EU health policy

Limits of existing EU policies

Debates over the future of the EU and the “Conference on the Future of Europe”

Recap: The EU's Health Policy

Division of competencies in the health policy is set out in Article 168 of the Treaty on the Functioning of the European Union (TFEU): EU **countries hold primary responsibility** for organising and delivering health services and medical care. EU health policy therefore serves to complement national policies, and to ensure health protection in all EU policies.

https://ec.europa.eu/health/policies/overview_en

The Commission can:

- Proposing legislation: patients' rights in cross-border health care; pharmaceuticals; cross border health threats
- Providing financial support
- Coordinating and facilitating the exchange of best practices between EU countries and health experts
- Health promotion activities.

However, the Commission cannot deliver health services.

Limits of existing EU policies

The long-term dilemma between **federalism** (centered around the European Parliament) and **intergovernmentalism** (the European Council!) + the **technocratic nature** of the European Commission, and, to some extent, of the Council (=Council of Ministers); which is the main legacy of Jean Monnet.

Visible in many areas: Migration crisis, EMU crisis, evident frauds and misuses of EU funding in several EU countries...

Clear limits in “capacity to deliver solutions”, that are related to the very core of the structure of the EU governance that is mixing the exclusive and shared responsibilities.

Recall the EMU crisis!

Apparent and well known flaws of the EMU:

- No lender of last resort
- Limited credibility of no-bailout clause
- Vicious circle between vulnerability of banks and sovereigns (steps towards banking union might help)
- No risk sharing, no “federal” budget for transfers.

+ The SGP reforms of 2010-2012 caused deterioration of legitimacy

The Commission was granted by an effective power to decide about taxation in Member States - the European Semester implies the budget has to be approved by the Commission
=> the problem of no taxation without representation arise; clear illustration - Italy.

Do we need more Europe?

Extension of the executive powers of the Commission could be a response to a dilemma between reasonable “capacity to deliver” and the expectations of the citizens of the EU.

However, the EU member states are unable to reach an agreement.

The **White Paper on the Future of Europe: Reflections and scenarios for the EU27 by 2025**: A perspective of the European Commission of the possibilities. Discussed at the Sibiu summit of the European Council (May 9, 2019), however without any conclusions.

Still, this White Paper illustrates the options of the future developments of the EU quite well.



As we mark the 60th anniversary of the Treaties of Rome, it is time for a united Europe of 27 to shape a vision for its future.

*Jean-Claude Juncker,
President of the European Commission, 1 March 2017*



Five Scenarios



Carrying On

The EU27 focuses on delivering its positive reform agenda



Nothing but the Single Market

The EU27 is gradually re-centred on the single market



Those Who Want More Do More

The EU27 allows willing Member States to do more together in specific areas



Doing Less More Efficiently

The EU27 focuses on delivering more and faster in selected policy areas, while doing less elsewhere



Doing Much More Together

Member States decide to do much more together across all policy areas

Five scenarios for the future of Europe by 2025



1) Carrying on

- + Delivering concrete results
- + Preserving EU-27's unity
- Testing EU-27's unity
- Closing the gap between promise and delivery slowly



2) Nothing but the Single Market

- + Simplifying decision-making
- Growing gap between expectations and delivery
- Restricting citizens' rights



3) Those who want more do more

- + Preserving EU-27's unity & allowing Member States to do more
- + Closing the expectation gap in countries which want to do more
- Questioning decision-making's transparency and accountability
- Varying EU citizens' rights

Five scenarios for the future of Europe by 2025



4) Doing less more efficiently

- + Acting only in fields with added value
- + Acting faster
- Arguing about priority areas



5) Doing much more together

- + Taking decisions faster
- + Giving citizens more rights
- Alienating parts of society

The five scenarios.

Do you miss any scenario?

The five scenarios

Further complication: Legal issues. Many scenarios would require overhaul of the EU treaties....

... and changing Treaties would be *tricky* since they would require unanimous vote among EU member states.

+ missing enforcement in all but the fifth scenario.

Conference on the Future of Europe: Engaging with citizens to build a more resilient Europe

The debate over the Five scenarios disappeared into silence before the EP elections 2019 and left for the new Commission.

The negotiations on the presidency of the new European Commission resulted in a victory of the European Council - its candidate Ursula von der Leyen was appointed as the President of the European Commission, despite not participating in the EP elections.

The most recent attempt of the Commission to revive the debate over the future of the European Union: **Conference on the Future of Europe**

Conference on the Future of Europe: Engaging with citizens to build a more resilient Europe



Reportage

Participation of Ursula von der Leyen, President of the European Commission, at the signature of the Joint Declaration on the Conference on the Future of Europe

© Copyright European Commission 2021

Conference on the Future of Europe: Engaging with citizens to build a more resilient Europe

Series of round tables and debates with EU's citizens, giving them "...a greater role in shaping EU policies and ambitions, improving the Union's resilience to crises, be it economic or health-related. It will create a new public forum for an open, inclusive, transparent and structured debate with Europeans around the issues that matter to them and affect their everyday lives."

Supposed to be public forum for open debate...
... but it's not entirely clear where it should lead.

U. von der Leyen: *"We will listen. And then, we will act."*

Report to the Council is supposed to be submitted in 2022.

Conference on the Future of Europe: Don't mention the T word

The phrase 'proposals for treaty change' has been taken out of Commission's draft on plans for EU makeover.



European Commission President Ursula von der Leyen has made the Conference on the Future of Europe a priority during her tenure | Frederick Florin/AFP via Getty Images

Most Read Articles

1. WHO gives green light to J&J vaccine

MARCH 12, 2021 | 6:12 PM

2. Geert Wilders, comeback king

MARCH 12, 2021 | 4:00 AM

3. EU countries halt Oxford/AstraZeneca vaccine rollout over blood clots

MARCH 11, 2021 | 8:02 PM

4. AstraZeneca cuts EU vaccine delivery targets again

MARCH 12, 2021 | 9:58 AM

5. Merkel's CDU battered in key German state elections

MARCH 14, 2021 | 7:23 PM

Do we get more Europe? Summary

No matter whether we need more Europe or not, changes of the Treaties are out of the Table.

Future of the EU:

Wider View, Opinions of Citizens

Celi et al. (2020): A fragile and divided European Union meets Covid-19: further disintegration or ‘Hamiltonian moment’?

- An interesting view from the South (South Periphery)
- Explicit focus on the functioning of GVCs and intra- and extra-EU economic dependencies
- Discusses the Covid crises in the context of previous development and of previous crises of the EU
 - Winners and losers from the common currency
 - Financial crises of 2009
 - Previous responses to the crises and their implications for the current crisis
 - EU austerity measures
 - “63 cases where the EU officially requested member states to cut health spending”.
 - Space for assistance at local level
 - *Not all the countries of the Union have the resources needed to intervene in support of their economy,*
 - *Countries with the deepest pockets might be getting an unfair advantage in the EU’s single market.*

Celi et al. (2020): A fragile and divided European Union meets Covid-19: further disintegration or ‘Hamiltonian moment’? (2)

- Barriers to the solution
 - Structure of the EU: two peripheries and resulting asymmetries
 - Peripheries “*suffer from different fragilities, which descend from their common, albeit diverse, economic and financial dependence on the core*”
 - Perhaps also logic of previous integration processes and attempts to tackle previous crises
 - Absence of common fiscal policy
 - The “Next Generation” plan not enough and not too convincing

Celi et al. (2020): A fragile and divided European Union meets Covid-19: further disintegration or 'Hamiltonian moment'? (3)

- Existence of two peripheries
 - both the cause of fragility
 - but also the reason why disintegration is not probable

- Disintegration would entail *high costs for core and peripheries alike.*

Estella (2018): EU Scenarios for 2027

- An interesting contribution
 - Estella starts with his older predictions “EU Scenarios for 2017” published in 2008 and attempts to evaluate them
 - Estella’s (2008) scenarios (6)
 1. Termination
 2. Variable geometries
 3. Status quo
 4. Incremental integration with variable geometries
 5. Incremental integration without variable geometries
 6. Political union
 - The newer texts reflects both the previous scenarios as well as the EU Commission white paper and its 5 scenarios (shows similarities to his scenarios)

Estella (2018): EU Scenarios for 2027 (2)

*As noted, I predicted that in 2017 the EU would be in a situation between the ‘**status quo**’ and the ‘**variable geometries**’ scenarios. What it did not anticipate was that the EU would be there due to the economic crisis that started in 2008. Thus, I will argue next that the EU is in the **former scenario**.*

Estella (2018): EU Scenarios for 2027 (3)

- Arguments:
 - a. **The EU has virtually frozen** any crucial development in most of its policy areas and has focused on managing the crisis
 - *There has been no major constitutional (Treaty) modification or addition*
 - *There has been no major policy improvement with the exception of the developments in the area of economic governance*
 - b. The EU has managed the economic crisis through **an extensive use of the variable geometries instrument**
 - Examples of this trend:
 - the first bailing-out measures that were adopted at the beginning of the crisis, the adoption of the Fiscal compact, the adoption of the ESM and the subsequent bailing-out decisions, and the adoption of the new framework for banking supervision.
 - c. The driving forces of integration have recognised that **the only way of moving forwards is through a more extensive use of the variable geometries instrument**
 - Versailles mini-summit of 6 March 2017
 - Germany, France, Spain and Italy, expressed a firm commitment to make headway in the process of European integration *through a more extensive use of the variable geometries instrument.*

Estella (2018): EU Scenarios for 2027 (4)

- Variables that will determine the future of the EU:
 - a. Enlargement
 - b. Economic growth
 - c. Immigration
 - d. Exit(s)
- Out of these four variables: *three play against integration, one is neutral/positive*

*Within 10 years the EU will be placed in a scenario that will more definitely move towards less integration and where **variable geometries** will have a pervasive presence in the European landscape.*

*This report sadly alerts to the fact that depending on how the UK performs after Brexit, **the termination scenario could be closer than ever before in the history of European integration.***

Fabbrini (2019): The Future of the EU

- Contrasts the unity during Brexit negotiations with the disunity in many other situations (migration crisis, euro-crisis, rule of law discussions etc.)
 - Many centrifugal pressures
- Presents three alternative scenarios for the future of Europe/EU
 - **Path dependency**
 - Crises have been a recurrent feature in the history of the EU → the EU may simply be able to resist yet another set of crises and muddle through
 - Argument for this: *the EU works – at least in some policy areas*
 - **Differentiation**
 - Mode of integration which tries to reconcile heterogeneity within the EU by allowing Member States to participate in specific EU policies on a voluntary basis.
 - Nothing new: *differentiated integration has increasingly become a tool to deal with deadlock and diverging ideological preferences in highly salient policy areas*
 - Possible problems exemplified on the case of defence.

Fabbrini (2019): The Future of the EU (2)

- Presents three alternative scenarios for the future of Europe/EU
 - **Decoupling**
 - Outright separation of those Member States favoring more and those favoring less integration into two distinct organizations
 - *the Eurozone might become the framework for the creation of a 'core Europe'.*
- None of these scenarios may be appealing for the future of Europe.
 - *An EU that simply muddles through the current difficulties will fail to address the citizens' calls for change*
 - *The issue of its institutional set-up, will occupy the energy and attention of the EU27 in the near future.*

And Citizens?

Goldberg et al (2020): Eurovisions: An Exploration and Explanation of Public Preferences for Future EU Scenarios

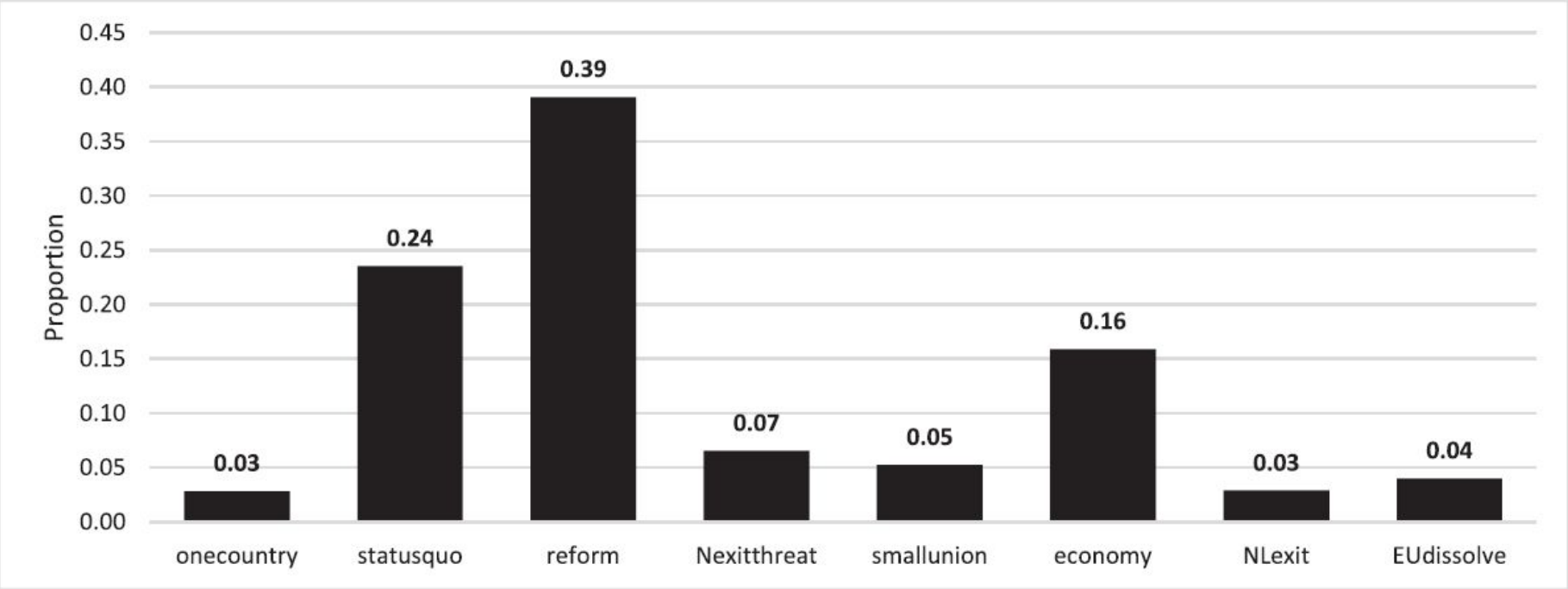
- Develop **eight concrete future EU scenarios** based on an inductive analysis of qualitative survey data
 - Respondents ranked their top three scenarios
 - Sample: Netherlands (N =2,648), collected in 2017 & 2018.
 - These preferences form three clusters ordered along a more vs. less EU dimension.
 - Factors such as occupational levels or left–right attitudes are strong determinants of preferences for the future of the EU, and that specific EU support (performance and utilitarian evaluations) is more important than diffuse EU support (identity and affect).

Goldberg et al (2020): Analyzed Scenarios

1. The EU should dissolve into completely independent countries (EUdissolve).
2. The Netherlands should leave the EU and become completely independent (NLexit).
3. The EU should dissolve and the Netherlands should aim for a smaller union with select countries (smallunion).
4. The Netherlands should leave the EU but keep economic ties (that is, a status comparable to Norway and Switzerland) (economy).
5. The Netherlands should use a potential Nexit to enforce special advantages for staying (Nexitthreat).
6. The Netherlands should stay in the EU, but actively try to reform it (reform).
7. Everything should stay as it is (statusquo).
8. The EU should become one country (onecountry).

Goldberg et al (2020): Results

First Choice Scenario



Goldberg et al (2020): Results

Clusters of Preferences

<i>Cluster</i>	<i>Scenarios</i>
Hard	1. The EU should dissolve into completely independent countries. 2. The Netherlands should leave the EU and become completely independent.
Medium	3. The EU should dissolve and the Netherlands should aim for a smaller union with select countries. 4. The Netherlands should leave the EU but keep economic ties. 5. The Netherlands should use a potential Nexit to enforce special advantages for staying.
Soft	6. The Netherlands should stay in the EU, but actively try to reform it.
Status quo	7. Everything should stay as it is.

Goldberg et al (2020): Expected Preferences

<i>Explanatory variable</i>	<i>Characteristic</i>	<i>Scenario preference</i>
Globalization winner/loser	Loser	Hard
	Winner	Soft
Political ideology	Right-wing	Hard/intermediate
	Left-wing	Soft
EU attitudes	Diffuse opposition	Hard
	Specific opposition	Intermediate/soft

Goldberg et al (2020): Conclusions (1)

1. Preferences are rather diverse, and that public opinion is by no means drawn towards the more extreme options of full integration or full disintegration of the EU
2. There is a meaningful structure behind the responses, as scenarios are empirically ordered in a soft-intermediate-hard logic.
 - *Citizens hold fairly grounded opinions about the future of the EU, rather than being indifferent or holding non-attitudes*
3. Globalization losers in particular support hard future scenarios (that is, a break with or dissolution of the EU)
 - Manual and unskilled workers, less educated citizens
4. Winners of globalization are the typical proponents of soft scenarios (that is, staying in the EU but pursuing reforms).
 - Highly educated citizens, citizens in professional occupations

Goldberg et al (2020): Conclusions (2)

5. Specific evaluations of the EU's utility and performance have particularly strong effects on what kind of EU future citizens prefer.
 - *Negative performance evaluations trigger a desire for reforms, but do not lead to a wish to leave or dissolve the EU.*
 - *Negative utilitarian evaluations, lead to supporting intermediate as well as hard scenarios – **if the EU is not perceived as beneficial, citizens might thus give up on it altogether.***
6. Younger citizens have the strongest preferences for maintaining the status quo, older citizens stand out by strongly preferring a soft scenario.
7. How about left/wing orientation?
 - we expected right-wing citizens to prefer harder scenarios than left-wing citizens. While this is true for soft and intermediate scenarios, with left-wing citizens having a strong preference for only minor changes and (far) right-wing citizens opting for medium scenarios with more drastic changes, **we found them to have an equally strong preference for hard scenarios, although this was low in absolute terms.**

Anything Else?

- Another dimension not mentioned at all yet:

Position of the EU on global stage

- **Soft power** (Nye) in competition with the USA, China, Russia,....
 - Ability to shape future world
 - Ability to deter future threats
- Currently: an intensive discussion on
 - the damage caused to the position of the USA (poor organisation of Covid response, departure from the WHO, nationalist approach to the vaccines)
 - possible strengthening of the role of China (vaccines diplomacy: see e.g. Serbia etc.)
- What does it mean for the EU?

Thank you for your attention.

Annex: More on the Five scenarios



Scenario

1

Carrying on



The EU27 focuses on delivering its positive reform agenda.



The positive agenda of action continues to deliver concrete results



The unity of the 27 may still be tested in the event of major disputes



The gap between promise and delivery will only progressively be closed if there is collective resolve to deliver jointly



Scenario 1: Carrying on



By 2025 this could mean:



Europeans can drive automated and connected cars (with Internet access) but encounter problems when crossing borders as some legal and technical obstacles persist.



Europeans mostly travel across borders without having to stop for checks. Reinforced security controls mean having to arrive at airports and train stations well in advance.



Scenario

2

Nothing but the Single Market



The EU27 cannot agree to do more in many policy areas beyond key aspects of the single market



Decision-making may be simpler to understand



It becomes harder to address issues of concern to more than one Member State and therefore the gap between expectations and delivery widens on common challenges



Citizens' rights guaranteed under EU law may become restricted over time



Scenario 2: Nothing but the Single Market



By 2025 this could mean:



Crossing borders becomes difficult due to regular checks.



Finding a job abroad is harder and the transfer of pension rights to another country not guaranteed.



Those falling ill abroad face expensive medical bills.



Europeans are reluctant to use connected cars due to the absence of EU-wide rules and technical standards.



Scenario

3

Those Who Want More Do More



The EU27 allows willing Member States to do more together in specific areas



The unity of the EU at 27 is preserved while progress is made possible for those who want more



The gap between expectation and delivery closes in countries who want and choose to do more



Questions arise about the transparency and accountability of the different layers of decision-making



Citizens' rights guaranteed under EU law vary depending on where people live



Scenario 3: Those Who Want More Do More



By 2025 this could mean:



15 Member States set up a police and magistrates corps to tackle cross-border criminal activities. Security information is immediately exchanged as national databases are fully interconnected.



Connected cars are used widely in 12 Member States which have agreed to harmonise their liability rules and technical standards.



Scenario

4

Doing Less More Efficiently



The EU27 focuses on delivering more and faster in selected policy areas not acting in where it is perceived not to have an added value



European citizens feel that the EU is only acting where it has real added value



A clearer focus of resources and attention on a number of selected domains helps the EU27 to act faster



The EU at first has difficulty in agreeing which areas it should prioritise and where it should do less



Scenario 4: Doing Less More Efficiently



By 2025 this could mean:



A European Telecoms Authority will have the power to free up frequencies for cross-border communication services used e.g. by connected cars. It also protects the rights of mobile and Internet users across the EU.



A new European Counter-Terrorism Agency helps deter and prevent serious attacks through a systematic tracking and flagging of suspects.



Scenario

5

Doing Much More Together



Member States decide to do much more together across all policy areas



There is far greater and quicker decision-making at EU level



Citizens have more rights under EU law



Parts of society which feel that the EU lacks legitimacy or has taken too much power away from national authorities risk being alienated



Scenario 5: Doing Much More Together



By 2025 ts could mean:



Citizens travelling abroad receive consular protection and assistance from EU embassies, which in some parts of the world have replaced national ones. Non-EU citizens wishing to travel to Europe can process visa applications through the same network.



Connected cars drive seamlessly across Europe as clear EU-wide rules exist. Drivers rely on an EU agency to enforce the rules.

References

G. Celi et al. (2020): A fragile and divided European Union meets Covid-19: further disintegration or 'Hamiltonian moment'? *Journal of Industrial and Business Economics* (2020) 47:411–424

A. Estella (2018): EU Scenarios for 2027. Elcano working paper 19/2018 - 8/10/2018

F. Fabbrini (2019): The Future of the EU. *European Journal of Legal Studies*

A. Goldberg et al (2020): Eurovisions: An Exploration and Explanation of Public Preferences for Future EU Scenarios. *Journal of Common Market Studies*

All the texts are available in Moodle.