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Topic: Principles & Policies of the European Union.

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Prelude. Basic problem.

- ❑ Formerly economic activity took place primarily at the national level. Regulatory framework was also national.
 - ❑ Now economic activity is being globalised but a large part of regulatory framework and legislation is still national.
 - ❑ The main problem: Ensure that economic activity and regulatory framework plus legislation operate on the same level.
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I. The former and the new model (1).

The former – national – model was based upon.

- ❑ Nationalism.
 - ❑ Pursuance of national interests.
 - ❑ Safeguard of sovereignty.
 - ❑ Von Clausewitz: Crisis – conflict – confrontation → possible war.
 - ❑ Protect the nation-state. Gain on behalf of other nation-states, zero sum game.
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I. The former and the new model (2).

The new – international – model is based upon:

- Transnational forces.
 - Supranational enterprises.
 - International organisations.
 - Multinational civic society.
 - New strategic thinking: Co-operation – compromise – consensus → Global governance.
 - Protect globalisation. Positive sum game.
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I. The former and the new model (3).

Legitimacy of the political system. Protection of the citizen.

- ❑ Formerly: Threats – militarily and economically – against nation-states.
 - ❑ Now: Threats at human security, human welfare, stability of society: Well functioning of society. Economic↑ Military ↓
 - ❑ How to deliver when regulatory framework and legislation becomes more international hence outside the grasp of national political system
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II. EU like a magnet.

- ❑ 1958. Six.
 - ❑ 1973. Nine.
 - ❑ 1980. ten.
 - ❑ 1986. Twelve.
 - ❑ 1995. Fifteen.
 - ❑ 2004. Twentyfive.
 - ❑ 2007. twentyseven.
 - ❑ Waiting: Turkey, Croatia plus Iceland and a couple of other nation-states.
 - ❑ Why? It cannot be that they lose something, they must feel better off inside than outside.
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III. Why do they do that?

- ❑ Smaller member states. Better multilateral than bilateral. Denmark versus Germany.
 - ❑ Bigger member states. Enhance global influence, benefit from sharing prosperity, compensate for loss of national power.
 - ❑ Balance between small and big member states. Heavily tilted to the advantage of the small. Recent ruling by the German Constitutional Court.
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IV. Globalization as a driver.

- ❑ Globalization means that no nation-state can solve its problems alone.
 - ❑ Economic policy becomes more and more dependent on globalized events.
 - ❑ Case study. Recent economic and financial crisis.
 - ❑ What can a nation-state do alone - very little if anything.
 - ❑ What did the EU do? Slow in the uptake, yes may be, but it was the Europeans who put forward the blueprint for saving the financial system
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V. Sovereignty.

- ❑ Today a nation-state defends its interests by influencing international organisations. International rules must be in conformity with and not in contradiction to domestic policy goals.
 - ❑ EU member states have pooled their sovereignty to exercise it in common with adjacent nation-states pursuing analogous political goals.
 - ❑ They have NOT surrendered sovereignty.
 - ❑ The reason is that this enhances their ability to pursue domestic policy goals, not the other way round.
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VI. Case studies (1/2).

- Denmark and nuclear power.
 - Haze in Southeast Asia.
 - State subsidies to industry.
 - Global warming, climate change.
 - Burden sharing. Competitive positions.
 - Toxic materials, the REACH directive, why need to do it in common, how can you reconcile the interests of the worlds biggest producer of chemicals with a number of countries not producing chemicals?
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VI. Case studios (2/2).

- ❑ Economic and Monetary Union, EURO, the single currency.
 - ❑ The Common Trade Policy.
 - ❑ Common Foreign and Security Policy. A dwarf? May be, but 22 missions since 2003 with military personel to secure peace,
<http://www.consilium.europa.eu/uedocs/cmsUpload/MapENjuly09.pdf>
- The enlargement, Mediterranean, Neighborhood, Development Assistance, Caucasus - coach.
- ❑ Why do the Europeans do this instead of just going on alone?
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VII. Institutions.

- A few words.
 - It cannot work without institutions.
They make legally binding decisions for member states. Moving towards a bicameral system.
 - Basic element: Trust.
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VIII. General lessons. Applicable also outside European framework. (1/2)

- Political will. Pursue national interests in the globalized world.
 - The nation-states too small in the globalized world.
 - Sense of common interest and common destiny.
 - A positive sum game.
 - Not a goal in itself.
 - Problem grinder.
 - Congruity with domestic political goals.
 - Set long term objective – pursue it step by step.
 - Do not be discouraged in case of set back – wait and then try again, judge the political and economic conditions.
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VIII. General lessons. Applicable also outside European framework. (2/2)

- ❑ All member states take part in all aspects of the integration. Stakeholders.
 - ❑ Institutions constitute the foundation, without institutions no rules based cooperation.
 - ❑ A hard core of member states as drivers.
 - ❑ Find a role in the world.
 - ❑ Influence in the world depends upon link to domestic policies.
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IX. What the integration can and should do.

- Make it visible for citizens why it is there.
 - Support the nation-state.
 - Support the integration.
 - Support other nation-states.
 - Be a stakeholder in globalization.
 - Not an end in itself - a tool for solving problems.
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X. Challenges – Problems.

- ❑ The proposed constitution.
 - ❑ EU tremendously successful.
 - ❑ All treaties linked to an objective.
 - ❑ Now the question is why a constitution, to do what?
 - ❑ Illustrate the problem that political decision making moved from national to European level.
 - ❑ You must always be able to:
 - explain to the citizens what the integration is doing that could not be achieved without.
 - that the European political system is `theirs´ as is the case for the national political system.
- This is where the EU so far has failed. The basic lesson: You may start the integration top down and run it for a while top down, but in the long run you need popular support.
- ❑ Emotions versus logic
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XI. Conclusion.

- ❑ EU is the first of its kind. Extrapolating the domestic rules based – legal – system onto the international level.
 - ❑ Despite all shortcomings trying to establish an international political system with rights and obligations for all member states.
 - ❑ The art of compromise, negotiations.
 - ❑ We all have an interest that this continues to be successful.
 - ❑ The alternative is back to the nation-state rivalry.
 - ❑ AND not emulate EU but learn from its hard won experiences.
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