

Foundation for Democracy, Taipei, October 12, 2007

Topic: Basic Principles of the European
Union and its role in the World

By: Jørgen Ørstrøm Møller

- ♦ Visiting Senior Research Fellow at Institute of Southeast Asian Studies, Singapore
- ♦ Adjunct Professor at Copenhagen Business School

Prelude

- ❑ Key sentence: EU is the first and so far only attempt to project a rule based domestic democratic political model on to the international scene. Unique.
 - ❑ EU was born out of exceptional circumstances.
 - ❑ The population in the defeated and war torn European countries had lost faith in domestic political systems.
 - ❑ French and German reconciliation.
 - ❑ Why of interest to the rest of the world?
 - ❑ Not emulate but learn from hard won experiences what works and what does not. Principles, instruments. Toolbox.
 - ❑ That can be helpful for other parts of the world making THEIR integration tailormade to what they want and need.
-

Major points

- ❑ Economic internationalisation.
 - ❑ Transfer of sovereignty.
 - ❑ Qualified majority voting in the Council.
 - ❑ Link to domestic political systems.
 - ❑ Case studies: 1) Economic and Monetary Union. 2) EU and WTO.
 - ❑ EU links to groups of countries.
 - ❑ Common Foreign and Security Policy.
 - ❑ Where does EU go from here?
-

I. Economic Internationalisation.

- ❑ Trade, services, capital movements jumped out of national box.
 - ❑ Political systems forced to follow but how?
 - ❑ Multinational companies play the game.
 - ❑ Political, legal and psychological problems in this context.
-

II. Transfer of Sovereignty

- ❑ Transfer – not surrender – of sovereignty.
 - ❑ Sovereignty (power) not static but can be increased and exercised at several layers at the same time.
 - ❑ Globalisation makes the conventional notion of sovereignty meaningless.
 - ❑ Domestic rules interact with economic internationalization and international rules to enlarge room of manoeuvre to shape our preferred model of society.
 - ❑ Best to do it together with other countries pursuing congruous political objectives.
-

III. Qualified Majority voting (QMV).

- ❑ Watershed in 1986 with The Single Act. Unanimity→QMV.
 - ❑ Opens the door for more decisions.
 - ❑ More important. Changes the negotiation climate.
 - ❑ Member states forced toward compromises and explain themselves.
 - ❑ Make them more likely to be stakeholders.
-

IV. Link to Domestic political System.

- ❑ EU legal acts either directly applicable or to be transformed into national legislation.
 - ❑ Governments have to explain/defend these decisions.
 - ❑ Ensure political support for EU and further progress. OBS what happened to the proposed EU-Constitution!
 - ❑ Can only be done with strong links – Council-Parliament-Commission; various consultative bodies.
-

V. Case Studies – EMU, WTO.

EMU.

- ❑ The long march – 1969→ 2002.
 - ❑ Economic interdependence→Congruous economic policies→EMU→reap the benefits of a de facto situation.
 - ❑ Background. Exchange rate adjustment no longer effective economic policy instrument.
 - ❑ Record so far.
-

V. Case Studies – EMU, WTO.

WTO.

- ❑ Common External Trade Policy (CET) sovereignty transferred, the Commission negotiates.
 - ❑ Mandate approved by the Council by QMV.
 - ❑ Each member under pressure, yes, but also enhanced possibilities for pursuing national interests, EU weighs more than one of the member states.
 - ❑ The challenge is to convince the other member states that `our` problem must be on the list.
 - ❑ Common denominator between national interests, European interests, responsibility for international trade system.
-

VI. EU links to groups of countries.

- ❑ Former colonies, what is now the ACP countries. Development assistance and trade links.
 - ❑ Broader links being pursued. Case in point: Barcelona process or Euro-Mediterranean Partnership. 1995. 35 members. Broad agenda. Record.
 - ❑ Trade links.
 - ❑ Major player if not THE major one.
-

VII. Common Foreign and Security Policy.

- ❑ Intergovernmental not supranational.
 - ❑ Common strategies – unanimity. Ex: Mediterranean.
 - ❑ Common positions. Ex: Myanmar.
 - ❑ Joint actions. Ex: Aceh.
 - ❑ Opening for QMV when implementing decisions taken by unanimity.
 - ❑ Record.
-

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.
-

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.
-

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.
-

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
-

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.
-