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The Future of the European Union. A Multi-Variant Analysis

Abstract: The global crisis in the financial and banking markets caused more than just financial and economic problems for the European Union. The Eurozone sovereign debt crisis also revealed the institutional weaknesses of the EU. The ineffectiveness of the proposed solutions intensified the political crisis of democratic legitimacy, as well as bringing about a serious social crisis. As a result the political and economic model of the European Union is being questioned. How it will end remains unknown. In examining the situation, we need to take into account both pessimistic as well as optimistic scenarios, thus four possible variants are analysed and presented below.

1. Variant One: Atomisation or disintegration

At the start of any examination of the probable directions of change in the European Union, we can distinguish the position which involves the disintegration of the system and even an end of European integration. It may happen that all possibilities for continuation become exhausted due to endogenous and/or exogenous causes, either with respect to the Union, the Member States, the EU institutions and other actors in European integration, or independent from them. These causes are mainly economic, and include further destabilisation of the euro area as a result of the financial collapse of Italy, Spain and France; losing the competition with Asia (China, India); or the negative impact of a crisis in the United States, where public debt is 'monstrously' high. But some possibilities of disintegration are also political in

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nature, for example lack of adequate responsiveness of the EU to crises and wars (Syria, Mali), or decreasing EU influence on its own neighbourhoods (North Africa, Eastern Europe).

This approach makes it possible to develop several forecast models concerning atomisation of the EU and its gradual, or even rapid, loss of influence, as well as the internal and external impacts of such variants on the position and role of the European Union. The first forecast model is based on the hypothesis that the EU system is unable to overcome the crisis of the Economic and Monetary Union (which began with the collapse of the EU financial system), which will entail negative consequences for the countries of the Euro-group. This will lead to the removal of selected countries from the Eurozone, or even to abandoning the single currency and a return to national currencies. The euro crisis will trigger another crisis, which can be called a crisis of politics and the political system, an important element of this crisis being a significant weakening of or even structural inability of the national and supranational entities of the European Union to keep operating efficiently.

The above model is empirically associated with a strategic change (reconstruction) of the policies of the main EU countries, in particular Germany as the 'driving force' of the EU, replacing the previously acknowledged German–French tandem. Due to the irresponsibility of many Member States, Germany may no longer wish to play the role of direct regulator and intervener in solving all the possible problems of the European Union. Under this assumption, we can infer that Germany's new European policy may be based on a shift towards withdrawal and controlling the process of integration 'from the back seat', leaving direct confrontation of problems to the EU institutions and/or other Member States. This approach would allow the German government to flexibly respond to situations which might entail a possible collapse of the European Union project.

Apart from numerous risks, the forecast outlined above may create new ('post-integration', 'post-EU') geopolitical geometries, constellations, ties and alliances that will allow other countries to improve their position in the new system of European integration. An example of this could be the northern alliance led by the UK, Sweden, Denmark, Finland and the Netherlands, which is already being formed. Poland's future position as a 'real player' between Western and Eastern Europe is also relevant in this context.

The 'second forecast model' is based on the process, possible both theoretically and practically, of renationalisation of the governance system and of

¹ Cf. L. Alderman, *Contemplating the Future of the European Union*, "The New York Times", 12.02.2010.

the management of the competences conferred upon the Union and its institutions by the Member States. Renationalisation may be caused by the crisis and the collapse of the euro, but could also be caused by, for example, a lack of agreement between the states and the European Parliament as to the future Multiannual Financial Framework, an Internal Market crisis, or the collapse of the Common Agricultural Policy or the Cohesion Policy.

Renationalisation, in terms of competences and mentality, would 'switch off' the protective umbrella of the European Union. Community protection would be replaced by classic national protection. States and national economies will focus their activities on the logic of 'cultivating one's own field', each of them trying to find particularistic solutions separately.²

The third forecast model is based on the weakening or collapse of the Union as a result of external threats. According to this approach, independent external threats, such as natural disasters (seismic, geological (volcanic eruptions), climatic, epidemiological), or dependent external threats, such as terrorism, global or regional armed conflict (e.g. using nuclear weapons), mass migration, etc., which would contribute to closing the EU borders, to isolation from other Member States, and lead to a focus on national security.

In all three models discussed above, the integration actors (Member States, their citizens, and EU institutions) may hamper or even end the process of legitimisation of the European Union's further operation, contributing to inevitable stagnation. As a consequence, it will no longer be possible to further strengthen the competences of the integrated power apparatus. Internal segmentation, lack of opportunities to communicate and cooperate among the participants in the integration process, as well as an inefficient technocratic structure and lack of proper socialisation may not only halt but even reverse the process of European integration.³ The European Union may become an impotent, 'regional UN', plagued by destabilisation. Camouflaged, creeping disintegration could become the rule, and the EU would then fall into apathy, losing its significance as an important political organisation – both internally and externally.

It seems quite likely that the actual scenario for the future is a negative one, a 'failure of integration' – a conscious or unconscious, voluntary or

² Cf. K. Szczerski, Unia Europejska, rynek i kryzys – rekonfiguracja władzy (European Union, the Market and the Crisis) in: Platon na Wall Street: konserwatywne refleksje o kryzysie ekonomicznym (Plato in the Wall Street: Conservative Reflection on the Economic Crisis), eds. J. Kloczowski, J. Price, Kraków 2010, pp. 171–192.

³ I.P. Karolewski, *Teorie integracji a Niemcy (Germany and the Theories of Integration)* in: ed. E. Stadtmüller, "Jaka Europa?" (What kind of Europe?), Materiały z konferencji naukowej, Wrocław 6–8.05.1998 (Materials from the Scientific Conference), Wrocław 1998, p. 293.

involuntary departure from the existing forms and methods of integration. In this respect, there are several possible variants:⁴

- Voluntary withdrawals from the Eurozone and/or the EU as a result of the crisis, integration fatigue, and lack of agreement among the countries as to the ways, methods and instruments of overcoming the economic crisis;
- Voluntary withdrawals from the Eurozone and/or the EU as a result of the failure to reach an agreement concerning the further development of European integration (e.g. lack of consent on a fundamental reconstruction of the method of financing);
- Deprivation of membership in the Eurozone and/or the EU by decision of other Member States and the Court of Justice as a result of a permanent violation of the rules of integration included in both the *acquis communautaire* and the *acquis politique*;
- Transforming the European Union into a free trade area, reinforced by the four freedoms of the Internal Market;
- Dissolution of the Eurozone and the establishment of a new monetary union by countries of Northern Europe, with a new common currency;
- Dissolution of the Eurozone and a return to national currencies;
- Dissolution of the European Union and the European Atomic Energy Community by expiry of the existing treaties.

In this context, we must imagine a future of Europe without the European Union.⁵ It could be replaced by a new integration framework (a new union?) or a network of regimes and bilateral and multilateral agreements. Another possible development is the strengthening of the Council of Europe, which, after all, still exists and could replace the European Union.

2. Variant Two: The growing importance of the intergovernmental method and reduction of competences of the existing EU institutions

Another possible outcome would be that the integration crisis and the constant weakening of the European Union may result in a new position of the

⁴ Cf. M. Leonard, *Four Scenarios for the Reinvention of Europe*, European Council on Foreign Relations, No. 43/November 2011, London, pp. 6–8, available at: http://www.ecfr.eu/page//ECFR43_REINVENTION_OF_EUROPE_ESSAY_AW1.pdf; cf. A.Z. Nowak, *End of Eurozone?* in: *European Integration Process in the New Regional and Global Settings*, eds. E. Latoszek, I.E. Kotowska, A.Z. Nowak, A. Stępniak, Warszawa 2012, pp. 109–122.

⁵ Cf. K. Szczerski, Europa bez Unii?(A Europe Without the EU?), "Rzeczpospolita", 3.09.2012., p. A14.

Member States, a growing importance of the classic intergovernmental method, and a reduction of the competences of existing EU institutions. This approach would be symbolised by a gradual departure from Jean Monnet's method, leading to a fundamental change in the existing 'decision axiology' of European integration, followed by a deconstruction of the European Union system.

The growing crisis may also lead to and result from internal disturbances through the use of seemingly beneficial anti-crisis measures, such as:

- exemption from the application of EU law within selected scopes (derogations);
- increased flexibility of integration (changing geometry and concentric circles, as well as the treaty rule of enhanced cooperation, resulting from formal and informal legitimisation of mechanisms of parallel integration and disintegration). In this context, the forecast model/scenario of a 'single Union representing a system of multiple stronger Unions' may be inevitable.⁶

We also cannot exclude a further negative progression of the segmentation of the European Union system as a whole, toward the 'one and true' Economic and Monetary Union, including federalisation. Proposals to that effect have been observed during the negotiations of the Treaty Establishing the European Stability Mechanism, the Fiscal Compact, as well as in the context of negotiations (or rather bargaining) on a Banking Union and on possible mechanisms (instruments) of financial support for crisis-stricken Eurozone countries.⁷

If the divisions between the Member States, EU institutions and other participants in the integration process become legally and economically legitimised, they will internally weaken the supranational elements of the integration system. In this situation, public opinion polls might reveal a loss of support for the complex, confusing, inefficient and undemocratic EU (or many unions), both from countries and their citizens alike.⁸

Another approach boils down to attempts to preserve the *status quo* and continue the evolutionary expansion of the existing integration (the sum of

⁶ Cf. Z.J. Pietraś, "Realistyczny" scenariusz dla Europy (A 'Realistic' Scenario for Europe), a synopsis of an expert opinion prepared for the Ministry of Foreign Affairs, presented by the Author on 7.12.2000 in Warsaw.

⁷ Cf. A. Moravcsik, *Europe After the Crisis. How to Sustain a Common Currency*, "Foreign Affairs" May–June/2012, pp. 54–68. See and cf. J. Pisani-Ferry, A. Sapir, G. Wolff, *The Messy Rebuilding of Europe*, Bruegel Policy Brief, Issue 01/2012, Bruegel, March 2012.

⁸ Interview with J.L. Bourlanges – a French Member of the European Parliament, *Lepiej odrzucić*, *Polsce też się opłaci (It's Better to Reject; It Will Also be Beneficial for Poland*), "Gazeta Wyborcza", 21.04.2001, p. 11.

the acquis communautaire and the acquis politique), based on a combination or complementarity of different methods and forms of integration. This would imply the dominant prognostic models, which we could call 'imperative', assuming a further gradual decentralisation of integration power resulting from the idleness of national authorities and EU institutions during the crisis. Therefore, there must be a further parallel development of integration through attempts to maintain a balance between the Community method (supranational and transnational) and the intergovernmental method, still without a clearly defined goal (finalité politique) of European integration. There are two variants of this model. The first, which may be considered the current or original variant, is a mixed one, involving simultaneously granting new powers to the European Union (within the framework of the existing Treaties), subject to both the supranational and the intergovernmental regime, just as was practiced during the negotiations of the Treaty of Lisbon. The second variant is a mixed one as well, albeit secondary, and is associated with an alternating and cyclical process of interand intra-treaty transfer of competences (policies and forms of cooperation) from areas assigned to the intergovernmental method to supranational method, or vice versa from the supranational to the intergovernmental sphere.9

By implementing this minimalist forecast, the Union will be able to avoid losing its ability to shape its internal environment or its ability to influence its international environment

3. Variant Three: In search of Another Europe

A new position, proposed by the author, is no longer based on the need to promote the motto 'more Europe', but instead on the search for 'Another Europe', in which the Member States, the European Union and the European Atomic Energy Community (the only separate community that has remained in the integration system) could decide to make a full inventory of their resources (including those already 'used up'), and then complete an internal cleansing, ordering, consolidation and renewal – in other words, 're-mastering'. The process of transformation through the 'integration of integration' would be based on minimising instead of maximising the number of institu-

⁹ In the literature on this subject, a combination of the intergovernmental and Community methods is called 'hybrid', see e.g. J. Barcz, *Tzw. traktat konstytucyjny – punkt wyjścia do dyskusji (The So-Called Constitutional Treaty – A Starting Point for Discussion*), an expert opinion written for the meeting of the Permanent Group of Experts, Warsaw, 3.07.2002, p. 6.

tions, mechanisms and instruments used for implementation, in accordance with the rule that merger and synthesis are not the same as centralisation and hasty unification.

Today, the European Union is a union of excess, expansion, stretching, exaggeration, and hyper-complexity. Therefore, it is high time to adopt a strategy of change based on the word 'enough'. Consequently, the call for 'more Europe' can only imply more work, activity and coordination (the efficient operation of people who understand each other well) in bringing order to the Union. And all should be done in reliance on existing resources, without the need to rapidly multiply them, as was done in 2009–2013.

Marcel Proust was right in saying that the real voyage of discovery consists not in seeking new landscapes, but in having new eyes. So it is with European integration today. Its subjects, mainly states and EU institutions, should acknowledge that the overriding principle is still the existence of two equivalent processes that complement each other by way of evolution, namely unification and harmonisation, 10 additionally supplemented by a new strategy embedded in the European Union system – a strategy of connecting people and connecting policy mix, one that is inclusive and links policies and spheres of integration and is based on the successful achievement of set goals.

The rule – 'first solve problems (crises) on a general level, and then deal with particular systemic solutions' – is becoming a necessity. In order to do this, we need a review, in fact a really thorough internal and external audit (based on the criterion of quality rather than quantity) of all the institutions, mechanisms and bodies operating within the EU, especially those leading to the achievement of agreements and compromises. All this should be done in search of a new formula, new methodology and method of implementing the objectives of the European Union, especially, albeit not exclusively, in economic matters.

It is not true that the European Union cannot be organised wisely. However, to do so requires a new approach. There is no need for a new revolution, self-dissolution, or to restart everything from the beginning. The basic requirement is good will, cooperation and patience. Such an attitude leads to an optimistic forecast model, referring to such principles as simplification of the legal, institutional and decision-making systems; qualitative instead of quantitative efficiency; greater personalisation of integration measures

¹⁰ Cf. W. Bartoszewski, *Przyszły kształt Unii Europejskiej. Polski punkt widzenia (Future Shape of the EU. The Polish Perspective)* in: *Przyszłość Unii Europejskiej. Polski punkt widzenia (The Future of the EU. The Polish Perspective)*, eds. J. Barcz, K. Żukrowska, Warszawa 2001, p. 13.

within the meaning of personal responsibility of particular people for actions of the EU; a constant search for a compromise, based on common preferences and interests.

In view of the above, it should be expected that, as a consequence of the intensive institutionalisation and mechanisation of the integration process and the European Union carried out since 2010, all the reforms introduced during this time will have to be reviewed and verified. Unnecessary and/or ineffective solutions need to be eliminated by means of critical evaluation. Only when this is possible will we be able to think about holding an intergovernmental conference and/or convention that would undertake, on the principle of unanimous consent, the difficult attempt to draft a new treaty (e.g. in the form of a 'pact on renewal').

The empirical suggestions presented below might be the determinants of this new 'European pact/social contract'. In accordance with these suggestions, formulated as several forecasts of the new integration model, the European Union must remain multidimensional (multilevel), combining not only supranational, international and intergovernmental elements, but also national ones (e.g. by fully integrating the national parliaments). The merge must be synergetic rather than atomising, and must be based on the interpenetration of methods, rules, mechanisms and institutions.

The future EU ('the same but not identical'), while remaining a multifaceted and multidimensional conglomerate, should be equipped with real *ad hoc* and long-term mechanisms for crisis intervention in the form of a system of professional, purposeful and coordinated regulations aimed at reconstructing the euro area and the entire EU, through:

- Preventing large macroeconomic imbalances and political differences between Member States (which could, for example, lead to significant differences in unit labour costs);
- Effectively compensating for the losses incurred as a result of structural disturbances throughout the European Union, not only in the euro area;
- Control and supervision of the policy of increasing resources (including financial ones) of states and public and private entities;
- Increasing the confidence of markets by regaining internal balance and the sense of agency;
- Overcoming the uncertainty as to the further shape of European integration.

The renewed European Union cannot be divided geopolitically (East—West, North—South), economically (the euro area vs. the rest) or institutionally (state institutions vs. EU institutions). The solution for strengthening the system does not have to be based on establishing another body or institution,

or the implementation of new procedures and mechanisms which might hamper the system and deepen the crisis. 11 This forecast does not preclude transferring the centre of power to a 'symbiotic duo', i.e. the European Council and the European Parliament (perhaps bicameral – composed of the representatives of citizens and governments).

If this model is to be feasible, the European Union must remind itself and the world that it was created in order to help accelerate internal development, modernisation of the economy and the legal system, and to eliminate the development gap (and in some cases, the civilisation gap) between European countries.

This new, or renewed, European integration doctrine must be based on a simple message about the benefits of integration as well as the effects of a failure to integrate. The European Union is obliged to continuously and endlessly repeat the refrain that integration is a process that benefits all parties. It should preach that the threats which might appear on its way should be prevented by continuous verification, monitoring, and evaluation of the progress of integration, based on mechanisms and instruments which forestall the negative consequences of disturbances and eliminate dysfunctional elements of the system.

For each country and EU institution, involvement in building ever stronger ties between the countries of Europe must offer a political benefit. 12 This involvement is to be realised, *inter alia*, through active participation in the European system of governance and in the activities of the European Union in all legal, economic and political areas. The benefits will also include closer ties with the rest of Europe (i.e., those countries that are not yet part of the European Union) at the individual, local and regional levels.

While shaping a new agenda for the European Union, we must constantly emphasise the fact that the massive integration efforts made by all the participants cannot be allowed to 'go to waste' as a result of the crises. We know perfectly well that making the EU a part of the international (global) system of management and distribution of goods, services and capital has never been an easy process. It has required all European entities to overcome many seemingly contradictory and conflicting interests.

¹¹ Cf. J-F. Lyotard, *The Post-Modern Condition: A Report on Knowledge*, University of Minnesota Press, Minneapolis 1984 (Polish edition: *Kondycja ponowoczesna. Raport o stanie wiedzy*, Warszawa 1997, p. 153).

¹² Cf. Article 1 of the Treaty on European Union: 'an ever closer union among the peoples of Europe'.

4. Variant Four: An alternative view on the past and present of European integration

The successive crises of European integration, which with their multidimensionality and multi-structurality affecting all subsystems of the European Union, make it necessary to consider the problem of democratic restructuring of the integration project.

Today, politics (national and European alike) reveals a trend to favour the interests of those who have a strong presence and are well-organised in the political arena. In contrast, the weakness of pluralistic political reality is that it is difficult to enforce protection of the common good, especially the interests of poorly organised states or social groups. The European Union also has a problem dealing with this weakness, even though it seems to be perfectly placed to realise such intentions.¹³

There is an ever stronger (both socially and academically) EU category of a 'two-thirds' society, in which the actual majority remains outside the formal national and EU democratic structures. Consequently, it is dependent on the supposedly majority decisions of a political minority ('the rule of one-third'). Assuming that the distinguishing feature of this type of society is the turnout at elections to the European Parliament (approximately 30/40 %), the vast majority of EU citizens, not willing to participate in the legitimisation of European integration, are becoming a part of the dangerous process of exclusion, isolation, and democratic and social fragmentation.¹⁴

In view of the above, we should pose some concrete questions. Does the European Union, which has been plunged into crisis, have the social legitimacy to overcome its problems and internal disturbances? Can it expect social approval in a situation where its actors (states and institutions) have violated fundamental rules and principles of integration? Is it able to enforce obedience, i.e. compliance with the rules it has laid down, in a situation where it does not abide by them itself? Why does it disavow itself when it allows for such severe crises, threatening its very existence?

The pessimistic vision of reality suggested in these questions must not obscure the attempts to 'intellectually grasp' the problems outlined above and to identify the determinants of change. Therefore, we should take the following directions in order to rebuild democracy and the ideological and material dimensions of European integration:

¹³ Cf. H. Juros, Ochrona środowiska naturalnego a redefinicja państwa (Environmental Protection and the Redefinition of the State) in: Europa i Kościół (Europe and the Church), ed. H. Juros, Warszawa 1997, p. 189.

¹⁴ Ibidem, pp. 189 ff.

- It will be necessary to redefine European integration and the role of states in the process, reaching towards moral intervention and/or supervisory mediation;
- It will be useful to resume the process of political and European education. Europe must demonstrate the ability to learn how to overcome its internal contradictions;¹⁵
- We need to do everything possible to strengthen the representation and participation of citizens in European integration. This will not work without close cooperation of the media and all the actors of the European Union (including NGOs);
- The key to success is the axiology of integration. Basic reference values should be set out in the form of a 'New EU Decalogue', addressed to all the actors of integration, including EU nationals.

With respect to the model of moral intervention, we should emphasise that it is founded on the Hegelian approach, based on the concept of ethical and political totality of a political entity acting as the sole representative of the population – the central actor of a social order which is heading towards a change in social relations. In this case, the European Union must be considered from the point of view of its functions, tasks and civilizational objectives. If it is to be responsible for all aspects of life of its societies (nations), it must take the position of a moral hegemonic leader of all its constituents in order to take and carry out collective decisions, binding for all, and in order to produce and maintain collective goods. ¹⁶

The EU should enjoy equal rights to the others, but adopt the position of a *primus inter pares*. Thus constructed, the new European Union must possess intervention powers and duties in such quasi-anarchic situations as injustice, inequality, deficits, crises and conflicts, which are often the result of abuse of individual freedoms by the subjects of integration. Only a Union in the form of a morally intervening organisation and structure will be able to overcome and solve problems using its ability to rationalise and generalise individual, particular goals and interests.¹⁷

¹⁵ Ibidem, pp. 194-197.

¹⁶ Ibidem.

¹⁷ Ibidem