

## **THE IMPACT OF ENLARGEMENT ON EUROPEAN INSTITUTIONS**

by Philippe de Schoutheete

Brussels, 25 January, 2002

Text prepared for the conference entitled:

**After the Attack:**

**'Several Europes' and Transatlantic Relations**

1. The impact of any enlargement is to some degree self evident. It relates to numbers (that is size) as well as to diversity. All enlargements have brought about by definition greater size as well as greater diversity, bringing in for instance neutral or non-aligned states (Ireland, Sweden, Austria, Finland). But the forthcoming enlargement is massively greater in numbers (10, 12 or 13 states instead of the maximum 3 as in previous enlargements) and significantly greater in diversity (50 years of political separation + significant differences in standards of living).
2. In order to assess the impact of the forthcoming enlargement one should first consider what the essential characteristics of the European integration process have been over the last half century. In "The Case for Europe" I argue that these essential characteristics are that enlargement has been:
  - action-oriented: it wants to move forward, to take decisions, to define and implement policies, not simply to discuss or debate (making it different from the Council of Europe)
  - goal-oriented: creation of a customs union, single market, monetary union, CFSP etc. This systematic temporal succession of goals is a manifestation of what the preamble of the treaties calls "ever closer union".
3. Because it is action-oriented, efficiency in decision-making is, and has always been, an essential preoccupation. Because it is goal-oriented, agreement on short or medium-term policies is, and has always been, an essential prerequisite. But developments in the past decade have brought forward new - and linked - concerns:

- Success in European Union building has raised questions and concerns whether efficient decision-making is enough. Is our decision-making process democratic enough?
  - The achievement of successive goals has raised the question: where will the process stop? What final result are we aiming at (*finalités politiques*)?
  - Alarm signals, such as those sent by the Danish referendum of 1992 or the Irish referendum of 2001, indicate a split between public opinion and political opinion. How can we regain public support?
  - The Iron curtain used to be the natural geopolitical border of the European Union. Now there is no such natural border. So where is the border? Are the boundaries established by European identity? But what is European identity?
4. These problems of efficiency, policies, democracy, final objectives, public opinion, and identity have been, in varying degrees, part of the European debate since at least the early nineties (Maastricht). They would have to be dealt with even if there was no enlargement looming. But enlargement makes them more obvious, more pressing, in some cases more difficult.

**The essential impact of enlargement in institutional matters is to intensify problems, sometimes by making them more complex but certainly by bringing them forward on the agenda, which already existed but which the member states preferred (and mostly still prefer) to ignore.**

#### 5. **Efficiency and Diversity.**

Experience and common sense indicate that if you want to keep the same level of efficient output in a group that is expanding you need more fluid decision-making and stronger central authority. You may also need to accept that some members may be exempted from the rules or constraints accepted by others (to retain diversity). These were the essential subjects of the negotiations leading to the Amsterdam treaty in 1997. Though some progress was made at that time (more QMV and the introduction of “closer cooperation”) it was felt not to be enough. There were “leftovers” (weighting of votes, size of the Commission, still more QMV, and easier rules for closer cooperation) which were dealt with chaotically at Nice, and Nice itself has some “leftovers” to be discussed next year. **The central question is whether those successive negotiations leave the Union with a decision-making structure sufficiently efficient to be able to cope with a greater number of participants.** My answer is negative: weaknesses are apparent now and are likely to increase. Three brief remarks on what is a vast subject:

- Some decisions which all member states regard as important are blocked because they still fall under the unanimity rule; for example taxes, patents, and own resources
- Both branches of the executive - Commission **and** Council - are weaker today than they were ten or fifteen years ago
- That weakness has resulted in overloading the European Council, which has reached the limit of its capacities ( as Tony Blair said after Nice : “We cannot go on working like this”).

Conclusion: If substantial changes in the decision-making process are not made before or just after enlargement, the enlarged Union will likely be characterized by decision-making difficulties and a weak executive. As a result the present policy-oriented Community could move in the direction of becoming a market-oriented free trade area. Arguably the first victims of that evolutionary process would be the new member states, which have weaker market economies. Whether a “pioneer group” or “avant garde” system could be usefully implemented in that context is a separate (and open) question.

## 6. Policies and Objectives.

The capacity to define and implement common policies in the medium-term has been one of the main characteristics, and one of the primary merits, of the Community/Union. The “Community method” has been used in fields like foreign trade, agriculture, fisheries, regional development, research, environment, and competition. The “intergovernmental method” has been used, with less success, in fields like foreign policy, justice and home affairs, and some aspects of budgetary or social policy.

There has been a clear tendency in recent years to give privileged status to the intergovernmental method. Most “Community” policies are old policies, whereas the new ones are more frequently intergovernmental. Moreover, some “old” policies such as agriculture, regional development, and regulation of state aids to industry are being questioned. A variety of reasons can be given for both those tendencies. One is clearly cost: criticism of “old” policies comes more frequently from countries which are net contributors to the budget. Another is enlargement: management of some existing policies in an enlarged Union is considered problematic. The real underlying motive could well be a diminishing feeling of solidarity. The post-war trauma and the Soviet threat created a strong feeling of solidarity among the early member states of the European communities (“a destiny henceforward shared” says the preamble to the ECSC treaty). This feeling of solidarity is obviously still present today, but it is clearly weaker. Owing to distance and differing histories it might well be weaker still in an enlarged Union. In that case the ability of the Union to devise and implement

policies would be diminished in an enlarged Union, not only by reduced efficiency in the system (point 5 above), but **also by a weaker political impetus owing to a lower level of solidarity.**

This leads to the debate on *finalités politiques*. Solidarity is nurtured by shared ambitions and/or common threats. For decades there has been no debate in Europe on that sort of issue: where are we going and why are we going there? We have had debates on procedures, competencies, and the exercise of power but not on ultimate aims and objectives. The dynamics of integration will gradually fade away if that debate is not initiated soon (next year by the “Convention”?).

### 7. **Public Opinion : Democracy, Legitimacy and Identity.**

Possibly the single most important challenge facing the European Union is to regain the general and active public support which European integration enjoyed in the post-war years but has now, at least partially, lost. (It is interesting to note that whereas the 4 post-Amsterdam leftovers were linked to efficiency, the 4 post-Nice ones are linked to this point). Enlargement is also significant in this regard, because it is the enlarged Union which needs to regain public support.

To do this some clarification of ultimate objectives (see the previous point) is certainly necessary. But this is not in and of itself sufficient. Remedying the “democratic deficit” of the institutional apparatus is also often presented as a way of regaining public support. I remain unconvinced: there is a high level of democracy in the apparatus both indirectly (because it is operated by democratic states) and directly - the European Parliament is the only directly elected multinational parliament with significant powers in the world. Yet the problem of legitimacy still remains.

Legitimacy has two angles: input or procedural legitimacy, i.e., that decision-making should follow democratic channels; and output or substantive legitimacy, i.e., that results should conform to what people require and expect. From the latter point of view there is a clear deficit: opinion polls show that **people are not getting what they expect and want from Europe.** That is a point which should seriously be taken into account by the “Convention”.

Finally support can only be regained if people are able to identify with Europe. Europe/Brussels should be viewed as “we”, not “they”. But to that end Europe must have a clear identity. In cold war years that identity was defined negatively: Europe was **not** the United States and was **not** the Soviet Union. That negative definition is no longer possible, yet no positive definition has taken its place. This problem needs to be addressed: what makes us Europeans (geography? values?) To where does Europe extend?

## **CONCLUSION**

**Enlargement is bringing to light a certain number of technical weaknesses in the institutional apparatus which will need to be corrected if the European Union is to remain an ambitious and efficient project. These corrections are not easy because they touch on such delicate issues as sovereignty, prestige, and division of powers, some of which have been abundantly and fruitlessly debated in the past. Perhaps even more importantly, the prospect of enlargement is highlighting deepening weaknesses in the relation between public opinion and the European integration process. Questions of ultimate objectives, legitimate expectations, and identity, which have been deliberately avoided to date, will have to be addressed.**

**Philippe de Schoutheete.  
January 2002.**