
The Future of the European Union

DR. GUENTER BURGHARDT

Over 200 years ago, the United States addressed constitutional issues not altogether unfamiliar to those the European Union is facing now, although in an admittedly quite different context. It seems to be Europe's turn to write its version of the *Federalist Papers*. However the European Union will never become merely a copy of the United States. The European Union's constitutional structure has no model in history, and will remain *sui generis*. It will continue to find its own way of reconciling the continuity of sovereign nation-states with the emergence of a supranational community, and of combining a federal type of governance with intergovernmental cooperation, confederal in nature.

AN EVOLVING EUROPEAN UNION

European governments and peoples are increasingly discussing the future direction and nature of the Union being built. Fifty years after its inception, the two most important challenges to the European Union are the completion of the unification process and its enlargement to include, first and foremost, the new democracies in Central and Eastern Europe.

The final shape of the European Union has never been pre-ordained. The founding fathers combined vision and realism in the development of such a union. Their methods were pragmatic, as first efforts included a coal and steel community among a group of six nations: France, Germany, Italy, Belgium, the Netherlands, and Luxembourg.

The European Union is currently composed of 15 members, which will grow over the next few years to 27, perhaps 28, or more. It is a union that is more integrated, more complex, and potentially more powerful than the best-case scenarios the founding fathers could have imagined. Additionally, it is a union that is poised to unify most of the European continent by consent for the first time in

DR. GUENTER BURGHARDT IS EU AMBASSADOR TO THE UNITED STATES. PRIOR TO HIS CURRENT POSTING, HE WAS DIRECTOR GENERAL FOR EXTERNAL RELATIONS. THIS ARTICLE IS BASED ON AN ADDRESS GIVEN BY AMBASSADOR BURGHARDT AT THE FLETCHER SCHOOL OF LAW AND DIPLOMACY IN OCTOBER 2000.

history. Also unprecedented, as of January 2002, the Union will have a single currency that will replace the national notes and coins for 12 of its 15 members. The economy of the Union is comparable to that of the United States. This will have the effect of projecting the European Union's increasing economic and political weight on the international scene. Furthermore, the leaders of the Union are now engaged in a profound debate about its direction, its constitution, its governance, and its growing domestic and international responsibilities.

However, the European Union and the wider community of democratic nations are at a crossroads. Not only has the post-Cold War geopolitical environment surrounding Europe changed beyond recognition, but the European Union itself has profoundly changed during the last decade.

Completing the single market and launching monetary union were giant steps towards European integration. The introduction of euro notes and coins to replace national currencies in 2002 will shine a spotlight again on the momentous and historic achievement of economic and monetary union. Meanwhile, the debate about advantages and drawbacks of globalization recalls, among other things, the foresight of Europe in creating its single market a decade ago.

The coming decade will bring even more profound changes, as we continue to deepen our integration and undertake the most extensive and complex widening ever. The accession of 12 or 13 or even more new members is a historic undertaking, which will transform the European Union and improve peace and security in Europe. In addition to projecting stability and bringing prosperity to most of the European continent, the process will also entail structural and policy consequences over the next few years that are difficult to predict in detail now. Certainly, it will include some radical changes to the European Union institutions.

At the same time, the European Union faces other major external challenges, including helping in the stabilization of the Balkans, and building partnerships with Russia and the other newly independent states, as well as with neighbors in the Mediterranean region. The European Union is increasingly involved politically and economically in every continent on the globe. It shares the responsibility of maintaining the stability and functioning of the multilateral system with the United States and others.

At this turning point it is not surprising, therefore, that European leaders are asking existential questions about the Union. What kind of Union are they trying to build? How wide should it be? How deep should it grow? How loose should it remain? How should it conduct its external relations? How should it be governed? The debate is timely, healthy, and fascinating.

Even though the daily challenges of trade, security, monetary, economic, social, and political issues are important, the European Union's constitution is unfinished business. Every so often the architects of this construction like to stand back, revisit the building place, and conceive the next constitutional phase.

The European Union's treaties, which in effect form its constitution, provide for "ever closer union" but do not address the eventual shape of the Union. This intended omission reflects the ambivalence that member states have always felt about the Union, as well as their political, cultural, ethnic, and historical diversity. The Union has united around an impressive array of common policies and is deeply committed to a culture of supra-national decision-making. However, member states have traditionally held different aspirations for the eventual shape of the Union. They sometimes hold sharply divided views about the constitutional way ahead. While some choose to brush the questions aside as too sensitive or difficult to address, it is actually a mark of the Union's maturity that a healthy, transparent, and reflective debate is now under way.

As far as immediate constitutional changes are concerned, the European Union member states agreed on a number of important institutional changes to prepare the Union for enlargement at the Nice Intergovernmental Conference (IGC) in December 2000. These decisions covered the size of the Commission, the weighting of member states' voting rights in the Council, the number of policy areas in which decisions can be taken by qualified majority vote, and a provision enabling a group of member states to decide on future progress in certain areas without necessarily committing to them all at the outset, known in shorthand as the "flexibility clause."

However, there is also a growing feeling that the Union cannot put the larger questions off indefinitely. Such issues as the Union's future executive and legislative structures, the division of responsibilities between the Union and its member states, and the binding character of the Union's human rights charter need to be addressed relatively soon.

THE NEW EUROPEAN DEBATE

The most recent constitutional debate began to unfold with a speech at Humboldt University in May 2000 by the German Foreign Minister, Joschka Fischer, in which he laid out his personal *Thoughts on the Finality of European Integration*. Fischer revisited these themes in a speech at Georgetown University in September 2000. Jacques Chirac, Tony Blair, and other international leaders have also made important contributions.

This thinking aloud has revealed much common ground, as well as some differences. Joschka Fischer calls for a federation, with fundamental reform of the institutional structures and written constitution. Federal powers should be devolved into more clearly defined principles of subsidiary. Reinforced cooperation among those member states staunchly committed to furthering the European unity would create a center of gravity open to others wishing to participate later on.

Jacques Chirac endorses Fischer's plea for greater cohesion, led by a vanguard of those member states seeking more integration without waiting for those who prefer to hold back. He calls for renewal of Franco-German leadership in building Europe. He would like a stronger commitment to economic and social policy. In other words, Chirac would like to give the European Union the tools to begin to formulate macroeconomic policy. He also envisions a Union in which nations link their destinies without giving up their identities, where the desire for deeper integration must be reconciled with full respect of member states' competencies in the remaining areas.

Tony Blair also wants greater cohesion, but opts for a more cautious approach very much in the tradition of the United Kingdom's post-war European policies. He does not want an abstract debate about institutions. Rather, he believes that Europe should fashion the institutions necessary to get the job done, keeping its unique blend of intergovernmental and supra-natural decision-making. Europe should be a superpower without becoming a superstate. Blair shares Fischer's wish for a second chamber next to the European Parliament with members drawn from national parliaments. He prefers a statement of principles to a formal written constitution. He is not opposed to the idea of flexibility, as long as it is an inclusive concept that does not exclude those who choose to hold back for a time. He self-critically says the United Kingdom was wrong in the past to have sought to frustrate European development.

The Benelux countries forcefully endorse the need to focus on the ultimate shape of Europe. They are concerned about the potential threat to the cohesion of the Union posed by intergovernmentalism, namely the practice of member states taking decisions among themselves without using the community institutions. They are also concerned by potential threats to the interests of the smaller member countries in such a system that automatically tends to favor a kind of directory of the bigger nations. They want, on the contrary, stronger community institutions, a binding Charter of Fundamental Rights, and a directly elected Commission President.

Romano Prodi, the present Commission President, is concerned about the fragmentation of executive authority in the Union. He feels that the gains won over the past 50 years by community policymaking, with its delicate system of checks and balances, are at risk. Prodi wants to end the drift towards intergovernmentalism. He questions the proliferation of actors, a development that undermines the Union's cohesiveness and democratic accountability. He suggests that the office of High Representative for the Common Foreign and Security Policy be incorporated into the Commission with a special status tailored to the needs of security and defense. Prodi further warns against the creation of yet another High Representative, this time for economic policy. On this point, he stated that "the only solution is there, under our very noses: the

Commission, acting on a mandate from the Council, should be the voice of the Union's economic policy."

IMPLICATIONS OF EU DEVELOPMENT FOR THE UNITED STATES

Former U.S. President Bill Clinton stated, "The European Union-United States relationship has developed into the most important strategic partnership in today's complex world." Indeed, since this is a partnership of the world's most mature democracies, with deeply rooted cultural ties and moral values, it is the most important political relationship in the world. Working together, the European Union and the United States can accomplish great goals in managing regional conflict and addressing a spectrum of new security issues such as transnational crime, illegal narcotics trade, trafficking of human beings, cyber crime, and environmental degradation. As the wealthiest areas in the world, Europe and the United States also share a security interest and a moral obligation to work together to help developing countries help themselves.

Yugoslavia's dramatic transition towards democracy, evident from the election of President Kostunica, is as much the fruit of close cooperation in the region between the European Union and the United States as it is due to the courage of the people of Serbia. This cooperation in the Balkans is just one example of many around the world in which the European Union and the United States are working closely together to advance democracy, peace, economic development, security, stability, and prosperity.

The European Union is the one global economic power equal in weight to that of the United States. With many converging economic, social, and trade interests, the European Union is the natural partner to work with the United States in pursuit of global trade liberalization. Since these two entities command about 40 percent of world trade, no fundamental progress can be made on global trade issues without the European Union and the United States working together.

An ever-stronger European Union is an indispensable pillar for a stable transatlantic partnership. This is, no doubt, the reason why all American presidents since Truman have supported European integration. The European Union's movement toward deepening and widening will form a solid ground for engaging the new Bush administration in shaping, together, the future directions of this partnership.

However, even at its most fulsome, American support for European integration has always been somewhat ambivalent. American policymakers support the European Security and Defense Policy (ESDP). Indeed, Strobe Talbott has stated that the United States is fully behind ESDP, "no ifs, ands, or buts" about it. Furthermore, former Defense Secretary William Cohen reiterated at a recent informal NATO ministerial meeting in the United Kingdom that the United

States strongly supports ESDP. In practice, however, United States support is hedged with questions about the details of ESDP and American leadership of NATO with apprehensions regarding duplication, decoupling, and discrimination. The European Union's objective is, quite to the contrary, to equip itself with its own capacities for assuming more of the security burden, particularly in Europe, just as American policymakers have long wished.

Likewise, the United States has an understandable strategic interest in the current European Union enlargement, which will facilitate a whole and free Europe. However, there is not always a sufficient understanding of the complexities of the next enlargement exercise that, if poorly managed, could irreversibly dilute the European Union into a loose greater-European organization. Such a development would be in no one's interest.

The United States also has a strong interest in Europe's Economic and Monetary Union (EMU) and the successful introduction of the Euro. American policymakers must always be concerned about the implications of such a momentous development for international economic and monetary policy. However, beyond officially welcoming EMU and wishing it well, the United States is traditionally tight-lipped about its implications for international monetary and economic policy.

This is not to suggest that the questions raised by American scholars and policymakers about European integration and enlargement are unworthy or that the United States should not be vigilant in protecting its own interests in these major policy initiatives. On the contrary, many of the questions raised are legitimate. However, it is important that the United States not lose sight of the larger issues at stake in an evolving European Union.

American policy should strive to support a more united and politically cohesive European Union that embraces much of the European continent. Such a situation offers the glittering prize of durable stability and prosperity for a continent whose turbulence, instability, and periodic devastation has brought so much grief to America and the world in the last century. By dismantling internal trade barriers among a half billion neighbors, a Europe of 500 million prosperous consumers will forcefully contribute to worldwide liberalization in trade and will provide the most powerful market in the world. American businesses will undoubtedly benefit from the new market opportunities.

TOWARDS A NEW ATLANTIC PARTNERSHIP

Above all, an increasingly integrated and politically cohesive Europe will provide a more effective partner for the United States in addressing the multitude of political, economic, security, and social challenges that the two powers face together. The European Union and the United States fundamentally agree on far

more issues than those on which they disagree. The challenge for policymakers on both sides of the Atlantic is to grasp the opportunities that are presented by a more coherent Europe and to reach for a new plateau in the European Union–United States partnership.

The transatlantic partnership must endure and intensify. Its components are changing, its relative burdens are shifting, and its goals and aspirations must now embrace the needs of the twenty-first century. The objectives are no longer necessarily the same as those of the remarkable generation of leaders who shaped the world's international institutions with such vision after the Second World War. It is time to build on the Transatlantic Declaration of 1990 and the New Transatlantic Agenda of 1995, and to project the European Union Agenda into a strengthened transatlantic agenda for the next decade. As Jean Monnet realized four decades ago, an evolving Europe calls for an evolving transatlantic partnership.

There is no nobler task for Europeans than to transform the war torn European continent into a Union of peoples and nations pursuing peace and stability, democracy, and economic prosperity. It will be a Union that is able to project its combined political and economic weight onto the international scene. Likewise, there is no more unifying and productive task across the Atlantic than to bring together the New World and the New Europe for the pursuit of the common good. ■

