



# Tomorrow's Europe

## The first-ever EU-wide Deliberative Poll<sup>®</sup>

Friday 12 – Sunday 14 October 2007



TOMORROW'S  
**Europe**

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**BRIEFING  
MATERIAL**



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# Questions & Answers

## Why a deliberation on the future of the European Union?

European Union (EU) countries face opportunities and challenges that require careful choices. Our aim is to understand better what you think your country and / or the EU should do in that perspective.

Also, many Europeans feel that they cannot take part in EU-related debates, often perceived as too complex and technical. Our objective is to allow you to express an informed opinion.

The conclusions will be shared with politicians and experts around Europe.

## Why the topic of 'Europe in the World'?

The 27 EU countries represent an important share of the world population and wealth. Their decisions are consequential for the entire world. It is therefore important to know what role citizens want their governments and / or the EU to play, if any, on the world stage.

Also, EU governments are now finalising an agreement on EU institutional changes. After this process, it will be important that they think about the Union's long-term role in the world.

## What is the purpose of this document?

This note gives an **overview** of the topics you will discuss with citizens from other EU countries. Its purpose is not to cover every possible angle. It:

- Provides information on the EU.
- Gives **background information** on each of the issues to be discussed, first at the **level of your country first**, then at the **EU level**.
- Presents different **possible policy approaches** to these issues and arguments for and against each approach. These approaches are simplified, as the diversity of opinions expressed across Europe is too vast to be presented in all its complexity. However, these approaches are not meant to limit options but rather to get a dialogue starting. As you consider the arguments presented, you may want to pick an entire approach or to combine elements from different approaches.

## Is this document balanced?

It is difficult to be totally objective. However, we have made every possible effort to ensure that a large diversity of views is equally represented in this document. We have drafted it with the help of many of our partners, who have different views on the topics discussed.

Also, we have submitted the original text to the following Member of the European Parliament. They assessed it as overall balanced. This final version includes their comments and amendments.

- Andrew Duff, United Kingdom, Alliance of Liberals and Democrats for Europe
- Jens-Peter Bonde, Denmark, Group for Independence and democracy
- Pierre Jonckheer, Belgium, Greens/European Free Alliance
- Pervenche Bérès, France, Party of European Socialists



Member state	Population (in millions)	Unemployment rate (%)	HDI *	Countries using the Euro
Belgium	10.5	7.6	0.945	€
Germany	82.5	6.7	0.932	€
France	60.9	8.6	0.942	€
Italy	58.8	6.5	0.940	€
Luxembourg	0.5	4.9	0.945	€
Netherlands	16.3	3.3	0.947	€
Denmark	5.4	3.4	0.943	
Ireland	4.2	4.0	0.956	€
United Kingdom	60.4	5.4	0.940	
Greece	11.1	8.6	0.921	€
Spain	43.8	8.2	0.938	€
Portugal	10.6	8.0	0.904	€
Austria	8.3	4.5	0.944	€
Finland	5.3	6.6	0.947	€
Sweden	9.0	6.2	0.951	
Czech Republic	10.3	6.1	0.885	
Estonia	1.3	4.7	0.858	
Cyprus	0.8	4.4	0.903	
Latvia	2.3	5.4	0.845	
Lithuania	3.4	5.8	0.857	
Hungary	10.1	8.2	0.869	
Malta	0.4	6.4	0.875	
Poland	38.1	11.2	0.862	
Slovakia	5.4	10.5	0.856	
Slovenia	2.0	4.8	0.910	€
Bulgaria	7.7	4.9	0.816	
Romania	22.3	7.5	0.805	

Candidate countries				
Croatia	4.4	14.3%	0.846	
Turkey	72.5	10.2%	0.757	
Former Yugoslav Republic of Macedonia	2.05	35.8%	0.796	

\* **The Human Development Index**

The HDI measures a country's average achievements in three basic aspects of human development: health, knowledge, and standard of living. 1 is the highest level, 0 the lowest.

## Why and when was the process of European construction started?

Following the first and second world wars, some European leaders were determined to **put an end to hatred and rivalry** in Europe –in particular between France and Germany- and to create conditions for lasting peace.

In 1950 the French foreign minister proposed to establish a European Coal and Steel Community that would **turn the raw materials of war into instruments of reconciliation** and get Europe's nations to cooperate.

## Key dates

1951	The <b>European Coal and Steel Community</b> is established by <b>6 countries</b> : France, West Germany, Italy, Belgium, The Netherlands, Luxembourg
1957	The <b>Treaty of Rome</b> creates the European Economic Community. In this “Common Market”, customs duties are abolished (1968) and common policies, notably on trade and agriculture, are put in place (1960s).
1973	Denmark, Ireland and the United Kingdom join.
1979	First direct elections to the European Parliament.
1981	Greece joins.
1986	Spain, Portugal join.
1986	The single European Act frees the circulation of people, services and capital in addition to goods. It initiates a six-year programme aimed at creating a <b>single market</b> *.
1993	The single market is completed and the <b>EU established</b> . New co-operations between the member states are progressively developed - for example on defence, justice and home affairs.
1995	Austria, Finland, Sweden join.
2002	The <b>Euro</b> currency is introduced in 12 countries.
2004	Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovakia, Slovenia join.
2005	France and The Netherlands reject by referendum the Treaty establishing a Constitution for Europe. Turkey's negotiations for membership open.
2007	Romania, Bulgaria join.

### \* The single market

It is a customs union which is supposed to guarantee freedom of movement for people, goods, services and capital between EU countries. This means:

- For individuals: the right to live, work, study or retire freely in another EU country and free access to goods and services from the entire EU.
- For companies: the right to do business anywhere in the EU, and to sell goods and services EU-wide.

## What the EU does and does not do

The EU is **not a federal State** (like the USA), nor is it just an organisation for international cooperation (like the United Nations). Its member states have set up **common institutions to which they transfer some of their sovereignty** so that decisions on specific matters of joint interest can be made together and democratically at the European level. Within the EU, there are today **five types of competence**.

Within the EU, different issues are decided in different ways. Some decisions are taken collectively by the EU, some are decided with different degrees of coordination. And in some areas, the EU has no role at all. The chart below attempts to summarise this situation.

Around 80% of the member States' legislation is influenced by the EU.

Approach 1 Collective EU decision making		Approach 2 Multi-speed / flexible	Approach 3 Support, coordination, complementary action	Approach 4 No EU role
<b>Exclusive competence</b>	<b>Shared competence</b>			
Member states transfer to the EU the power to decide and rule and are not permitted to make their own laws in the concerned areas.	Member states rely on the EU to harmonise and coordinate their rules when they see this as more efficient than acting separately. A shared competence means that when the EU acts, it replaces the member states.	A subset of EU countries can use EU institutions to press ahead on certain issues. This is known as "enhanced" cooperation. Some countries have also obtained that certain rules do not apply to them. This is known as 'opting-out'.	Member states are primarily responsible, the role of the EU being limited to supporting, coordinating or complementing the action undertaken by the member states.	Member states decide on their own, without any obligation to coordinate or make common decisions.

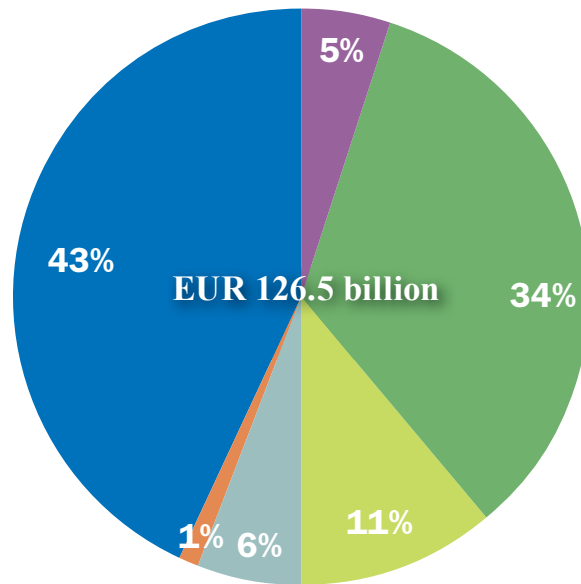
### Where things stand today (examples)

<ul style="list-style-type: none"> <li>• Competition rules</li> <li>• Commercial policy</li> <li>• Customs union</li> <li>• Monetary policy for Euro countries</li> </ul>	<ul style="list-style-type: none"> <li>• Single market</li> <li>• Regional policy</li> <li>• Agriculture</li> <li>• Environment</li> <li>• Consumer protection</li> <li>• Transport</li> <li>• Energy</li> <li>• Security and justice</li> </ul>	<ul style="list-style-type: none"> <li>• The Eurozone (13 countries)</li> <li>• The Schengen agreement, mainly regarding control of borders (15 countries).</li> <li>• Some countries have opted-out of working time rules, visas, and defence policy.</li> </ul>	<ul style="list-style-type: none"> <li>• Research</li> <li>• Employment</li> <li>• Health</li> <li>• Education</li> <li>• Foreign policy</li> <li>• Pension</li> <li>• Health</li> </ul>	<ul style="list-style-type: none"> <li>• Every other area, for instance</li> <li>• Housing</li> <li>• Family policies</li> </ul>
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## The EU budget

The EU funds its policies through an annual budget of approximately €120 billion, largely paid for by the member states; there is no EU tax to date. This currently represents only a little more than 1 per cent of countries' combined gross national income (by contrast note that member states' national budgets represent between 35 % and 50 % of their national income).

Graph 1 - How the EU budget is spent (2007)



- Regional and cohesion policy, research, innovation, employment, energy
- Neighbourhood policy, development aid, support to candidate countries
- Health, education, culture, consumer rights, media, youth
- Common agriculture policy
- Environment, fishing, rural development
- Other expenditure including administration

## How the EU works – Main institutions and decision making processes

### The Council of Ministers of the EU

The Council represents the states. It is the EU's main decision-taking body; it adopts EU legislation proposed by the European Commission. When it meets at Heads of State or Government level, it becomes the "European Council" whose role is to provide the EU with political power on key issues.

### The European Parliament

The Members of the European Parliament are directly elected by citizens of each country every five years, at the same time in all countries. The present Parliament has 785 members from all 27 EU countries. The next elections will be in June 2009.

Its main role is to pass European laws and to approve the EU's annual budget.

It shares these responsibilities with the Council of the EU.

### Are decisions reached by majority or by unanimity?

In most areas where there is shared competence between member states (see chart p.8), decisions are made by majority, but not a simple majority of 50% of countries.

- ▶ In this system -called **Qualified Majority Voting**-, agreements must be reached by a significant majority both of countries and of the population they represent.

**Unanimity**, where every country's agreement is needed, is mostly required for sensitive areas such as taxation, social policy, defence, foreign policy and the revision of EU treaties.

### How do the European Parliament and Council of Ministers 'co-decide'?

EU laws are voted jointly by the Council and the European Parliament.

- ▶ Under this '**co-decision**' procedure, the Parliament is on an equal footing with the Council when legislating on a whole series of issues including the free movement of workers, the single market, education, the environment, health, consumer protection, etc.

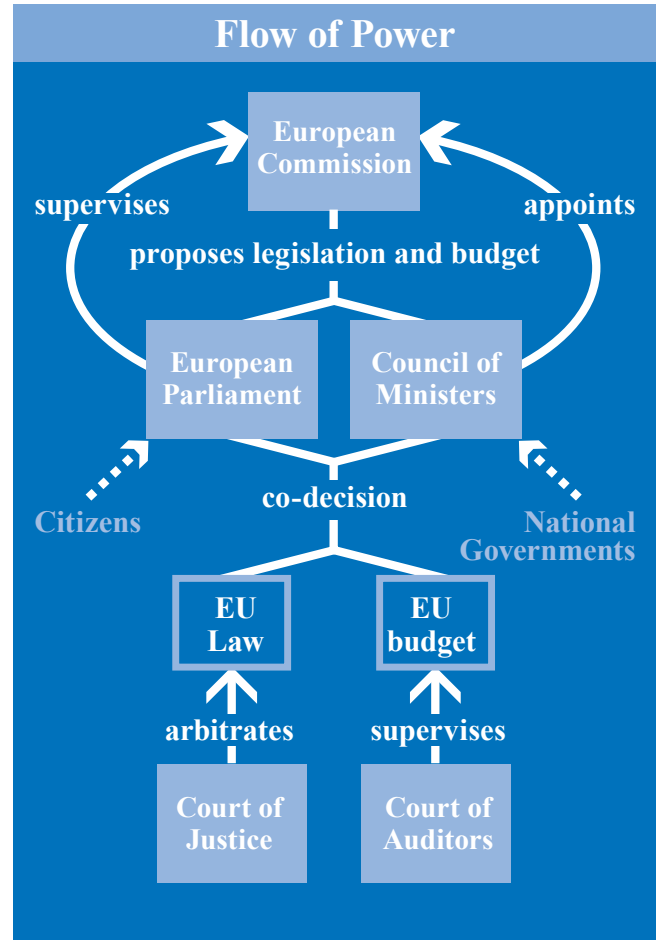
The European Parliament can refuse proposed legislation in these fields.

### The European Commission

It is the only EU institution which can initiate legislation. It also ensures that EU policies are properly implemented.

Once the Commission has formed a proposal, either for a new law or for the annual budget, it submits it to the Parliament and the Council of Ministers who pass it or reject it. Unanimity is required to modify it but only majority to adopt it.

Today, the Commission is composed of 27 Commissioners, one per member state.



### Other institutions

**The European Economic and Social Committee and the Committee of the regions** are advisory committees composed respectively of representatives of trade unions, employer and consumer organisations, and of local authorities.

**The European Court of Justice** guarantees the respect of EU Treaties in the member states and the primacy of EU law over national laws.

**The European Court of Auditors** audits the collection and spending of EU funds.

**The European Central Bank** is an independent institution responsible for the monetary policy of the 13 Euro zone countries.

# Issue 1 - Economic and Social Welfare in a World of Global Competition

*The flows of goods, people, services, and communications are increasingly global. Events and human activity in other parts of the world have repercussions on our daily lives. The economic environment in which the EU and its member states operate is structured on a global scale. Mutual dependence is reinforced by new communication technologies.*

*Meanwhile, the population of EU countries is aging and not growing as fast as in other parts of the world. Some argue that facing these challenges provides more opportunities than it causes difficulties for our well-being. Some think the opposite. In this context, we ask:*

***How can the level and quality of jobs and pension benefits be maintained in the face of global competition and ageing?***

***How should decisions on these matters be made within the EU?***

## Challenges and opportunities - Jobs

In order to ensure adequate living standards, citizens need jobs. They also need to demonstrate high levels of skills and adaptability in order to remain competitive in a world where economies are closely interconnected.

Some argue that the EU under-performs relative to the USA, in terms of employment and growth. Countries such as China, India, Brazil, and Russia are becoming economically powerful. They produce an ever larger share of the goods we import, and they often do it more cheaply than we do thanks to lower wages and levels of social protection.

Changes in Europe today are numerous, with new skills, new technologies, new markets, and competition from new countries emerging. Some view these changes as inducing innovation, greater productivity and adaptability, new business opportunities, and ultimately more and better jobs.

Others think that they threaten our way of life and jobs, and force us to reduce production costs at the expense of people, innovation and long-term prosperity especially because of “dumping” practices.

In this context:

**Should employers be given the possibility to hire and fire flexibly? Should employees be more or less protected against unemployment?**

**Should we be more or less open to international trade competition?**

**Is it a good strategy in the face of global competition to invite new countries to join the EU?**

### Facts

In 2005, 8.7% of the EU’s labour force was unemployed (5.1% in the USA).

7% of EU workers (15 million) live under the poverty threshold

\* **Dumping** takes place when a country reduces the price of its goods by lowering or not enforcing its taxes and standards relative to other countries. Some countries accept long working hours, or even child labour, thus artificially reducing the price of their exports; this is referred to as “social dumping”. “Fiscal dumping” similarly involves the lowering of tax levels

## Different approaches – Jobs

### Different approaches to the labour market

	Arguments For	Arguments Against
<p><b>A protective welfare state</b></p> <p>Public authorities protect employees from losing their jobs, set high standards and conditions for the quality of jobs, and if someone loses his/her job, provide a high level of protection.</p>	<ol style="list-style-type: none"> <li>1. This favours social cohesion and high standards of employment.</li> <li>2. It guarantees stability for workers and a high level of protection in case one becomes unemployed.</li> <li>3. While there may be greater costs in the short term, it costs less in the long term because it guarantees stability of employment and thus investment over time in people's experience and skills.</li> </ol>	<ol style="list-style-type: none"> <li>1. Labour market rules that are too rigid act as disincentives for employers to recruit.</li> <li>2. Generous unemployment benefits discourage the unemployed to look for a job. It is expensive and many people live off the state</li> <li>3. It creates inequity, as some of the unemployed or those with unstable jobs find it very difficult to get a stable job. Some have well protected jobs and others none or precarious jobs.</li> </ol>
<p><b>Combining job flexibility with security</b></p> <p>Public authorities focus on protecting people rather than jobs. Hiring and firing can be fairly easy, but when people become unemployed, they receive a high level of protection from public authorities.</p> <p>A version is called 'flexicurity'.</p>	<ol style="list-style-type: none"> <li>1. This combines the need for solidarity with economic growth, as it covers unemployment risk while giving employers adequate freedom.</li> <li>2. While protected, people are encouraged to adapt their skills, because they can train and maintain their social security entitlements between jobs.</li> <li>3. It gives people out of work sufficient time to find an appropriate job.</li> </ol>	<ol style="list-style-type: none"> <li>1. This approach is only affordable in periods of economic growth. Workers suffer from employers' freedom to fire easily.</li> <li>2. It is expensive as it requires a high level of redistribution and therefore high tax levels.</li> <li>3. It places the full responsibility of finding a job and adapting one's skills on individuals. This might work well for young, highly-educated individuals but not for older workers, or less qualified people.</li> </ol>
<p><b>A job market without constraints</b></p> <p>The labour market is very flexible and deregulated. It is easy to hire and fire.</p> <p>Public authorities only provide a minimal safety net for the unemployed, i.e. limited temporary assistance but no job security.</p>	<ol style="list-style-type: none"> <li>1. This approach makes it easier for firms to hire and fire workers, thus ensuring maximum economic efficiency. Because it is easier to fire workers it is also easier to create jobs.</li> <li>2. Non-wage labour costs, such as social security contributions, are lower. This favours higher international competitiveness. Also, employers are less reluctant to recruit.</li> <li>3. Employers and people who work efficiently are rewarded as the system encourages mobility and innovation.</li> </ol>	<ol style="list-style-type: none"> <li>1. This approach leads to inequity. While some may benefit, many people are not able to compete, because they either lack the skills or the ability to move jobs or location easily.</li> <li>2. Many workers live in a state of insecurity. This leads to poverty, stress, health problems, and tension in society.</li> <li>3. A high job turnover deters long-term investment in people and weakens workers' attachment to their job.</li> </ol>

## Different approaches to jobs and trade

	Arguments For	Arguments Against
<p><b>Protect domestic jobs and industries</b></p> <p>Public authorities aim to protect domestic jobs and industries against external threats, mainly by having taxes and tariffs against foreign goods, having compensation for workers when businesses move, and vetting foreign acquisitions of strategic domestic industries.</p>	<ol style="list-style-type: none"> <li>1. It is the only way to deal with unfair competition from low-wage developing countries and to maintain communities' way of life and traditional industries.</li> <li>2. It ensures that competition takes place not at the cost of people or the environment, but on a level playing field.</li> <li>3. Keeping strategic industries in our hands is essential to preserve governments' control over the economy.</li> </ol>	<ol style="list-style-type: none"> <li>1. Protectionism is not sustainable in the long term as it leads to investment in obsolete industries, less competitiveness and less innovation.</li> <li>2. It limits customer choice by keeping out lower priced goods and services.</li> <li>3. It limits our industries' access to opportunities in foreign markets, as other countries may decide to support their own industries, and prevent us from banking on our comparative advantages over other countries.</li> </ol>
<p><b>Stimulate job creation through free trade</b></p> <p>Markets are open to international competition as much as possible. This implies opening trade by lowering or eliminating tariffs.</p>	<ol style="list-style-type: none"> <li>1. Free trade encourages innovation, higher quality jobs and stimulates our international competitiveness.</li> <li>2. It allows customers to benefit from cheaper and more diverse goods and services and expands the market for our products while fostering growth in developing countries.</li> <li>3. It encourages investments in areas where countries have a comparative advantage, rather than in unprofitable sectors.</li> </ol>	<ol style="list-style-type: none"> <li>1. Free trade leads to a race to the bottom, where standards are set by those with the least demanding standards.</li> <li>2. It threatens new and fragile industries and costs jobs, as some countries or regions have their industries wiped out by ruthless and sometimes subsidised competitors.</li> <li>3. The unfettered free market is too limited in its social protection for those who do badly. It creates winners and losers—with too little protection for the losers.</li> </ol>

## Challenges and opportunities - Pensions

As Europeans live longer and have fewer children, Europe is facing a challenge: it is aging. This will have serious implications for the economy, as fewer working people will support the costs of pensions and healthcare of pensioners.

**Pension systems** today fall under two broad categories:

**'Pay-as-you-go'** - State benefits to retirees are paid by current workers. Complementary private pensions are encouraged although public pensions are likely to remain the main source of income in old age.

**Multi-pillar system** - The state pension system guarantees only a relatively low basic pension that is financed either by contributions or by taxes. In order to maintain their living standard when retired, employees have to make additional pension provisions. There exist supplementary, funded occupational pension schemes; the contributions can be obligatory or optional. This kind of pension systems with strong second and third pillars can be found in Anglo-Saxon countries as well as in the Netherlands and Denmark.

### Facts

Today, there are four people of working age supporting pensions for each person over 65. By 2050, this ratio will have dropped to two workers per person over 65.

The percentage of the adult EU population that is 65 or older is actually projected to be about twice what it is now

**How can ageing be prevented from causing poverty among old people?**

**How can unbearably high contributions and tax rates be avoided while providing adequate retirement systems?**

## Different approaches - Pensions

Approaches	Arguments For	Arguments Against
<p><b>‘Demographic’ solutions –</b></p> <p>These options attempt to increase the number of new entrants in the labour market, through demographic growth, which can be encouraged for instance by:</p> <p>Providing incentives for people to have children;</p> <p>Encouraging immigration and mobility within the EU;</p>	<ol style="list-style-type: none"> <li>1. Encouraging a higher birth rate renews the population and improves the workers / pensioners ratio, in the long run.</li> <li>2. Immigration on the basis of economic needs helps to maintain an adequate labour supply.</li> <li>3. Enlargement stimulates economic growth.</li> </ol>	<ol style="list-style-type: none"> <li>1. Measures to encourage people to have children are inefficient and expensive. There is not much we can do about the birth rate problem. They also, in some cases, lower the employment rate of women.</li> <li>2. Many more migrants would be required to pay for our pensions. This would translate into problems of integration.</li> <li>3. Adding new member states does not help pay for pensions in older member states.</li> </ol>
<p><b>Increase the employment level of older workers</b></p> <p>This option encourages more employment of older people, through, for instance:</p> <p>Introducing more flexibility allowing older workers to work longer;</p> <p>Better insertion of aging people in the labour market;</p> <p>Higher pensions for those who retire late.</p>	<ol style="list-style-type: none"> <li>1. Increasing the number of older people on the labour market helps to maintain the ratio of workers to pensioners.</li> <li>2. Increasing the level of employment for older workers allows people who are still productive to work and contribute to overall prosperity.</li> </ol>	<ol style="list-style-type: none"> <li>1. Early retirement reduces unemployment by opening up jobs. Conversely, keeping older, less dynamic workers on the job market takes away jobs from younger workers.</li> <li>2. Aging workers are less productive. Keeping them on the job market is expensive and inefficient.</li> </ol>
<p><b>A revised public pension system</b></p> <p>This involves maintaining ‘pay-as-you’ go systems, to adjust them to demographic change. For instance by postponing the age of retirement and lowering pension levels and raising the required level of contributions.</p>	<ol style="list-style-type: none"> <li>1. As life expectancy increases, it is natural to postpone the retirement age. People live longer and enter the labour market at a later age. The social contract should take this into account.</li> <li>2. Only if people retire later and/or pay more will it be possible for pension systems to survive without destroying public finances.</li> </ol>	<ol style="list-style-type: none"> <li>1. This changes the social contract. The promise of adequate pensions should be kept. If pensions are cut when people worked hard and expected them that is unfair.</li> <li>2. Some workers need to retire early, because of work pressure or heavy physical demands. Maintaining them in employment results in more unemployment and requests for disability pensions.</li> </ol>
<p><b>Encourage greater reliance on private funding</b></p> <p>This option involves putting more of the burden, risk and possible benefit on the shoulders of individuals than ‘pay as you go’ system.</p>	<ol style="list-style-type: none"> <li>1. It creates a sense of individual responsibility while relieving the strain on public finances. If workers rely more on their own savings, the ratio of workers to retirees has less impact on public finances.</li> <li>2. This system is enough to protect people from disaster while leaving room for individual initiative.</li> </ol>	<ol style="list-style-type: none"> <li>1. It places the burden of responsibility too much on workers. Some benefit, but others invest badly and end in poverty</li> <li>2. This system induces risks that are too high because it is dependent on stock exchange fluctuations.</li> </ol>

## Level of action – Jobs and Pensions

### What the EU does now

Today, member states bear sole responsibility for employment and pension policies. Whatever EU coordination exists is based on governments voluntarily agreeing on policy goals, sharing information and seeking policy convergence. This is called the ‘open method of coordination’.

Under the **European Employment Strategy** (ESF), they define common objectives and targets at the EU.

The Commission also provides financial help to national and sub-national authorities in their fight against unemployment and social exclusion, mainly through the **European Social Fund** (ESF). This is one of the EU’s **structural funds**, which aim to reduce differences in prosperity and living standards across EU member states and regions. Under this policy, one third of the EU budget is dedicated to help the EU’s less prosperous regions.

In the field of pensions, the EU encourages raising employment in old age. The only significant piece of EU legislative action so far has been to create **a single market for supplementary pensions**, to facilitate people’s mobility across EU countries.

Some argue that coordination is not sufficient, that the EU responses are too weak to tackle persistently high unemployment levels and ensure adequate pension benefits.

Others argue that these matters should be left to member states, which are better placed to implement policies suited to their specific needs, shaped by differences in history, economies, types of industry, etc. Some say that rigid coordination prevents reforms and hinder innovation.

### Facts

Structural funds represent over 40 % of the EU budget, the ESF some 10 %.

**To what degree should EU governments coordinate –or not– decisions for jobs and pensions?**

Today



**Arguments For    Arguments Against**

**Approach 1**  
**EU makes collective decisions**

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. Common pensions and job policies encourage the harmonisation of work conditions, workers’ mobility across countries, and solidarity to face world competition.</li> <li>2. Simple coordination has proved insufficient to solve our problems.</li> <li>3. Greater EU harmonisation would make the common market more complete. For instance, a common market could also exist for additional retirement insurance schemes.</li> </ol> | <ol style="list-style-type: none"> <li>1. Member states cannot agree on a common approach or ‘one-size-fits-all’ solution as welfare state traditions and economic structures are too different.</li> <li>2. It will reinforce Brussels bureaucracy and reduce governments’ ability to pursue the policies they think best.</li> <li>3. There is a risk of equalisation to the most expensive type of system. Richer countries and regions will pay for less efficient ones.</li> </ol> |
|---|---|

**Approach 2**  
**Multi-speed**

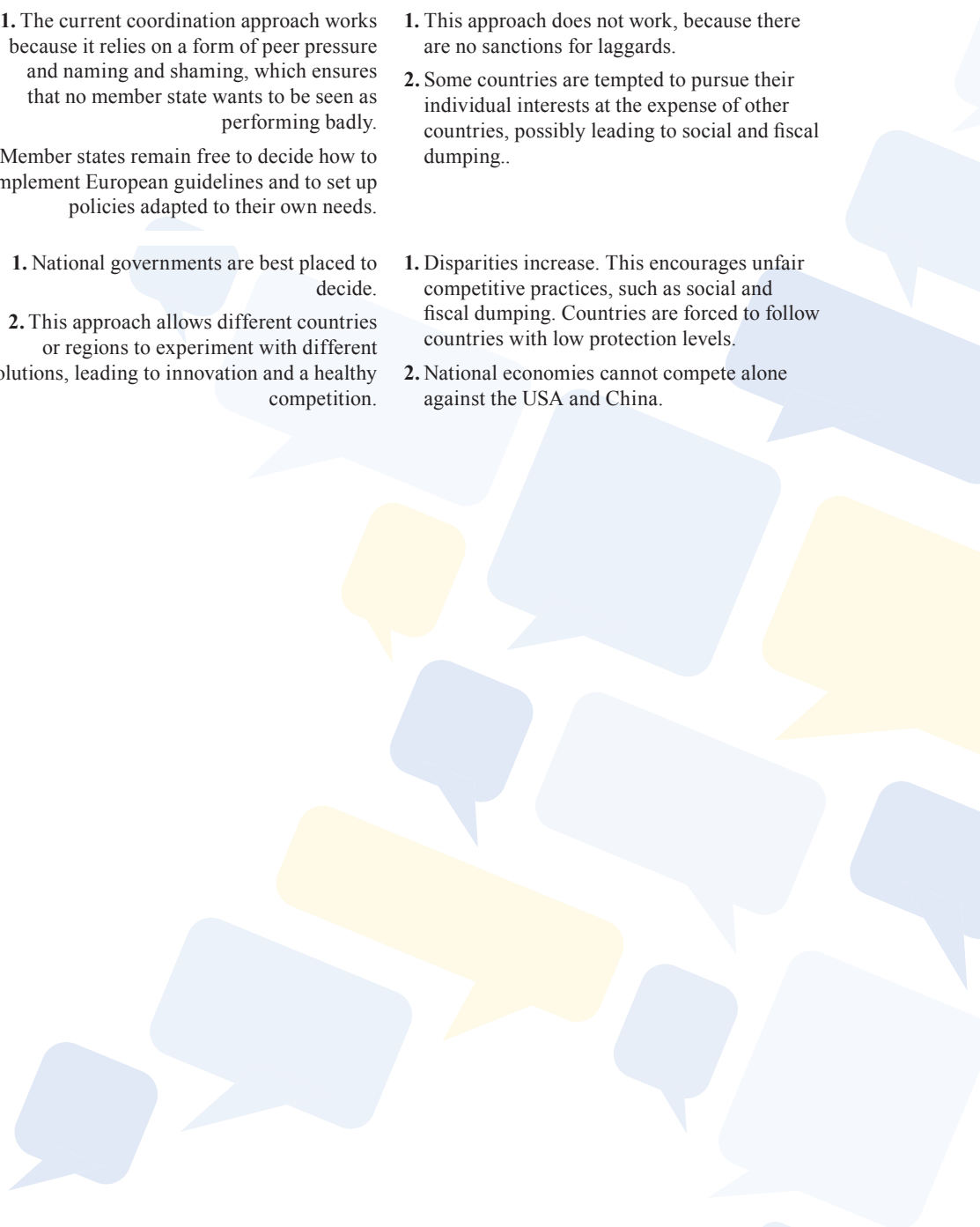
- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. Each country has specific needs and should be able to decide how much or how little they want to cooperate with other member states.</li> <li>2. This approach allows member states to experiment without violating coordination or regulation from Brussels.</li> </ol> | <ol style="list-style-type: none"> <li>1. This allows self-centred national considerations to take precedence over solidarity, the integrity of the EU, and the EU’s ability to play a role on the world stage.</li> <li>2. It will result in major differences between groups of countries.</li> </ol> |
|--|---|

**Approach 3**  
**Support, coordination, complementary action**

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. The current coordination approach works because it relies on a form of peer pressure and naming and shaming, which ensures that no member state wants to be seen as performing badly.</li> <li>2. Member states remain free to decide how to implement European guidelines and to set up policies adapted to their own needs.</li> </ol> | <ol style="list-style-type: none"> <li>1. This approach does not work, because there are no sanctions for laggards.</li> <li>2. Some countries are tempted to pursue their individual interests at the expense of other countries, possibly leading to social and fiscal dumping..</li> </ol> |
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**Approach 4**  
**No EU role**

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. National governments are best placed to decide.</li> <li>2. This approach allows different countries or regions to experiment with different solutions, leading to innovation and a healthy competition.</li> </ol> | <ol style="list-style-type: none"> <li>1. Disparities increase. This encourages unfair competitive practices, such as social and fiscal dumping. Countries are forced to follow countries with low protection levels.</li> <li>2. National economies cannot compete alone against the USA and China.</li> </ol> |
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## Issue 2: Our Role in the World

*The Cold War divided much of the world into two camps for 40 years. Its end has led to a more complex and fragile world order.*

*Today, global terrorism is presenting new challenges for governments. Competition for scarce natural resources like oil, gas, minerals and water is creating new sources of geo-political tension. Climate change has severe negative consequences and requires global solutions.*

***How should the EU intervene in global affairs to resolve conflicts, promote peace and ensure its own security at home?***

***How should decisions on these matters be made?***

### Challenges and opportunities – Global peace and security

Tensions rise as more countries develop their capacities for weapons of mass destruction including nuclear weapons. Extreme poverty remains in many places, and increases global migration flows.

Among the most dangerous conflicts today are the wars in Iraq and Afghanistan, the civil war in the Darfur region of Sudan, the conflict between Israel and the Palestinians, separatist movements in the Caucasus and the aftermath of the war in Kosovo.

Several European countries committed troops to the US-led invasions of Afghanistan in 2001 and Iraq in 2003. While France and Germany were opposed to military intervention in Iraq, the UK, Poland, Denmark, Italy, Spain and the Netherlands participated in the US-led coalition. In Lebanon, following the war in the summer of 2006, Italy assumed charge of a strengthened United Nations (UN) ground force to restore international peace and security in the Israel-Lebanon border area.

In recent years, EU countries have been criticised both for intervening militarily (e.g. in Iraq) and for not intervening militarily (e.g. in the 1990s, during the genocide in Rwanda, and the ex-Yugoslavia conflict).

Of particular importance to the EU are changes in its immediate vicinity. At present there are three candidate countries: Turkey, Croatia and Macedonia. Others may eventually apply, in particular countries in the Western Balkans, Georgia, Ukraine, and Belarus.

Before a candidate country can join the EU it must have a stable system of democratic government, ensure the rule of law and respect for human rights. It must also have a functioning market economy and an administration capable of implementing EU laws and policies. The specific membership terms for each candidate country are worked out in negotiations with the European Commission over several years.

#### Facts

The UK and France are the only EU countries that possess nuclear weapons. The other countries with a known nuclear capability are the US, Russia, China, India and Pakistan.

In 2006 the 27 EU member states committed 11,632 soldiers to peacekeeping missions

Turkey's population is bigger than any current EU member except Germany. Together, the three candidates would increase the total EU population by 16 %.

**Should the EU and its member states play an active role on the world stage?**

**How can their influence over countries in the EU's immediate vicinity be maximised?**

**What tools of international influence should the EU and its member states favour?**

## Two examples of foreign challenges

### Iran's nuclear programme

As of 2007, Iran is not known to possess nuclear weapons capability, and has signed the Nuclear Non-Proliferation Treaty (NPT) repudiating their possession. Yet a number of countries, including the USA, the United Kingdom, and France, have accused Iran of a clandestine intention to develop a nuclear weapons programme while Iran states that its purpose is the generation of power. However, it rejected an EU proposal intended to help Iran build “a safe, economically viable and proliferation-proof civil nuclear power generation and research programme.”

In 2006, the United Nations Security Council passed a resolution demanding Iran suspend its nuclear activities and approved imposing sanctions against Iran. The EU, with US agreement, had intended to entice Iran into a binding commitment not to develop uranium enrichment capability by offering to provide materials and other long-term support that would facilitate electricity generation with nuclear energy.

Some people say that the international community should persist with a combination of sanctions and incentives to persuade Iran from developing a nuclear weapons capability.

Others say that a nuclear-equipped Iran would be so destabilising to the Middle East that a military attack to destroy Iran's nuclear facilities is the most effective option.

### Climate change

The effect of human activities on the climate is increasing. The production and use of energy in particular causes emissions of pollutants that modify temperatures, with impacts on the environment and people's lives. The problem is global, so solutions need to be implemented by individual countries, as well as coordinated internationally (if some countries reduce their emissions of pollutants while others do not, the problem remains).

### Energy dependency

Furthermore, EU countries depend on imports for more than half the energy they consume. This dependency is forecast to rise as domestic resources dwindle. According to official projections, EU countries will rely on imports from Russia for as much as 70% of gas supplies by 2030. On several occasions, Russia has used its energy supplies to apply pressure to its neighbouring countries.

## Different approaches – Global peace and security

### Arguments For Arguments Against

#### Different approaches to the EU's relations with the rest of the world

##### Isolationism

Countries withdraw from the global stage and focus on protecting their own security without getting involved in overseas conflicts.

1. This avoids military interventions that are costly in human lives and financially.
2. Conflicts overseas are none of our business and the best way to ensure our own security is to make sure we do not make enemies.

1. It is morally unacceptable to do nothing when innocent people are being killed and it is in our self-interest to promote global peace.
2. It is unrealistic to think that we can protect ourselves from global conflicts and external threats if we withdraw from the global stage.

##### US alignment

Countries do not seek to increase their influence on the global stage but rely mainly on the US and NATO to protect their security, following the USA's lead in international affairs.

1. Europe will be under the protection of the USA, our traditional ally. American means are the most appropriate to preserve the EU's security against external threats.
2. This is the only way to guarantee unity among EU countries, as their approaches and historical relations are too complex to generate efficient common external action.
3. This allows the EU to align with US interests and present a united front when facing terrorism and emerging powers such as China and Russia.

1. EU countries and the USA see international relations differently. For instance, the American approach to democracy, human rights or climate change is not the same as the European.
2. EU and US interests are not identical. For instance, energy dependency towards Russia affects EU countries much more than the USA.
3. It will encourage disunion between EU countries because some will want a special relationship with the US while other may prefer acting independently.

##### A regional force in a multipolar world

Member states and the EU seek to reinforce their influence and to shape the course of world events. They do not hesitate to take international initiatives without the endorsement of the USA.

1. This contributes to world stability. A multipolar world implies a fair balance between countries while unilateral American dominance has shown its limits (e.g. in Iraq and Afghanistan).
2. This strengthens EU countries' ability to promote their economic interests and standing on the international stage, as a regional force with influence, able for instance to help resolve conflicts.

1. European countries' views are too different. They cannot find common ground in international matters.
2. It is too idealistic and not relevant in the current changing geo-political context, with the dominance of the USA, the emergence of China and other countries. Europe needs to choose between these powers.

## Arguments For      Arguments Against

### Different modes of intervention

#### Development of 'soft power' and diplomatic influence

Countries seek to increase their influence on world affairs through non-military ('soft power') means, such as trade policy, embargoes, development assistance and threats of political and diplomatic isolation.

1. Military interventions are costly and often cause more harm than good.
2. EU countries lack the military power to intervene in conflicts.
3. The EU has the world's largest market and aid budgets. These are powerful levers to influence other countries.
4. EU countries and the EU have a strong network of diplomatic missions and historical ties with countries around the world. They are well placed to act as honest brokers in conflicts.

1. 'Soft power' is ineffective in dealing with the world's most serious conflicts.
2. Economic sanctions harm ordinary people but rarely change hostile governments' behaviour.
3. EU diplomacies are too divided and scattered to be effective in influencing world affairs.

#### Military intervention under a UN mandate

Military force can be used to intervene in global conflicts but only with the backing of the United Nations.

1. This requires that the international community agree on military intervention, ensuring that there is support from the international community.
2. The UN is a powerful safeguard against ill-conceived military interventions and confers a legitimacy that would otherwise not exist.

1. Seeking UN approval slows the process down since countries like China, Russia and the US have the power of veto.
2. Whether or not there is a UN mandate, military intervention is still more likely to exacerbate a global conflict than lead to a resolution.

#### Unilateral military intervention

Countries use their military power to intervene in the world's trouble spots, if necessary without UN backing.

1. In armed conflicts, the only way to stop the fighting is by intervening militarily with adequate force.
2. A readiness to intervene militarily acts as a powerful deterrent, thus preventing conflicts from happening in the first place.

1. The current situations in Iraq and Afghanistan show that even the USA, the world's most powerful military power, cannot achieve its objectives through military action alone.
2. Military intervention makes the world even less secure by escalating conflicts.

Arguments For	Arguments Against
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Different approaches to the EU's immediate neighbourhood	
<p><b>No neighbourhood policy and no more enlargement</b></p> <p>The EU should concentrate on its internal development without seeking to develop privileged relations with neighbouring countries.</p> <p>Further enlargement is ruled out.</p>	<ol style="list-style-type: none"> <li>1. The richer member states cannot afford to pay huge subsidies to the poorer states.</li> <li>2. The bigger the EU gets, the more difficult it is to achieve deeper integration and to reach agreement between member states. The priority should be to reinforce its core.</li> </ol>
<p><b>No enlargement, but a greater focus on our neighbourhood</b></p> <p>No new country joins the EU, but privileged relations are encouraged with neighbouring countries. Under this 'neighbourhood policy', the EU and the countries in its close vicinity agree on political and economic reforms.</p>	<ol style="list-style-type: none"> <li>1. The force of attraction of EU countries can stimulate very significant changes in neighbouring countries.</li> <li>2. It is more effective to build a strong 'core' Union and make neighbouring countries benefit from certain aspects of the EU than trying to integrate too many countries too fast.</li> </ol>
<p><b>Restricted enlargement</b></p> <p>The EU should continue to negotiate with existing candidate countries but should make it clear that there will be a long time to wait before they will be admitted as members.</p> <p>New applications are not encouraged.</p> <p>Criteria for membership are strict and applied rigorously.</p>	<ol style="list-style-type: none"> <li>1. The prospect of enlargement is a powerful tool for promoting European interests and values, so it is important not to stop the enlargement process.</li> <li>2. Countries like Turkey are far from ready to join the EU, but the door should not be shut. It is important that all the conditions for membership are met. This can take time.</li> </ol>
<p><b>Open enlargement</b></p> <p>The EU should press ahead with negotiations with countries seeking membership as rapidly as possible.</p> <p>The list of candidates is open. Admission criteria are sufficiently flexible not to deter new applications.</p>	<ol style="list-style-type: none"> <li>1. This is the most powerful incentive for economic and political reforms in candidate countries. New member states increase the size of the EU's single market, stimulate economic growth, provide lower cost labour, thus removing the need to relocate outside Europe.</li> <li>2. The larger the EU, the more powerful it can be on the world stage.</li> <li>3. Turkey's accession would help the Middle East by creating a bridge between Europe and the Muslim world.</li> </ol>

## Level of action – Global Peace and Security

### What the EU does now

Competence for foreign relations today lies essentially with member states. However, the role of the EU has developed over time.

As the Union expanded, it had to define its relationships with the rest of the world. Thus, it has been developing since 1993 a common foreign and security policy (CSFP) to enable it to take joint action. It appointed a High Representative for foreign and security policy in 1999.

The EU does not have a European army with a central command, but the individual armies of EU member states count amongst the best equipped in the world. EU countries play an important role in the North Atlantic Treaty Organisation (NATO).

The EU provides funds to specific international initiatives (e.g. to the UN civil administration in Kosovo, to the Palestinian Authority). In the Western Balkans and central Africa in 2003, the EU embarked on the first missions under its new European defence and security policy.

The EU has a common trade policy, which is an exclusive competency: member states are not free to decide their own trade policies independently of the EU.

The EU provides assistance to developing countries. The Union can suspend or cancel trade or aid if the partner country violates human rights.

The EU also has developed a ‘neighbourhood policy’ with countries in North Africa, the Middle East, the Balkans and Eastern Europe. This builds upon a mutual commitment to democracy and human rights, rule of law, good governance, market economy principles and sustainable development.

The EU has diplomatic representations abroad. Some argue that the EU should sit on the security council of the United Nations instead of France and the UK.

Some argue that coordination is not enough, that the Union does not have powerful enough tools nor coherent enough strategies to address global security problems.

Others argue that these matters should be left to Member States, better placed to address these issues.

**To what degree should decisions in the field of foreign relations be made by the EU or by individual member states?**

**With what degree –if any- of coordination or consultation?**

### Facts

19 member countries of the EU are members of NATO.

Alongside China, Russia and the US, the UK and France are permanent members of the UN security council.

EU countries as a whole are the world’s largest exporter and the second largest importer after the USA.

Taken together, the EU and its 27 member states give more aid to poor countries than any other donor.

EU member states aim to spend about 1% of their total budget on foreign aid. With the EU, they give roughly twice as much as the USA.

Today



**Approach 1  
EU makes  
collective  
decisions**

- 1. Making decisions about global security at the EU level presents a more powerful force than if individual member states act alone.
- 2. This creates solidarity between member states in the face of rival strategies by other countries.
- 3. It allows for the possible development of coherent EU-wide economic and social policymaking benefiting all EU citizens.

**Arguments For Arguments Against**

- 1. It is unrealistic to expect member states to agree on a common approach. The differences in priorities and strategies are too great.
- 2. This risks creating too much centralisation in Brussels and political tensions between Member States.
- 3. This may reduce States' sovereignty. It prevents governments from pursuing the policies they think best for their people.

**Approach 2  
Multi-speed**

- 1. This shows greater respect for national autonomy. Individual countries can choose to cooperate with others if they think it is appropriate.
- 2. Each country has specific needs and capabilities and should be able to decide how much or how little to cooperate with other member states.

- 1. Without effective coordination, Europe's role in the world will be diminished. European countries lack the power to act alone on the world stage.
- 2. The risk is that some countries will 'free ride' on the efforts of others.

**Approach 3  
Support,  
coordination,  
complementary  
action**

- 1. Effectively, member states already sometimes coordinate today informally, and this works sufficiently well
- 2. It allows actions when EU countries agree (as for instance peace keeping operations or rebuild actions in post-conflicts areas) without compromising national independence.

- 1. This approach does not produce coherent and long term international strategies which could make the EU a real global player.
- 2. When mere coordination is pursued instead of collective decision-making, there is too much temptation for some states to 'free ride' and to simply pursue their individual interests at the potential expense of other states.

**Approach 4  
No EU role**

- 1. Every member state has its own priorities when it comes to global issues. National governments are therefore best placed to decide what action to take.
- 2. Committing troops to military action is such a serious and profound decision that it should remain only in the hands of nationally elected governments.

- 1. Unless EU countries act together, they cannot expect to make a difference on the world stage because member states are too small to have a significant influence against powers such as the USA, Russia and China.
- 2. There is a direct link between the internal development of the EU and its international actions. Coordination inside cannot be effective without coordination outside the EU.



***Where can I find further information and ask questions?*****About the initiative:**

[www.tomorrowseurope.eu](http://www.tomorrowseurope.eu)

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► **Political parties in the European Parliament:**

- Group of the European People's Party (Christian Democrats) and European Democrats: <http://www.epp-ed.eu>
- Socialist Group in the European Parliament: <http://www.socialistgroup.eu>
- Group of the Alliance of Liberals and Democrats for Europe: <http://www.alde.eu/>
- Union for Europe of the Nations Group: <http://www.uengroup.org>
- Group of the Greens / European Free Alliance: <http://www.greens-efa.org>
- Confederal Group of the European United Left - Nordic Green Left: <http://www.guengl.eu>
- Identity, Tradition and Sovereignty Group: <http://www.its-pe.eu>
- Independence/Democracy Group: <http://indemgroup.org/>

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Deliberative Polling® is a process of public consultation in which scientific samples are polled both before and after they have had a chance to seriously deliberate about the issues. The process was first developed by Professor James S. Fishkin in 1988. Its applications to countries around the world have all been collaborations with Professor Robert C. Luskin. They have conducted projects with various partners in the US, Britain, Australia, Canada, Denmark, Italy, Bulgaria, Hungary, China and Northern Ireland.

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