Completing Political Union: How the Euro-Union could work

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Brussels, 26 March 2015
Comité économique et social européen (CESE)
Section ECO
Where are we?

Post-crisis? Successfully through crisis?

• Storm coming back? *Greccident*?
• No fiscal/ monetary backstop
• No common deposit scheme for banks

• Did we waste the crisis?
• Incremental disintegration?
Gross Domestic Product across EU27
Making economic and political space congruent

- Euroland: aggregated economy
- One “national account” for Euroland
- No export competition
- European industries are transnational clusters
- Political and social rights don’t go along
- Industrial/ economic space is not in synch with polity/ policy space and working relations
Proposal

• Report „Genuine banking union“ 2012
• (update March 2015)
• Glienicker Gruppe, September 2013
• Eiffel Group, February 2014
• Eurozone/ EU 28
• „Catch 22“: the system cannot reform!
Key requests for Political Integration

Redesign of European parliamentarism:
• Eurozone-Parliament (Glienicker)?
• Or sub-entity EU Parliament (Eiffel)?
• Right to initiate legislation for EP?
• Bi-cameralism? Which chambers? Art. 13 Lisbon Treaty?
• Interparliamentary assembly?
• Pro rata? Proportionality?
Social Sciences Research

Normative request: transnational parliament cooperation

→ overcome democracy deficit

• Move out of “more/less“ Europe
• End national Parliaments vs. EP rhetoric
• Horizontal vs. Vertical
• democracy, no longer integration
• Uniting citizens, not integrating states
• Equality, not solidarity
• Equal European citizenship
But: empirical evidence

- Institutional inertia
- National parliaments no interest in Europe
- Better scrutiny of European policy making
- But no “binding” of decision making
- Lisbon will not alter status
- COSAC: not working
Improving accountability?

Bundestag: “Congress of Eurozone”?  
people affected by decisions across German borders without voice in the “polity system“  
→ democratic deficit

Polity space and policy space not congruent!  
• Extension of “solidarity” beyond state borders: fiscal union?  
• Karlsruhe?  
• No taxation without representation  
→ Systemic deadlock!
Democratic solutions?

• Techno-structure: no policy chance
  → against polity (populism)
• transnational democratic interdependence

Diagram:

- National democratic legitimacy
- Local democratic legitimacy
- Transnational democratic legitimacy
Res Publica Europaea

Republic concept

De-construction of the notion of sovereignty:

• Sovereignty is an „individual principle“
  → citizens are sovereign, not *people* (Hans Kelsen, Jean Bodin)

„Gemeinwohlbindung“ = normative ground of the notion of republic

“commitment to common welfare”

• One fundamental request: **political and social equality** for all citizens of the Euro-Union
Principle of Political & Social Equality

Provides three-fold leverage effect

• 1.) political equality with respect to elections: same voting conditions for the EP elections
• 2) same tax rules for all citizens (income tax, fortune tax); and companies....
• 3) same access and eligibility to social rights (i.e. European Unemployment Insurance)
Generational dynamics

- No more finalité
- European hypertext *bottom up*
- Radical democracy concepts - transnational
- Civic identity – principle of civic égalité accepted
  - Study 2013: 70% Europeans for European minimum wage; 58% Germans
- “Horizontal Europe”: discourse not based on countries, but transnational distribution top-down
Good news

• Cultural basis for transnational European democracy among citizens is there
• Civic identity among Europeans measurable
• Access to same social rights accepted on basis of common citizenship

→ unfortunately, national and EU-elites have not yet understood this!
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