THE European Union as a Global player?

Dr Kamil Zajączkowski Centre for Europe University of Warsaw

THE EUROPEAN UNION IS NOT STATE AND NOT TYPICALLY INTERNATIONAL ORGANISATION

THE EU – NEW TYPE OF INTERNATIONAL COMMUNITY

• 1951 - European Coal and Steel Community (founding members of the Community were Belgium, France, Italy, Luxembourg, the Netherlands, and West Germany)

In 1957, the six countries signed the Treaties of Rome:

- European Economic Community (EEC) establishing a customs union
- European Atomic Energy Community (Euratom)

• The **European Communities** were three international organisations that were governed by the same set of institutions. These were the European Coal and Steel Community (ECSC), the European Economic Community (EEC) and the European Atomic Energy Community (EAEC or Euratom).

• European Communities - WHY WE NEED THIS AFTER 1945?

- ideological interest
- political interests
- economic interests
- colonial past of many EC's countries
- confirm the role of integrated Europe in COLD WAR

- FEDERALISM SET UP UNITED STATES OF THE EUROPE
- CONFEDERALISM COOPERTION AMONG INDEPENDENT STATES

FUNCIONALISM – THIRD WAY

• Jean Monnet's approach to European integration, which aimed at integrating individual sectors in hopes of achieving spillover effects to further the process of integration, is said to have followed the neofunctional school's tack.

 The European Union (EU) is an <u>economic</u> and <u>political union</u> of 28 <u>member states</u>

 The <u>Maastricht Treaty</u> 1992 (1993 came into force) established the European Union

The EU operates :

hybrid system of <u>supranational</u> independent institutions + the member states

 On 1 December 2009, the <u>Lisbon Treaty</u> entered into force and reformed many aspects of the EU.

 single legal entity provisioned with <u>legal</u> <u>personality</u>

THE EUROPEAN UNION

become a global actor in international relations/ Cologne European Council declaration of June 1999

- Permanent diplomatic missions established around the world (150)
- the EU is represented at the United Nations, the WTO, the G8 and the G-20.
- population of over 507 million inhabitants (2013)
- the EU generated an estimated 26% (US\$16.282 trillion) of the global economy (2013)

 The EU has an approximately 20% share in world trade and accounts for 31% of the overall production of goods and services in the world

 the European Union leading position as the world's largest exporter (estimated value of EU exports amounted to 1.240 billion euro) and thus outdistanced China (with <u>€</u>889 billion worth of exports), USA (€848 billion) and Japan (about €505 billion)

- the European Union become a major player in international economic relations (over 30 FTA + 19 EPA)
- THE EU is the biggest trading partner for 100 countries (US for 20)
- The EU leader in sustainable economic development and a model of effective and comprehensive integration. It is the world's largest trade partner and provider of most development and humanitarian aid

EUROPEAN UNION AS A CIVILIAN POWER

EU USES SOFT POWER NOT HARD POWER

- EU USES INSTRUMENTS IN INTERNATIONAL RELATIOS:
- > POLITICAL
- **ECONOMIC**
- > FINANCIAL

LACK OF.....

- POLITICAL WILLNESS
- INSTITUTIONAL CLEARNESS (intergovernm..)
- COMPREHENSIVE APPROACH
- MILITARY POWER
- COMMON STRATEGY
- MONEY
- POLITICAL LEADERSHIP
- BELIEF IN EUROPEAN IDEAS

- absence of sufficient political will to conduct a "really EU foreign policy (IRAQ, Russia, Kosovo)
- a strong dichotomy between the Union's external economic and commercial relations and its foreign and diplomatic policies
- CSDP IS NOT MILITARY POWER

 only since 2003 military and civilan missions in the framework of CSDP (Africa, Balkans, MENA

- EUROPAN SECURITY STRATEGY (2003) =/=
 EUROPAN "REALLY" DEFENCE STRATEGY
- EU 1.5 per cent of GDP
- US over 4.5 per cent of GDP
- EU 270 billion USD
- US 707 billion USD (all institutions over 1 trillion)

• WHO WILL BE A LEADER IN THE EU?
NO ANSWER......GERMANY...? FRANCE.....?

• Economic crises = POPULISM AND EUROSCEPTICISM

GLOBAL CHALLENGE/ WEST LOST POWER/EMERGING MARKETS UP

- Financial crisis in 2008 new emerging structure of international relations
- Financial crises 2008 = not global crisis/Western crisis
- the GDP of the EU and the US taken together accounted for about 47% of the global GDP
- China + ASEAN +Japan + Korea = 36% GDP
- Economic growth per year in SUBSAHARAN AFRICA and Latin AMERICA = 5 per cent

Changes in the structure of international 1989-2014

- > The Cold War bilateral global configuration of powers
- ➤ Unipolar moment IRAQ WAR in 1991; BALKANS WAR 1991-1995
- > Multipolar WORLD
- ➤ 2008 in search for new global economic and political order (BRICS, G20, emerging markets)

 The world is becoming multipolar with several new "centres of gravity"

• Era of American domination, Pax Americana or 'unipolar moment' (Charles Krauthammer) seems to be over, at least in the economic sphere

 Globalization is not synonymous with Americanization any more Kishore Mahbubani, a distinguished representative of the Singapore school, strongly maintains that an East Asian pole has emerged

 K. Mahbubbani, "The New Asian Hemisphere; The Irresistible Shift of Global Power to the East", Public Affairs, New York 2008 New trilateralism, replacing the traditional Cold War-era trilateralism consisting of the US, Western Europe and Japan

 The previous trilateralism was regional in character, as it was in fact limited to developed countries of the West

 The current trilateralism is truly global in nature (CHINA, US, EU) CHINA
 GDP 2013: US \$5,91 trillion
 POPULATION :1,335,790,000

UNITED STATES

Population: 307,212,123

GDP: 2013: USA \$15,264.6 trillion

EUROPEAN UNION

Population: 507, 000,000

GDP: \$16,523.78 trillion

 Three interlocking puzzles: America, Europe, and China. Stumbling America, debt-strapped Europe, and booming China

- Exports of goods and services constitute
 39.7% of China GDP
- China main trading partners are: European Union, The United States, Japan, Hong Kong and South Korea

 There are signs that China and other big emerging markets are beginning to create domestic demand. But it is early days and exporting is still the big game There's a joke that goes: 'After 1989, capitalism saved China. After 2009, China saved capitalism.'

UK in the EU

 The United Kingdom (UK) first applied to join in 1961, but this was vetoed by France

 A later application was successful and the UK joined in 1973; a referendum two years later on continuing membership resulted in 67% approval

INTERNAL ISSUE NOT EU ISUUE

 In January 2013, Cameron promised that, should his Conservative Party win a parliamentary majority at the 2015 general election, the UK Government would negotiate more favourable arrangements for continuing British membership of the EU

BREXIT

- was held on Thursday 23 June, to decide whether the UK should leave or remain in the European Union
- Leave won by 52% to 48%. The referendum turnout was 71.8%, with more than 30 million people voting

• England voted strongly for Brexit, by 53.4% to 46.6%, as did Wales, with Leave getting 52.5% of the vote and Remain 47.5%. Scotland and Northern Ireland both backed staying in the EU. Scotland backed Remain by 62% to 38%, while 55.8% in Northern Ireland voted Remain and 44.2% Leave

Legal Tramework of leaving of EU (article 50)

- No nation state has ever left the EU
- For the UK to leave the EU it has to invoke an agreement called Article 50 of the Lisbon Treaty which gives the two sides two years to agree the terms of the split

 Theresa May - intends to start this process by the end of March 2017, meaning the UK will be expected to have left by the summer of 2019,

- But no one really knows how the Brexit process will work - Article 50 was only created in late 2009 and it has never been used
- it could take up to six years for the UK to complete exit negotiations. The terms of Britain's exit will have to be agreed by 27 national parliaments, a process which could take some years
- EU law still stands in the UK until it ceases being a member. The UK will continue to abide by EU treaties and laws, but not take part in any decision-making

High Court

 Parliament must vote on whether the UK can start the process of leaving the EU, the High Court has ruled

This means the government cannot trigger
 Article 50 of the Lisbon Treaty - beginning
 formal exit negotiations with the EU - on its
 own

- Theresa May has been given permission by the Supreme Court to appeal against a legal ruling forcing her to give Parliament a vote on the plans for Brexit
- The Government has been allowed to appeal against the High Court ruling delivered last week that the Prime Minister must seek MPs' approval to trigger Article 50 of the Lisbon Treaty, launching official Brexit talks
- The challenge will start on 5 December and is expected to last four days

THE UK in the EU (global affairs)

- NATO
- BIGGEST ARMY
- US ALLIANCE (E.G. IRAQ, AFGHANISTAN)
- ANTI-RUSSIA
- SINGLE MARKET NOT STATE
- MORE POWER FOR STATES NOT FOR THE UNION
- TTIP

TRUMP AND EU

- TTIP
- NATO/SECURITY IN EUROPE
- RUSSIA AND SANCTIONS
- TRADE AGREEMENST (GLOBAL)
- DEFICIT (shortfall) Trump cut down, implications for EU (big exporters)

EU FUTURE

- EUROZONE (19 countries)
- New and Old Member States (WEST AND EAST)
- NORTH (Germany) and SOUTH (PIGS)
- MULTISPEED EUROPE
- FEDERALISM/CONFEDERALISM
- STATUS QUO
- ECONOMY FIRST, POLITICAL ISSUE LATER

SINGLE MARKET IS NOT ENOUGH

- Lack of common values
- Lack of identity
- Lack of common history