

“Differentiated Integration and the Future of Europe: What do member states think?”

Panel organised in the framework of the InDivEU project at the TEPSA Portuguese Pre-Presidency Conference, 27 November 2020



Plenary Session 4

Differentiated Integration and the Future of Europe

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In the framework of the Horizon 2020 project [“InDivEU - Integrating Diversity in the European Union”](#), on 27 November 2020 TEPSA organised a panel on “The Future of Europe” at its Portuguese [Pre-Presidency Conference \(PPC\)](#), held on the occasion of the incoming Portuguese Presidency of the Council of the EU.

The PPC is TEPSA’s biannual flagship event, taking place right before the inauguration of each new Council Presidency. Bringing together academics, think tankers, policy makers, media and civil society, the conference aims to discuss the agenda and challenges of the upcoming Presidency and of the EU more broadly. Due to the current restrictions in place because of the Covid-19 pandemic, the conference was held in a virtual format.

Moderated by **Frank Schimmelfennig** (Member of the TEPSA Board, Professor and Head of European Politics Group at the Swiss Federal Institute of Technology – ETH Zürich, and Scientific Lead of the InDivEU project), the panel involved outstanding academics working on



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differentiated integration (DI): **Stefan Telle** (Research Associate, European University Institute); **Katrin Auel** (Head of EU Research, Institute for Advanced Studies Vienna); **Ramūnas Vilpišauskas** (Professor, Vilnius University); **Maja Bučar** (Head of Centre of International Relations, University of Ljubljana); and **Gunilla Herolf** (Senior Associate Research Fellow, Swedish Institute of International Affairs).

Frank Schimmelfennig started off by introducing the InDivEU project, whose core aim is to produce high level research, evidence and policy proposals on differentiated integration (DI) in the EU. He highlighted the relevance of investigating national positions and preferences on this topic, as member states are the most relevant actors involved in EU decision-making when it comes to DI.

Stefan Telle started off by presenting the methodology employed in the EU-wide comparative exercise conducted by the InDivEU project. The main research question (What do member states' governments want in terms of DI?) was split along two dimensions: 1. How important is DI for member states' governments?; 2. What position do member states' governments take on DI? Inferences have been made by coding expressed preferences in documents from 2004 to 2019, which were then positioned on a +/- scale.

Moving on to introduce the aggregated preliminary findings, Dr Telle focused on three aspects characterising national DI debates: issue salience, predominant positions, and preference for models and mechanisms. With regards to salience, it appears that DI does not generally score high on the political agenda, with few peaks of interest during moments of crises and difficult changes, or at the time of EU-related referenda. Member states tend to assess more positively models of enhanced cooperation – in an upward fashion – while opposing DI in the form of opt-outs. Nevertheless, the position of national governments is not consistent and varies according to the context, particularly when comparing specific policy areas to the EU as a whole. Finally, party ideology does not seem to significantly influence assessments of DI, likely because of the low salience of the issues in national debates, which consequently keeps it on the outskirts of party agendas as well.

Katrin Auel presented the first country-specific findings, introducing the Austrian perspective on DI. Overall, salience levels are very low within the timeframe analysed (2004-2019), with keywords referring to DI models being mentioned scarcely in government documents. On the contrary, concrete instances of DI (e.g. Schengen, EMU, public prosecutor, etc) appear more often in the documents analysed, thus highlighting the importance of these topics, although they generally tend not to be framed within broader debates on 'visions for the EU'. In Austria, party ideology plays a part in the political actors' assessment of DI, with most parties viewing it negatively regardless of the model. Particularly, the question of the subsidiarity principle has gained salience in recent years, with the perspective that the EU should focus on its main core





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tasks. Nevertheless, the notion of the Union as a community of cooperating members with the same rights and obligations is also important in the Austrian political discourse. For this reason, opt-outs are usually seen negatively as cherry-picking, particularly in the British context. In fact, the narratives around DI do not entail concepts such as ‘core-EU’, which has a more positive connotation in German, but revolve around the idea of ‘EU à la carte’ and ‘two-speed EU’.

Support for DI in Austria was noted only in the discourse of one right-wing party, although not as a mean to foster integration among the core but as a way to exclude the ‘weakest’ members of the Union. Otherwise, generally the Austrian position is to see the EU as unitary club, with rights and duties. DI in the form of enhanced cooperation is sometimes acknowledged and supported as second-best alternative when no agreement can be reached. For example, on the financial transaction tax, Austria lobbied for the possibility of an opt-out to be given to all member states, and not only for its own individual benefit.

Ramūnas Vilpišauskas presented Lithuania’s perspective on DI. Prof. Vilpišauskas added that these findings are likely to apply to all three Baltic States, therefore including Latvia and Estonia. The salience of models, mechanisms and instances of DI in the Latvian political debate, has been rather low except for two cases. One had to do with the possibility of opt-outs for the Schengen area and eurozone, which emerged as very salient. The second case regarded the reference to closer EU relationship with countries from the Eastern Partnership, which is a salient point in Lithuanian politics. The overall position of the Lithuanian government towards DI is clearly negative, with reference to ‘discriminatory’ opt-outs. However, it became more selective or pragmatic depending on particular instances of enhanced cooperation or opt-outs. For example, Lithuania decided not to be part of the financial transaction tax and other policies Prof. Vilpišauskas concluded by explaining that there is widespread confusion regarding terms of DI. For example, two-speed Europe is often confused with two-tier Europe or Europe à la carte. In parliamentary debates, MPs often conflate these notions, and perceive DI negatively as part of a narrative of rich core states vs. periphery smaller states. However, overall, Lithuanian MPs ad a rather neutral position on DI, as sometimes they conceive the notion positively, sometimes negatively.

Maja Bučar noted that DI is not a salient issue in Slovenian politics. This is not only connected to the general obscurity of the term DI but more so to the fact that the very issue of the EU in general is rarely mentioned in parliamentary debates. There are two instances in which EU politics were mentioned more specifically: one referred to the use of structural funds and another was on the issue of updating various EU legislations. Peaks in the salience of DI were observed after the economic and financial crisis, and in the context of the 2017 debate on the Future of Europe.





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The position of the government throughout the years, excluding recent months, was one of willingness to contribute to build a strong EU. Policy makers referred to Slovenia wanting to belong to the core, in a positive sense, promoting closer cooperation between EU members. That said, overall the Slovenian government tends to oppose the idea of a multi-tier EU, which would mean fewer opportunities for development both economically and socially for smaller countries. In a more elaborate discussion, mostly in academics circle, there is a debate on whether Slovenia could become part of the core. This fear emerges from the idea that smaller countries have a harder time being taken seriously by the core members of the EU. This was very much stressed in debates in the committee of European Affairs, but much less in speeches from the government, where some mentions can be found but little more. Furthermore, the Prime Minister is recently moving towards the Visegrad group and is stressing this move in his speeches. However, the general Slovenian opinion is that the country should move closer to the key members of the EU rather than the Visegrad group, causing increasing tensions.

Gunilla Herolf stated that DI has very low salience in Sweden and there are very few references in parliamentary debates and government programmes. Looking at the selected keywords, 'multi-speed' is the one used most frequently but it is seen very negatively, as something leading to diminished cohesion. 'Multi-end' is not seen negatively as Sweden is not part of the euro. If we look at the DI mechanisms such as Enhanced Cooperation, Sweden is quite indifferent, which is consistent with its view on multi-end Europe. Sweden has not reacted negatively when other countries decided to use enhanced cooperation and it is pleased for initiatives from which Sweden can opt-out. The argument is often that it is a way of increasing efficiency. For example, Sweden positively perceives Permanent Structured Cooperation (PESCO), the European Public Prosecutor, and unitary patents. Only two instances are perceived very negatively: the financial transaction tax, which is seen as very easy to circumvent by moving to places with lower taxes; and the European Union rule 3, regarding enhanced cooperation in the area of divorce. This second point regards mostly legitimacy, as Sweden would not accept to follow a divorce rule which is less liberal than the one it has already.

On the opt-outs side, Dr. Herolf stated that there is a discussion regarding the euro. While the Left party – characterised as very left – and the Swedish Democrats – which is on the far right – have both asked for a formal opt-out, the other parties prefer to leave things as they are. This is because a formal opt-out would make the overall relations more complicated. There is also no pressure from the EU to obtain a formal opt-out, but this might change in the future. At the moment, noted Dr. Herolf, only 20% of the population is favourable to joining the euro, down from 42% in 2003.

In conclusion, Swedish politicians are not interested in institutional issues, but rather in concrete political issues. They have demonstrated to be highly pragmatic and it is political





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views that decide their positions. Overall, the views between the parties (except the two extremes) are strikingly similar. Sweden accepts easily multi-end solutions. However, Sweden is adamant on the fact that all the important decisions which affect the whole EU should be taken by all the members, rather than by a small group.



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