THE EUROPEAN UNION Syllabus

12 September 2016

10:00 AM

Coordinator: Fred Bertsch

Introductions

Topical course overview

Course content and intended discussion points

12 September 2016

11:00 AM

Coordinator: Duncan Whitehead

EU Historical background

European coal and steel community (1951)

Marks inauguration of European integration

Treaty of Rome (1957)

Single European Act (1986)

Maastricht Treaty (1992)

Amsterdam Treaty (1997)

Nice Treaty (2001)

Constitution (2004)

Lisbon Treaty

19 September 2016

10:00 AM

Coordinator: Fred Bertsch

The post - BREXIT environment

Federica Mogherini, Vice-President of the European Commission. Speech at the EU Global Strategy event at Carnegie Endowment for International Peace

19 September 2016

11:00 AM

Coordinator: Fred Bertsch, et al

Consequences of breakup

(Lisbon-treaty.org)
The scope of the problem

Invocation of Article 50 of the Lisbon Treaty
Referendum result (52% Approval)
What does it mean?
Realism or populism?
How did it come about?
Staying Outside
Norway
Iceland

Separation - A complicated process

To put into context:
The nature of the outcome
Disruptive aspects for world economy
Impact for the US economy
US exports to Britain: 56 billion 0.3 % of GDP

26 September 2016

10:00 AM

Coordinator: TBD
The EU Membership

EU Member states Listing (Wikipedia)

Non-member states (nationsonline.org)

The European Commission

Function

Proposes new laws

The Commission is the sole EU institution tabling laws for adoption by the Parliament and the Council that:

Protect the interests of the EU and its citizens on issues that can't be dealt with effectively at national level;

Get technical details right by consulting experts and the public.

Manages EU policies & allocates EU funding.

Sets EU spending priorities, together with the Council and Parliament.

Draws up annual budgets for approval by the Parliament and Council.
Supervises funding under scrutiny of the Court of Auditors

Enforces EU law

Together with the Court of Justice, ensures that EU law is properly applied in all the member countries.

Represents the EU internationally

Speaks on behalf of all EU countries in international bodies, in particular in areas of trade policy and humanitarian aid.

Negotiates international agreements for the EU.

Council of the European Union

The council of EU member governments adopt EU laws and coordinate EU policies

Council members consist of Government ministers from each EU country, according to the policy area to be discussed

Each EU country holds the presidency on a 6-month rotating basis

In the Council, government ministers from each EU country meet to discuss, amend and adopt laws, and coordinate policies. The ministers have the authority to commit their governments to the actions agreed on in the meetings.

Together with the European Parliament, the Council is the main decision-making body of the EU.

Council Functions

Negotiates and adopts EU laws, together with the European Parliament based on proposals from the European Commission

Coordinates EU countries' policies

Develops the EU's foreign & security policy, based on European Council guidelines

Concludes agreements between the EU and other countries or international organizations

Adopts the annual EU budget jointly with the European Parliament.

European Parliament

Directly elected EU body with legislative, supervisory, and budgetary responsibilities

751 MEPs (Members of the European Parliament)

President

Established 1952 as Common Assembly of the European Coal and Steel Community, 1962 as European Parliament, first direct elections in 1979 Location: Strasbourg (France), Brussels (Belgium)

The European Parliament is the EU's law-making body. It is elected directly by EU voters every 5 years. The last elections were in May 2014.

EU Parliamentary functions

Legislative

In conjunction with the Council of the EU and the European Commission proposals the parliament passes EU laws

Renders decisions on international agreements

Decides on enlargements

Reviews the Commission's work program and requests proposed legislation

<u>Supervisory</u>

Democratic scrutiny of all EU institutions

Elect the Commission President and approving the Commission as a body. Option of voting a motion of censure, obliging the Commission to resign

Granting discharge, i.e. approving the way EU budgets have been spent

Reviewing citizens' petitions and setting up inquiries

Reviewing monetary policy with the European Central Bank

Questioning Commission and Council

Election observations

Budgetary

Establishing the EU budget, in conjunction with the Council

Approving the EU's long-term budget, the "Multiannual Financial Framework"

26 September 2016 11:00 AM

Coordinator: TBD

The accession process

Initiation

Candidate Assessments covering 27 separate areas

(euintheus.org)

Negotiations

Draft Accession Treaty submitted for approval by the Council of the EU, the European Commission, and the European Parliament.

Ratification by all member states required

17 October 2016

10:00 AM

Coordinator: TBD

The Decision Making Process

Constitutional Treaty signed 29 October 2004 Represents completion of long process of integration

The Convention

Attended by representatives of the Member States, the European Parliament, national parliaments and Commission, debated in public between February 2002 and July 2003.

It proposed an in-depth reform of the Union to make it more effective, transparent, comprehensible, and 'closer to European citizens'

The draft Treaty establishing a Constitution for Europe, served as a basis for the Intergovernmental Conference negotiations.

The IGC took place between October 2003 and June 2004 and reached a consensus on the Treaty establishing a Constitution for Europe. This Constitutional Treaty was intended to replace all existing treaties.

Structure of the Constitutional Treaty

Part I covers the principles, objectives and institutional provisions of the EU.

Part II comprises the EU charter of Fundamental rights

Part III comprises the provisions governing the policies and function of the union

Part IV groups together the general and final provisions of the constitutions

Founding principals of the union Charter of fundamental rights

The Institutions

European Parliament
The Council
The commission
The president of the commission
Minister of foreign affairs

17 October 2016 11:00 AM Coordinator: TBD

Adopting EU Law

The EU's standard decision-making procedure is known as 'co-decision'. This means the European Parliament has to

proposal from the Commission.

EU decision-making involves three main institutions:

approve EU legislation together with the Council based on a

<u>European Commission</u> which represents the interests of the EU as a whole,

<u>Council of the European Union</u>, which represents the individual member countries,

<u>European Parliament</u>, which represents EU citizens and is directly elected by them.

In principle, the European Commission proposes new laws, but it is the Council together with the Parliament that adopts them. This is the EU's standard decision-making procedure (known as the "ordinary legislative procedure" or "co-decision").

(ec.europa.eu) EU policies (Summery)

24 October 2016

10:00 AM

Coordinator: TBD

The Role of National Parliaments

The EU uses a variety of legislative procedures to adopt laws.

Procedure followed depends on the type and subject of the proposal.

Majority of EU laws are adopted jointly by parliament and Council.

In specific cases an institution can adopt a law alone. The national parliaments of EU countries are consulted on all commission proposals and any changes to the EU treaties require the consent of every EU country.

Ordinary legislative procedure

Most EU laws are adopted using the ordinary legislative procedure, in which the European Parliament (directly elected) and the Council of the EU (representatives of the 28 EU countries) have equal say. The Commission submits a legislative proposal to the Parliament and Council, who must agree on the text in order for it to become EU law.

How it works

Via a series of readings of a proposed law, Parliament and Council review and amend the text. If the 2 institutions agree on the amendments, the proposed law is adopted. If the Parliament and Council can't agree on amendments, a second reading takes place. If no agreement is reached at the second reading, the proposal is put before a 'conciliation committee' made up of equal numbers of Parliament and Council representatives. Commission representatives also attend the meetings and contribute. Once the committee reaches an agreement, the text is sent to the Parliament and Council for a third reading, so it can finally be adopted as law. On the rare occasions where they cannot agree, the law is not adopted.

Details on the role of the Parliament and role of the Council in the EU's standard law-making process.

Special legislative procedures

These procedures are followed only in certain cases. Typically, the EU Council is the sole legislator and the EU Parliament is only required to give its consent to a legislative proposal or be consulted on it. More rarely the Parliament alone (after consulting the Council) can adopt legal acts.

Commission adopts

The Council or Parliament can authorize the Commission to adopt 2 types of non-legislative acts:

<u>Implementing acts</u>, which introduce measures to ensure laws are implemented in the same way throughout the EU countries

<u>Delegated acts</u>, which amend or supplement existing laws, notably in order to add new non-essential rules

Implementing and delegated acts

Revising the treaties

The EU treaties, which form the basis of all EU law, can be revised to adapt EU laws and policies to new challenges. Any change to the treaties requires the **unanimous agreement** of **all 28** EU countries.

There are 2 ways to revise the treaties:

- The <u>ordinary revision procedure</u> is used when making key amendments to the treaties, such as increasing or reducing the competences of the EU
- The <u>simplified revision procedure</u> can be used to make changes related to the EU's internal policies and actions, for example, agriculture and fisheries, internal market, border controls, economic and monetary policy, provided they don't extend the EU's competences

24 October 2016 11:00 AM Coordinator: TBD

The Schengen Rules

(eur.lex.europa.eu)

Schengen Agreement

The Schengen Agreement is a treaty, which led to the creation of Europe's Schengen Area, in which internal border checks have largely been abolished. It was signed on 14 June 1985, near the town of Schengen, Luxembourg, by five of the ten member states of the then European Economic Community. It proposed measures intended to gradually abolish border checks at the signatories' common borders, including reduced speed vehicle checks which allowed vehicles to cross borders without stopping, allowing residents in border areas freedom to cross borders away from fixed checkpoints and the harmonization of visa policies.

Migratory Pressures R44249 www.crs.gov 31 October 2016 10:00 AM

Coordinator: TBD

Post-BREXIT Economic Cooperation

Possible Scenarios

Muddling through.

The EU would largely continue to function as it currently does, without any significant treaty changes or decision-making reforms, and find some degree of common solutions to crises such as those posed by Greece's economic situation and increasing migratory pressures. The EU would continue to pursue integration and common policies where possible, with or without the UK as a member.

Establishing Two Speeds

The EU would become a two-speed entity, consisting of a strongly integrated group of "core" countries and a group of "periphery" countries more free to pick and choose those policies in which they wish to participate. Some analysts suggest that a two-speed EU already exists in practice, with varying membership on a range of EU initiatives, such as the Eurozone, Schengen, justice and home affairs issues, and defense policy. Others suggest that a formal two-tier structure could undermine solidarity and create frictions between core and periphery member states.

A Loser, More Intergovernmental Configuration

Further integration would essentially be put on hold, and possibly reversed in some areas, with sovereignty on certain issues reclaimed by national capitals. This may be most likely should reform-minded euro-skeptic parties come to power in more EU countries and if the UK is successful in its bid to carve out additional EU policy

exemptions. A looser structure may make it easier for the EU to expand ultimately to include Turkey, the remaining aspirants in the Western Balkans, and other countries such as Georgia and Ukraine.

A Tighter, More Integrated Configuration

The EU would emerge from its current challenges more united and integrated. Some suggest such an outcome could actually be more likely in the event of BREXIT, leaving a somewhat smaller EU of member states more aligned on the need of further political and economic integration. This configuration would likely not encourage further EU enlargement.

www.crs.gov

31 October 2016

11:00 AM Coordinator: TBD

The Specter of Resurgent Terrorism

Review Recent Events in France, Belgium, Germany

Terrorism vs Discontent

Connection to the strife in Syria http://www.bbc.com/news/world-middle-east-26116868

The players

7 November 2016 10:00 AM

Coordinator: TBD

Effects of Economic Distortions

Fundamental cultural differences in economic activity North / South, Agriculture / Tourism vs Manufacturing, etc. Austerity measures **Controlling Deficits** Currency misalignment

Fiscal Policies

Fiscal policies have a significant impact on economic growth, macroeconomic stability and inflation. Key aspects in this respect are the level and composition of government expenditure and revenue, budget deficits and government debt. Fiscal discipline is a pivotal element of macroeconomic stability. The need for fiscal discipline is even stronger in a monetary union, such as the euro area, which is made of sovereign states that retain responsibility for their fiscal policies. There are no longer national monetary and exchange rate policies to respond to countryspecific shocks, and fiscal policies can better cushion such shocks if they start from a sound position.

(ecb.europa.eu) **Monetary Policy** 7 November 2016

11:00

Coordinator: TBD

Purchasing power parity

(OECD.org) What are PPPs?

PPPs are the rates of currency conversion that equalize the purchasing power of different currencies by eliminating the differences in price levels between countries. In their simplest form, PPPs are simply price relatives that show the ratio of the prices in national currencies of the same good or service in different countries. PPPs are also calculated for product groups and for each of the various levels of aggregation up to and including GDP.

(www.oecd.org/std/)ppp/manual)

How are PPPs calculated?

Products and Services included in basket for PPP calculation

Primary uses of PPPs

14 November 2016

10:00 AM

Coordinator: TBD

The impact of Muslim migration to Europe

The EU's role Integrator / facilitator

The rewards of refugee integration

In 2015, over one million people crossed the Mediterranean Sea, the majority searching for international protection in Europe.

Some of the most persecuted people in the world found hospitality and safety.

But this was not to last,

Despite repeated warnings – by UNHCR and other organizations that large-scale but manageable numbers of arrivals were expected, Europe reacted in a largely unprepared, chaotic and divided way. The lack of a coherent and coordinated response to this compounded the misery of vulnerable people as they journeyed through Europe.

Europeans perceived that their governments were failing to manage the movement.

Restrictive political measures and negative rhetoric turned desperate people into threatening demons"

The EU-Turkey Agreement alleviated some of the problems but was no lasting resolution.

Integrating refugees is an economic process absolutely essential to success resettlement

There have been many positive responses in Europe to previous significant refugee movements, including for Hungarians, Czechoslovaks and Polish refugees, the Vietnamese boat people, and for people of the former Yugoslavia.

But integration is a dynamic two-way process.

Successful resettlement requires preparedness by the refugee to adapt to their host society, without having to forgo their own cultural identity. 14 November 2016 11:00 AM

Coordinator: TBD

Regional accommodation

The view from Ankara

Recep Tayyip Erdogan drifts away from America, NATO and the EU

Relations with the US have has become contentious Exacerbated by the recent, failed coup

A contentious issue is the presence in America of Fethullah Gulen, head of an Islamist movement that was once allied with Mr Erdogan but has become his nemesis. Turkey wants Mr Gulen extradited

US reaction has been just as blunt: it is Turkey that is endangering ties with America and the West.

Support for EU membership of Turkey has essentially evaporated.

In recent months tensions have run high over America's de facto alliance with the Syrian Kurdish militia. It is regarded by America as the most effective ground force against IS in Syria; but it is seen by Turkey as closely related, if not identical, to the Kurdistan Workers' Party (PKK), which has resumed its decades-long insurgency for autonomy inside Turkey.

Turkey's relations with the EU, by far its largest trading partner, have been no less fraught. In March, in exchange for Turkish efforts to reduce the flow of refugees and other migrants to Greece, the EU made several promises. It agreed to:

- 1. Revive Turkey's stalled accession bid
- 2. Accelerate the abolition of short-term visas for Turkish tourists and businessmen
- 3. Fund Turkish efforts to support refugees

Erdogan no longer enjoys the leverage he did last autumn, when thousands of refugees crossed from Turkey to Greece every day. This western Balkan route used by most migrants to Europe The deal was heavily criticized, in part because it relied on the EU designating Turkey a "safe country" for refugees. Now its first two elements, at least, may be in jeopardy.

The upheaval in Turkey matters to the Arab world, where Erdogan has played an influential role. Mainstream Syrian rebel groups, squeezed around Aleppo, fear abandonment by Turkey.

Can allies persuade Erdogan to change course? Intriguingly, just before the coup attempt he acted to end two diplomatic rows. In June he struck a deal with Israel to normalize relations, which had broken down in 2010 after Israeli forces killed nine Turkish citizens trying to breach a naval blockade of Gaza.

Erdogan also apologized to Russia for shooting down a Russian fighter jet in November when it briefly entered Turkish airspace (hence the nervousness of Syrian rebels). But neither Israel nor Russia can substitute for Turkey's military ties with America, or its economic ones with Europe. 21 November 2016 10:00 AM The EU Currency Coordinator: Dick McWcWhirter

21 November 2016 11:00 AM Coordinator: TBD Guest Speaker (TBD)

28 November 2016

10:00 AM

Coordinator: TBD

The Balkans

Russia, Turkey and the West all share one rival in the Balkans: political instability. Located at the confluence of three historic empires, the strip of land between the Mediterranean and the Black Sea has long been the focus of competition among global powers. Now it is just one arena in the standoff between Russia and the West. Yet, with both sides attempting to buy influence with investments and energy projects, and with Turkey struggling to keep pace, internal political challenges threaten to undermine outside efforts to develop and shape the region. As major powers use their financial and political clout to gain influence in the Balkans, weak local governments will continue to balance among competing nations.

Strategic Investments From the West

Western governments have two major goals in the Balkans:

- 1. To maintain stability in the western part of the region and
- 2. To minimize Russian influence.

To that end, the US and the EU have been involved in the internal politics of the Balkans since NATO committed troops in the aftermath of the Bosnian war and conflict in Kosovo (1990s) The EU expended considerable resources and political capital to bring reform and economic development to the region, but with mixed results.

The West has access to considerable resources that can be provided to countries for economic growth. Serbia and Macedonia are unlikely to join the European Union in the next decade. Yet they still have access to the economic benefits that come from close ties with Europe. Between 2014 and 2020, the European Union plans to grant 1.5 billion euros to Serbia, a prospective EU member, and 11.4 billion euros to Bulgaria, a current EU member. (Bulgarian

citizens benefit from the ability to travel freely and work in the European Union.) In addition, there is significant defense assistance coming into Bulgaria as part of an effort to strengthen NATO members along the Russian borderlands.

The Ukraine crisis galvanized the US into boosting defenses along NATO's eastern edge. NATO has enlarged its multinational response force, created a new spearhead force that can mobilize quickly and established a chain of outposts in the eastern Balkans.

At the same time, fighting in Ukraine prompted the EU to prioritize its Southern Corridor natural gas project, which would bypass Russian energy giant Gazprom in the European energy market and reduce Europe's reliance on Russia. In addition, the West strongly discouraged Bulgaria from participating in Russia's South Stream project. When Bulgaria opted out, Russia canceled the project in December.

Russia Counters the West

For its part, Russia has used its influence in the Balkans, where it has close historical and cultural ties with countries such as Serbia and Greece, to threaten Western interests. However, the Kremlin's interest in the region in the past year stems in large part from its deteriorating relationship with the West. Russia's goal in the Balkans is to prevent the expansion of Western troops and military infrastructure in the region while maintaining sufficient strength to implement strategic energy infrastructure projects.

Western pressure may have ended the South Stream project, but the pipeline Russia plans to build in its place, Turkish Stream, could help Gazprom counter European energy diversification efforts. The pipeline would bring natural gas across the Black Sea to the Turkey-Greek border. To help Gazprom reach Central European markets, Russia has advocated the construction of a pipeline that

would run from Greece to Macedonia, Serbia and Hungary. In addition to Turkey, these four countries are at the center of a Russian diplomatic offensive. Nevertheless, with Russia struggling to manage internal financial and political challenges, its leverage in the Balkans is relatively limited.

Turkish Interests

Turkey has its own cultural links and economic interests in the Balkans, but currently lacks the resources and military power to rival Russia or the West. One of Turkey's strategic objectives is to maintain influence in the Black Sea. Historically, Ankara has achieved this by anchoring itself on the Danube. By extension, this objective entails managing relations with other Black Sea states in the Balkans. But Turkey is also attempting to grow closer to Bosnia-Herzegovina, where Ankara means to enhance its influence. These connections are important: Muslim Bosniaks started migrating to Turkey in the 17th century, and a few million Turkish citizens claim Bosniak roots today. This ethnic affinity has prompted popular government initiatives to invest in Bosnia-Herzegovina.

Turkey cannot match the level of financial investment Western powers and Russia commit to the Balkans. But as the gatekeeper to the Black Sea and as a NATO member, Turkey plays a significant role in Bulgarian and Romanian efforts to boost defense cooperation in response to the crisis in Ukraine. Moreover, Turkey has been able to use financial and political tools to curry favor with Bosnia. Turkey is among the top five investors in the country. In fact, Turkish officials claim that Turkey has invested \$1.1 billion in Bosnia since 1995 — a significant sum for a country with a gross domestic product of about \$18 billion.

The Turkish Stream pipeline, if built, would no doubt empower Turkey. Ankara would play a central role in its construction, and it would use that role to improve its relationships with countries that would receive Turkish Stream natural gas, including Macedonia and Serbia.

Violence in Macedonia

Violence erupted in Macedonia on May 9, when Interior Ministry personnel cracked down on alleged ethnic Albanian militants. Nearly 40 policemen were injured and 30 militants were arrested. The bloodshed in Kumanovo, further undermined the credibility of a government already distrusted by its people. In May tens of thousands of protesters gathered in Macedonia's capital city, Skopje. Western-sponsored talks the following day failed to bring about a compromise between the government and opposition.

Russia is counting on running its extension of Turkish Stream through Macedonia into Central Europe, but the country's instability threatens to derail these plans at a time when countries along alternative routes are not receptive to Russian proposals. The incumbent Bulgarian government, under pressure from the US and the EU, is opposed to participation in a Russia-led energy project, while Albania retains a pro-Western foreign policy orientation. With so much at stake, the Russian Foreign Ministry came out forcefully in support of the Macedonian government in response to the protests. The ministry criticized opposition parties and non-governmental groups alike, accusing them of being in league with Western powers and choosing to follow a chaotic "color revolution" ideology. Macedonia's incumbent government is nominally in favor of NATO and EU accession but has been open to Russia's Turkish Stream proposals. A weak government, as well as growing instability in Macedonia, is preventing the country from becoming a staunch Western ally or a reliable partner for Russia.

A Broader Regional Challenge

Clashes in Macedonia raise the specter of renewed ethnic tension and violence in the Balkans, where political borders do not coincide with ethnic boundaries. Though recent violence probably will not spill over into nearby countries in the immediate future, Macedonia's problems are a

concern in the region. Serbia raised its combat alert status, and Bulgaria sent troops to reinforce the border.

Since 1999, Western governments have worked to stabilize Kosovo and the surrounding area through the presence of peacekeepers and large-scale development programs. Brussels is also pressuring Serbia to normalize relations with Kosovo as a precondition for EU accession. A potential increase in militancy along the Kosovo-Macedonia border would threaten this stability and undermine the West's long-standing efforts in the region.

Ultimately, no matter how much time and external political power is invested in the Balkans, success depends on the presence of strong, stable governance.

But Balkan governments are notoriously weak. In Bulgaria, social unrest in 2013 forced the government to resign. Since then, the country has gone through several weak, short-lived governments that have been beset by internal disputes.

The tumult of Balkan politics enables foreign powers to make certain inroads, boosting their influence through financial and political support for local governments. But the fragility of Balkan states prevents them from swinging decisively toward one outside power. Like other nations in Europe's borderlands, many of the Balkan countries have attempted to retain a degree of neutrality. A balancing strategy means that Balkan governments can access advantageous economic agreements, financial assistance packages and political support from multiple external sources.

Geopolitical rivalries and local disputes in the region have historically formed an explosive combination, fueling military conflicts as well as numerous Balkan armed struggles. Today, a more nuanced competition is taking place as foreign powers use economic influence, defense cooperation, and political support to further their goals in the region.

28 November 2016

11:00 AM

Coordinator: TBD

The Future

Prospect of political union

Speculative assessment of Europe's Future

A New Atlantic Community
The European Union, the US and Latin America
Joaquín Roy (editor) Miami-Florida European Union
Center/Jean Monnet Chair, 2015