

A federal union for dealing with the Russian war

Summary

Which models of EU polity for dealing with the Russian war can be derived from the Conference on the Future of Europe? Considering the 'Report on the Final Outcome' of the Conference, we traced three models: the parliamentary union, the intergovernmental union and the economic community. Because they appear unable to deal with the consequences of the Russian invasion of Ukraine, this policy brief outlines the contours of an alternative model, the federal union. A description of the Conference on the Future of Europe appears in the factbox.

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Introduction

This policy brief aims to give concepts to words. It constructs the models of EU polity which might be derived from the proposals that were outlined in the final report of the Conference on the Future of Europe. This brief explores the following question: what kind of proposals were put forward during the Conference regarding what the EU should be in both institutional and policy terms? Based on the proposals presented, we derived three distinct models of EU polity, with some overlapping features. They are the ‘parliamentary union’, the ‘intergovernmental union’ and the ‘economic community’ models, each supported by subgroups of national governments and transnational citizens. The three models, each in their own way, appear to be insufficient to face the systemic implication of the Russian invasion of Ukraine. That is why we outlined an alternative model, defined as the ‘federal union’ which is based on fundamental compromises between the three models.

The EU as a parliamentary union

For many participants of the Conference, parliament and democracy coincide. The proposal for a model where the European Parliament should constitute the centre of EU decision-making was especially popular among the citizens and governments of southern member states (mostly Italy and Spain). The request was to extend the powers of the European Parliament with the possibility of initiating legislation, particularly in the fields of security and fiscal policies, fields currently controlled by national governments.

Conference on the Future of Europe

The Conference on the Future of Europe aimed to discuss Europe’s challenges and priorities involving citizens and civil society organisations. The initiative was launched on 9 May 2021 and it came to an end on 9 May 2022.

The Conference was jointly organised by the European Commission, the Council of the European Union, and the European Parliament. It represented the first trans-European democratic exercise in the history of the EU.

In a similar vein, there was a demand for formalising the practice of the Spitzenkandidaten. The president of the European Commission should be selected by the European Parliament’s parties through the Spitzenkandidaten practice. It was also proposed to adopt transnational lists during European Parliament elections, emphasising the supranational character of the institution. Those requests came along with the proposal of extending qualified majority voting in lieu of unanimity rules to most policy fields.

The parliamentary union model implies the centralisation and supra-nationalisation of governance along with further integration of policies at the EU level, with a panoply of committees bridging the Brussels institutions with those of the member states. This model foresees the promotion of a common European identity and the protection of rule of law principles at both national and EU levels. Its supporters came from the large, rather than small member states, because of the former having more representatives in the European Parliament than the latter, which could result in patterns of dominance.

The EU as an intergovernmental union

The supporters of this model suggest the EU should be based on the decision-making centrality of the European Council and the Council of the European Union, considered to be the only legitimate actors to take decisions on behalf of the EU. Its proponents are comprised of two groups of governments. The first group lists France, which has been traditionally intergovernmental, and Germany, which has become gradually intergovernmental after the 1990 reunification of the country. The second group includes northern countries which had a traditionally confederal view on the EU, led by The Netherlands and comprising Austria and the Scandinavian countries. Instrumentally, intergovernmentalism was supported also by the governments of Eastern Europe, which have developed a sovereignist view of the EU.

“ For many participants of the Conference, parliament and democracy coincided.

The supporters of the intergovernmental union asked for pooling, instead of sharing national sovereignties at EU level. In this scenario, a limited role would be granted to supranational institutions. The European Parliament should have a symbolic role, the Commission should implement the decisions of intergovernmental institutions, while the influence of national parliaments at EU level should be strengthened. Whereas the intergovernmentalism of France and Germany was justified as a step towards a political union, this was not the case for the group of countries comprised of the northern member states.

Indeed, while the German and French governments proposed to substitute the unanimity rule with qualified majority voting to regulate deliberation in the European Council and the Council of the European Union, the northern (and, of course, also the eastern) national governments defended the veto power granted to each member of the intergovernmental institutions. Regarding fiscal and security policies, differences emerged between the three groups of governments and within each of them.

The EU as an economic community

This model suggested bringing the EU back to its pre-Maastricht period, whose mission was the creation of an integrated continental market. This model was popular among the governments of the Visegrad Group (mainly, Hungary and Poland, and to a lesser extent the Czech Republic and Slovakia). Those countries are keen to preserve their national sovereignty, reduce the powers of supranational institutions and repatriate the control over policy fields which they consider crucial for domestic politics. This model envisaged a central role for the European Council, considered to be the guarantor of national interests. Migration and the policies affecting the cultural identity of a country should be national prerogatives.

Democratic control should be exercised by national parliaments, reducing the competences of the European Parliament. The national governments of Poland and Hungary went as far as proposing the abolition of direct election of members of the European Parliament. Proposals were advanced to depower supranational bodies such as the European Commission and the European Court of Justice, whose role should be that of honest brokers

between divergent national interests. A crucial difference with the northern member states who acknowledged the domestic respect for the rule of law and the protection of rule of law supranationally. In contrast, the eastern supporters of the economic community model reclaimed the power of national institutions in interpreting the rule of law, using the theory of constitutional pluralism as justification. According to the vision of this model, unanimity voting should be extended and not reduced. The expansion of integration to new policy fields was considered undesirable unless existential threats dictate common solutions (as in defence).

The three models and the Russian invasion of Ukraine

The Russian invasion of Ukraine represents a dramatic challenge for the three models. The war has shaken the policy and institutional foundations of the EU. The Russian invasion and previously the pandemic are examples of exogenous crises for which no member state can be considered responsible. The Russian war called into question the European growth model which is dependent on

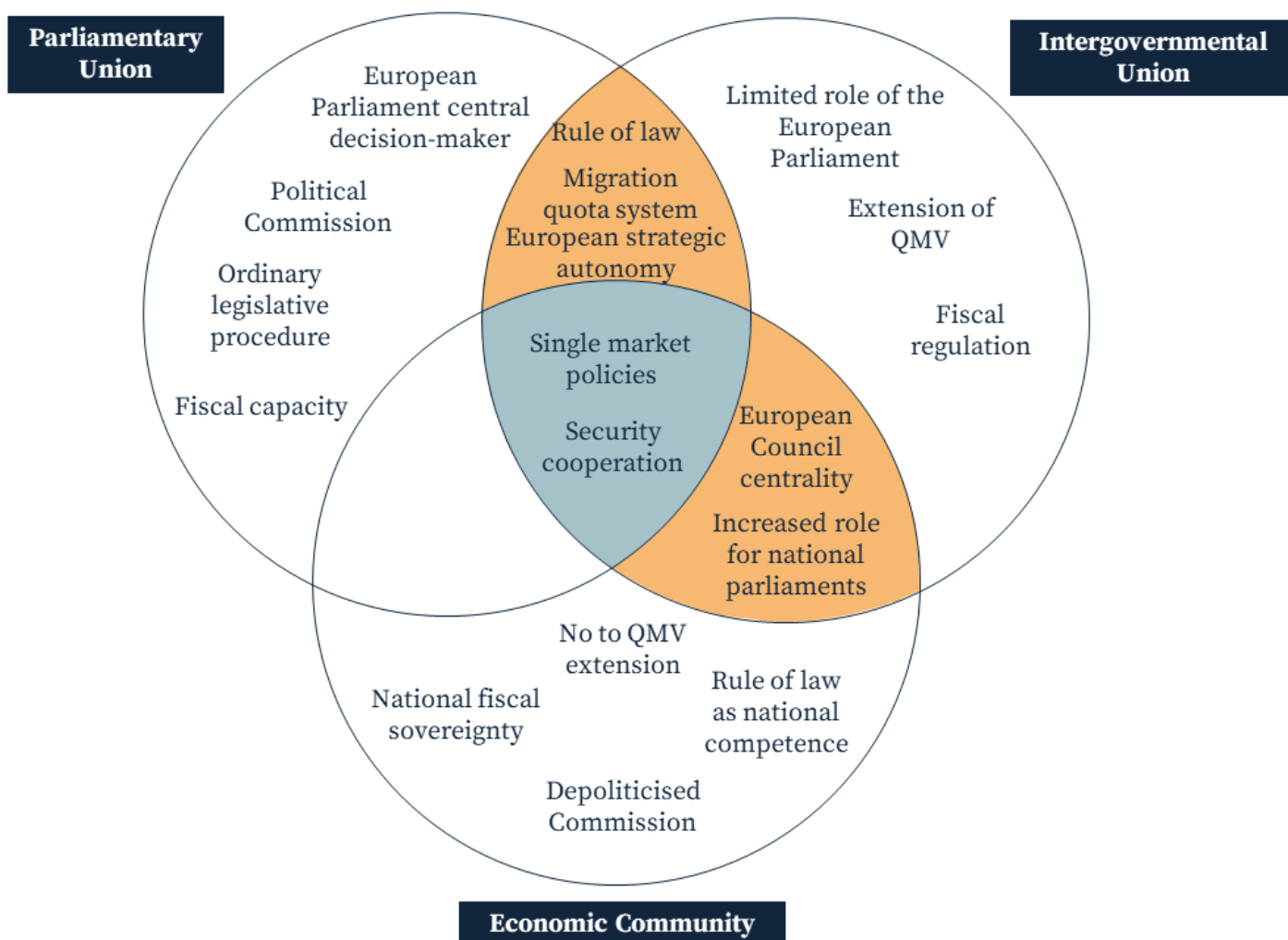


Figure: The polity models: features and overlapping characteristics

low-cost gas imported from Russia and export of products to the Chinese market. It also raised challenges for a European security architecture reliant on American military might. The three models appear insufficient to deal with those consequences.

Following the parliamentary union model, the European Parliament-Commission circuit should have the control of security and defence policies. The circuit should benefit from a taxing power with which to support EU-wide policies of economic and technological transformation. However, this model would imply the radical alteration of the current situation, where resources and power in industrial and security terms are mainly controlled by national governments.

A parliamentary union entails the centralisation of decision-making in the lower chamber (European Parliament), particularly in war-and-peace issues. This is a possibility that national governments would go against, since they have the control of core state power policies. At the same time, smaller member states would not welcome the strengthening of the European Parliament's decision-making powers, fearing their domination by the representatives of the more populous member states. Therefore, it seems unlikely that this model could better deal with the implications of the Russian war.

Following the intergovernmental union model, the control of fiscal, security and defence policies should continue to be controlled by the Eurogroup, the Foreign Affairs Council and in the European Council. The assumption is that intergovernmental arrangements are the only ones with sufficient legitimacy to deal with security threats and to promote EU-wide policies of economic and technological transformation. However, the coordination among national governments can generate a positive result

only if the policy at stake doesn't impinge on their national interests and identities, which is not the case of the policies dealing with the consequences of the Russian war.

Intergovernmentalism is based on the voluntary coordination of national governments, each of which can threaten to pose a veto and delay conclusions in times when rapid action (as in the case of a war) is required. Indeed, divisions have emerged between national governments regarding the policy of waning the EU's dependence on Russian gas, the policy supporting domestic firms (each country, starting with Germany, deciding to operate unilaterally) and the policy to grant military help to Ukraine (mainly reliant on American assistance).

“ *The war has shaken the policy and institutional foundations of the EU.* ”

Finally, intergovernmental decisions taken by the European Council are not checked by any legislative institution operating at the same level, on the assumption that its members are accountable to their own domestic legislature. This assumption is unjustified since the European Council deliberates as a single institution, not as a sum of individual leaders. It is unlikely that this model would be effective in answering the Russian war's consequences.

Following the economic community model, the Russian war should be managed only through NATO, while the member states should decide autonomously on how to pursue their economic transition. This model envisages the freedom of each member state to operate according to its own constitutional 'tradition',

in both domestic and international politics. Interstate cooperation should happen through the European Council and should be backed up by extending the unanimity vote. The EU could do little to deal with the Russian war and its consequences if following this model.

The federal union

Even by changing the Treaties, none of the three models would be able to deal with the challenges raised by the Russian war. Each of them have aspects that could contribute to define an alternative model, however. This is conceptualised here as a federal union, which might more effectively deal with the consequences of the Russian War. The federal union should be based on a Political Pact between the leaders of the three models, characterised by two fundamental compromises.

The first compromise should emerge between the supporters of the economic community and both the parliamentary and the intergovernmental unions. This compromise should consist in transferring to the EU the decision on core state power policies (i.e. military security, fiscal policy), now controlled by national governments, in exchange of the repatriation of unnecessary centralised single market policies. Both national and EU level of governments would increase their role, but only in policy fields that each one of them can control more effectively.

The second compromise should be between the supporters of the European Parliament's and the European Council's centrality. The EU is a union of states and citizens which can function only if there is a balance between the institutions representing the former (the intergovernmental ones) and the latter (the

supranational ones). A truce is particularly necessary between the European Council and the European Parliament, each one of them giving up the pretension to be the centre of the decision-making process and to constitute the only source of governmental legitimacy. For answering the Russian war's consequences, a system of checks and balances could constitute the only effective way (or the less ineffective) for taking decisions in a union of asymmetrical states and differentiated citizens.

“ *The federal union should be the answer to the historic change induced by the Russian war.* ”

The federal union is thus the outcome of two constitutional compromises to create an EU polity with enumerated policy responsibilities in the fields of military and economic security. This would be structured around a system of multiple separation of powers, where decisions are taken balancing national governments and transnational citizens. The centre should have limited but autonomous fiscal, security and defence powers to face military threats (as the one coming from Russia) and should be able to support the EU's economic transformation owing to the crisis of the EU's growth model. Member states would have their policy competences increased in fields of domestic importance. However, both the EU and national governments should operate respecting the principles of the rule of law and democratic accountability. The federal union could better deal with the historic change induced by the Russian war.

EU Differentiation Dominance and Democracy (EU3D)

The EU has expanded in depth and breadth across a range of member states with greatly different makeups, making the European integration process more differentiated. EU3D is a research project that specifies the conditions under which differentiation is politically acceptable, institutionally sustainable, and democratically legitimate; and singles out those forms of differentiation that engender dominance. EU3D brings together around 50 researchers in 10 European countries and is coordinated by ARENA Centre for European Studies, University of Oslo.

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