

# **Social Policy in the European Union: *Differentiation* against Disintegration?**

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# Social Policy in the EU in 2014/15

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## 2. The many crises of the EU

*‘Paris is somber, after the appalling terrorist attacks (...)’ while ‘France’s economic growth remains anaemic’;*

*‘in Brussels, which was semi-deserted and in lockdown, owing to the risk of terrorist attacks, the EU institutions have yet to devise a unified strategy to manage the influx of migrants and refugees’;*

*‘in London, there is concern about negative financial and economic spillover effects from the monetary union’, ‘(...)*

*In Berlin, meanwhile, German Chancellor Angela Merkel’s leadership is coming under growing pressure’.*

N. Roubini

## 2. The many crises of the EU

### ***Socio-economic Problem***

Unemployment (more than 16 M unemployed)  
Occupational health and safety  
Austerity and fundamental rights  
Timid recovery (ext. 2% GDP)

### ***Foreign Policy Problem***

Ukraine  
EU/Russia/Turkey/Libya

### ***Migration Problem***

1,255,640 migrants 1<sup>o</sup> time asylum applications  
in 2015 (**3,770 deaths in the Mediterranean**)

## 2. Three-fold crises

- Problems are difficult to address

*But*

- Problems do not touch Member States the same way

*And*

- Member States have different priorities

## 2. Three-fold crises

- **Problems are difficult to address**

*But*

- **Problems do not touch Member States the same way**
  - Economic prospects, South vs North
  - Migration, (Germany; Hungary; Greece; Austria, Sweden vs the rest of EU members)
  - Brexit, pro-integration vs. pro-domestic competencies

## 2. Three-fold crises

- **Problems are difficult to address**

*And*

- **Member States have different priorities**
  - Everybody vs. Greece on debt;
  - Visegrad vs. Western Members on migration
  - Visegrad for increased domestic competences vs. some Western Members pushing for more integration



# 3. How to prevent the disintegration of the EU

***DIFFERENTIATION***, ...*Take the Bull by the horns (after Brexit),*

*Need to separate those who want to be integrated from those who resist integration, allowing for different strategies*

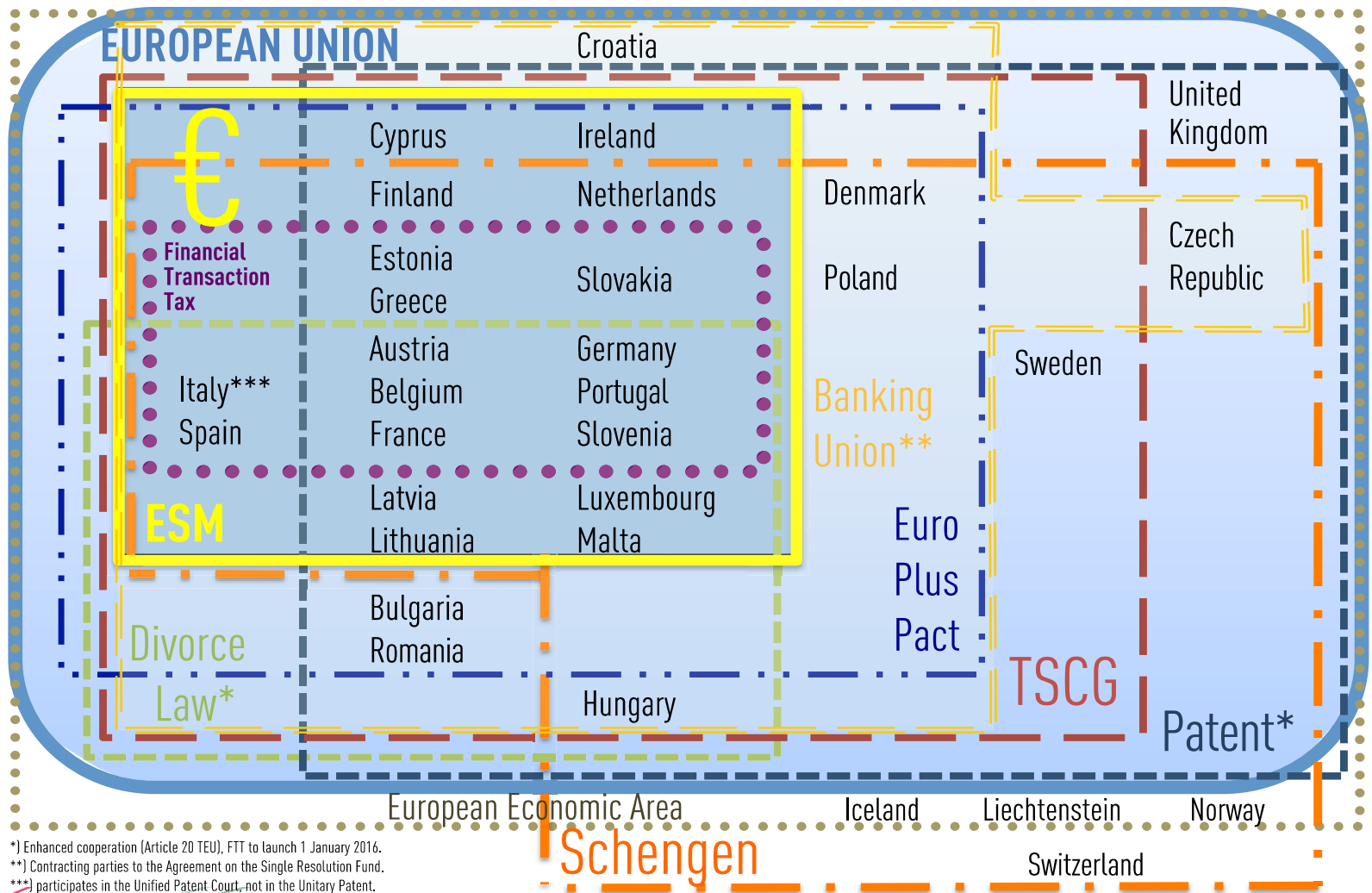
*Enhanced cooperation, theory of clubs, multi-speed Europe, concentric circles*

### 3. How to prevent the disintegration of the EU, *a matter of rules*

*As stressed by Fabbrini, different types of differentiation*

- *Constitutional differentiation*
  - *Treaty- revision for a Euro-political Union*
- *Policy differentiation*
  - *No treaty-revision but further articulation of policy-based processes*

# 3. How to prevent the disintegration of the EU, a matter of rules?



\*) Enhanced cooperation (Article 20 TEU), FTT to launch 1 January 2016.

\*\*\*) Contracting parties to the Agreement on the Single Resolution Fund.

\*\*\*\*) participates in the Unified Patent Court, not in the Unitary Patent.

# 3. How to prevent the disintegration of the EU, a matter of rules

*Many proposals for the eurozone*

- *Weidmann and Villeroy de Galhau, 'financing and investing Union'*
- *Padoan, Eurozone Parliament*
- *Baccaro*
  - *German Euro (Southern Europe out)*
  - *All in,*
    - *through German expansionary fiscal policy,*
    - *internal devaluation in the South,*
    - *or muddling through via flexibility*

# 3. How to prevent the disintegration of the EU, a matter of rules

*Many proposals for the refugee crisis*

- *Re-introduce border controls (much smaller Schengen areas)*
- *Expelling Greece from Schengen*
- *Mandatory distribution of refugees*
- *Temporary solidarity clause*

# 3. How to prevent the disintegration of the EU, a matter of (policy) choices

*Many proposals for a new phase...*

- **De Grauwe**

- *Abandoning austerity and structural reforms and embrace public investments*

- **Schmidt**

- *Reinforce the free movement principle while strenghtening solidarity via the EU Mobility Adjustment Fund*

# 3. How to prevent the disintegration of the EU, a matter of values

- ***Ferrera***

- *Union should be based on reciprocity and trust*

***But***

- *EU has become just a matter of reciprocity (balance between what you get and what you take)*
- *No moral hazard*

# Remarks, European Social Union for more solidarity

- *EU-level social policy (pan-European solidarity)*
- *More effective coordination of national social policy (national solidarity)*
- *Higher social standards set by the EU for its members*
- *Who will accept it?*