

Book Review: The Future of Europe: Towards a Two-Speed EU?

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*Public unease with the European Union, Euro problems, and dysfunctional institutions give rise to the real danger that the EU will become increasingly irrelevant, just as its member states face more and more challenges in a globalised world. Jean-Claude Piris, a leading figure in the conception and drafting of the EU's legal structures, works through the options available in light of the economic and political climate, assessing their effectiveness. Reviewed by **Pierpaolo Perna**.*



The Future of Europe: Towards a Two-Speed EU? Jean-Claude Piris. Cambridge University Press. December 2011.

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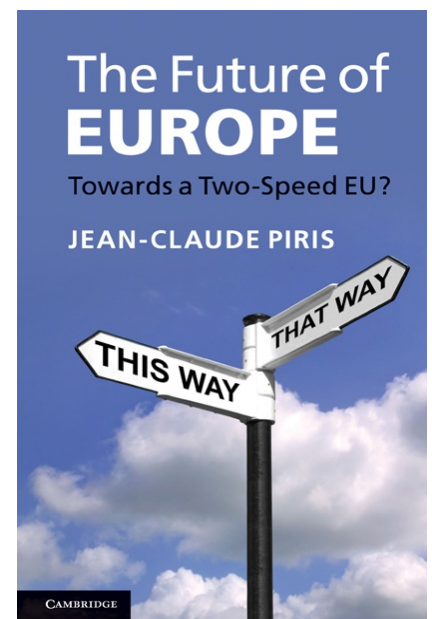
The European Union is in crisis. [Jean Claude Piris](#), former diplomat at the United Nations and General Director of the Legal Service of the Council of the EU, tries to make a compelling argument for a 'Two-Speed' European Union. The concept is different from that of a 'Two-Tier' Europe; in Piris's opinion, enhancing cooperation between countries that are currently facing the same social dilemmas will eventually create the conditions for a stronger, less heterogeneous Union, in line with the aims and ambitions of existing EU treaties.

In order to support his proposal, the author examines the current status quo and all possible options for the future. In his view, the current scenario is not necessarily a dismal one. The European Union presents a number of social and institutional advantages over comparable economic areas in the developed world. In particular, high quality human capital, a well-established welfare state, relatively stable and accountable governance give it a competitive edge over other economic powers. Taken together, the EU-27 is the largest exporter and second largest importer in the world. On the other hand, a number of structural weaknesses hinder the long run prospects of the Union. Negative demographic trends, its lack of energy resources and excessive regulation, which benefits consumers' interests but erodes competitiveness, are the biggest sources of concern.

Such a broad picture may not seem decisive in establishing what the next step is going to be, given the short run electoral and financial pressures that Member States are currently experiencing. Yet, the author uses this very enjoyable and informative chapter as a stepping stone into the scenarios that the EU is most likely to face.

In his opinion, the EU is at the crossroads between substantial reforms and more conservative options. The first alternative consists in modifying the present institutions by revising the decision making process. The biggest incentive for change comes from the foreseeable expansion of the Union. In the near future the EU might host up to 35 members. Yet, the current decision making system was originally conceived for six member states that had a similar degree of economic development and similar political aims. This proposal should aim at improving democratic legitimacy and the efficiency of the decision making process. He thus provides us with a number of strategies to achieve this: for example, by relying on mechanisms of 'constructive abstention' and facilitating greater involvement of national parliaments.

Such a substantive revision of the EU treaties is deemed by the author as 'implausible'. He thus attempts to







explore how the EU may continue on the present path while developing further closer cooperation, which is necessary due to the growing heterogeneity of new Member States. He shows us a variety of mechanisms that may serve this purpose: most interestingly, 'differentiations' and 'opt out' strategies. 'Differentiation' allows member states to decide whether to participate in a policy. This is already the case for the European Defence Agency and Supplementary Research Programmes. The second option involves the creation of flexible treaties that give the right to opt out from a policy. This is already the case for Ireland and the United Kingdom regarding border checks and the free movement of citizens, and for Denmark on defence and security issues.

Nevertheless, these strategies do not seem to address the most important present issues and trends. For this reason, he puts forward a third way, conceived as a means towards greater harmonisation of the budgetary and economic policies of similar countries. Although it has been argued that this proposal may pose important technical and judicial problems, the author differentiates between 'softer' and 'bolder' options. According to the former, there is no need to formally establish a new group in a legal way. On the other hand, the adoption of an international legal instrument, compatible with the EU's current treaties, might be more effective in binding participating states to cooperate.

His exposition of the legally binding mechanisms that may lead to a 'two-speed' Europe is probably the most thought-provoking and compelling section of the book. It aims at the core of the current problems and critically assesses its political feasibility. Are these 'two Europes' ready to commit to stricter budgetary rules, undergo a comprehensive harmonisation of fiscal and social legislation, establish a European debt agency- that hints at the creation of the much discussed Euro-wide bonds? Will participating states be willing to confer on the Court of Auditors of the EU the task of controlling the implementation of their budget?

At the time of writing, the questions remain unanswered. The greatest strength of the book is to its presentation of a forward looking view of the possible scenarios that Europe may face in the future, emphasising their normative implications. His vision is not idealistic and convincingly examines the political pressures of the interested Member States. The book is therefore ideally aimed at all policymakers in search of ideas and innovative solutions to the complex institutional challenges that Europe is currently facing.

Pierpaolo Perna is a MPA student in Public and Economic Policy at the LSE, having graduated with First Class Honours in Economics and Politics from the University of London. During his undergraduate studies, he took part in various economic research activities and was a visiting student at Peking University, China. His research interests include political economy, public and labour economics. [Read more reviews by Pierpaolo.](#)

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