

# Supranational Governance in Changing Societies of European Union in the Last Decade\*

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## ABSTRACT

As a supranational organization The European Union (EU) seems to compete the UN's reputations. UNO has more members since its scope is worldly, but UN does not issue its own currency while EU has Euro. The Euro is the second largest reserve currency as well as the second most traded currency in the world after the United States dollar. The currency is also used in a further many European countries and consequently used daily by some 332 million Europeans. Additionally, over 175 million people worldwide - including 150 million people in Africa - use currencies which are pegged to the Euro. No other transnational organization has such a specific currency. Although not as a unified military conventional power, EU has such a "Battlegroups" initiative, each of which is planned to be able to deploy quickly about 1500 personnel. EU forces have been deployed on peacekeeping missions from Africa to the former Yugoslavia and the Middle East. EU military operations are supported by a number of bodies, including the European Defense Agency, European Union Satellite Centre and the European Union Military Staff. In an EU consisting of 27 members, substantial security and defense cooperation is increasingly relying on great power cooperation. Despite those organizational strengths, only 27 of 57 European states are members of EU. And only 17 of 27 EU state members are using Euro as their official currency. One prominent EU member like British stay tough with their own Pound-sterling. This paper is set to learn more about: why as a Europe continent based organization, EU state members are still less than half of European states? And why only 17 EU state members are using Euro as their official currency?

**ABSTRAK**

Sebagai Organisasi Supranasional Uni Eropa (UE) nampaknya menyaingi reputasi PBB. Organisasi Perserikatan Bangsa – Bangsa memiliki lebih banyak anggota sejak jangkauannya mendunia, tetapi PBB tidak mengeluarkan mata uang sendiri sementara Uni Eropa memiliki Euro. Euro merupakan mata uang cadangan kedua terbesar yang juga merupakan mata uang dagang terbesar kedua di dunia setelah Dolar Amerika Serikat. Mata uang tersebut juga digunakan lagi dalam banyak negara – negara eropa dan sebagai akibatnya digunakan sehari – hari oleh 332 juta orang Eropa. Selain itu, lebih dari 175 juta orang di seluruh dunia – termasuk 150 juta orang di afrika – menggunakan mata uang yang ditetapkan atas Euro. Tidak ada organisasi transnasional lain yang memiliki mata uang spesifik. Meskipun tidak sebagai persatuan kekuatan militer konvensional, UE memiliki semacam inisiatif “kelompok perjuangan”, yang masing – masing direncanakan dapat menyebarkan secara cepat sebanyak 1500 personil. Kekuatan UE telah diluncurkan dalam misi perdamaian mulai dari Afrika sampai bekas Yugoslavia dan Timur tengah. Operasi militer UE didukung oleh beberapa badan, termasuk Perwakilan Pertahanan Eropa, Pusat satelit Uni Eropa, dan Staf Militer Uni eropa. Dalam UE terdiri dari 27 anggota, pengamanan yang kuat, dan kerjasama pertahanan yang meningkat disandarkan pada kerjasama dengan kekuatan yang luar biasa. Meskipun organisasi – organisasi tersebut kuat, hanya 27 dari 57 negara – negara Eropa yang menjadi anggota Uni Eropa. Dan hanya 17 dari 27 negara anggota yang menggunakan Euro sebagai mata uang resmi mereka. Salah satu negara anggota UE yang terkenal seperti Inggris tetap menggunakan mata uang Pound-sterling. Tulisan ini bertujuan untuk mempelajari lebih tentang: mengapa sebagai organisasi berbasis Benua Eropa, negara anggota UE hanya kurang dari setengah negara – negara eropa seluruhnya? Dan kenapa hanya 17 negara anggota yang menggunakan Euro sebagai mata uang resmi mereka?

Kata Kunci: Uni Eropa, Supranasional, Kedaulatan

**INTRODUCTION**

It is a human's nature that any human grouping needs an order, needs a pattern of governance, and needs power to regulate the system of the community. The order does not fall down from the sky but rather be constructed by people. Some people to construct a sort of grouping by separating bigger group into smaller ones, like what has happened in Yugoslavia and Soviet Union in the beginning of 1990s. One big Yugoslavia was divided into six smaller new states grouping, while Soviet Union was split up to 15 smaller new states. Those fragmented patterns of grouping have been complementary completed by the opposite pattern, which is grouping by unifying, grouping through union, grouping through integration.

Almost in the same decade after the fragmentation of Yugoslavia and Soviet Union, both were in Europe, European Union (EU) was built as a

new big governance institution which conduct 27 states of about 57 European sovereign states. EU is new type of organization that acts as a supra-national body. A huge organization that conveys a complex dreams of European society.

## THEORITICAL FRAMEWORK

### A Supranational Organization

A supranational union is a type of multi-national confederation or federation where negotiated power is delegated to an authority by governments of member states. Kimmo (2004: 21-26) said that the concept of *supranational union* is sometimes used to describe the European Union, as a new type of political entity. The EU is the only entity which provides for international popular elections, going beyond the level of political integration normally afforded by international treaty. The term “supra-national” is sometimes used in a loose, undefined sense in other contexts, sometimes as a substitute for international, transnational or global. Another method of decision-making in international organizations is inter-governmentalism, in which state governments play a more prominent role.

According the term of supra-nation, a supranational union seems to imitate the conduct the exclusive competence of nation-state system, which are: to issue a particular currency, to build military force, and to assemble international embassies. Also have to define the character of nation-state in having a particular type of government, particular people, and particular territory. Thus, a supranational organization should be built on the question of sovereign as what a nation-state has done.

## RESULT AND ANALYSIS

### A. The European Union (EU)

The EU is an economic and political union or confederation of 27 member states which are located primarily in Europe. The EU traces its origins from the European Coal and Steel Community (ECSC) and the European Economic Community (EEC), formed by six countries in 1958. In the intervening years the EU has grown in size by the accession of new member states, and in power by the addition of policy areas to its remit.

The Maastricht Treaty established the European Union under its current name in 1993.<sup>1</sup> The latest amendment to the constitutional basis of the EU, the Treaty of Lisbon, came into force in 2009.

The EU operates through a system of supranational independent institutions and intergovernmental negotiated decisions by the member states.<sup>2</sup> Important institutions of the EU include the European Commission, the Council of the European Union, the European Council, the Court of Justice of the European Union, and the European Central Bank. The European Parliament is elected every five years by EU citizens.

The EU has developed a single market through a standardized system of laws which apply in all member states. Within the Schengen Area (which includes EU and non-EU states) passport controls have been abolished.<sup>3</sup> Based on Treaty on the Functioning of the European Union (Articles 157,ex Article 141), EU policies aim to ensure the free movement of people, goods, services, and capital, enact legislation in justice and home affairs, and maintain common policies on trade [Article 2 (7) of the Treaty of Amsterdam], agriculture<sup>4</sup> fisheries and regional development [Article 3(1)(g) of the Treaty of Rome], A monetary union, the euro zone, was established in 1999 and is currently composed of 17 member states. Through the Common Foreign and Security Policy the EU has developed a limited role in external relations and defense. Permanent diplomatic missions have been established around the world and the EU is represented at the United Nations, the WTO, the G8 and the G-20.

With a combined population of over 500 million inhabitants,<sup>5</sup> or 7.3% of the world population, the EU generated a nominal GDP of 16,242 billion US dollars in 2010, which represents an estimated 20% of global GDP when measured in terms of purchasing power parity (IMF,2011). After World War II, moves towards European integration were seen by many as an escape from the extreme forms of nationalism which had devastated the continent. One such attempt to unite Europeans was the European Coal and Steel Community, which was declared to be “a first step in the federation of Europe”, starting with the aim of eliminating the possibility of further wars between its member states by means of pooling the national heavy industries (Declaration of 9 May 1950). The founding members of the Community were Belgium, France, Italy, Luxembourg,

the Netherlands, and West Germany. The originators and supporters of the Community include Jean Monnet, Robert Schuman, Paul Henri Spaak, and Alcide De Gasperi.

In 1957, the six countries signed the Treaties of Rome, which extended the earlier cooperation within the European Coal and Steel Community (ECSC) and created the European Economic Community, (EEC) establishing a customs union and the European Atomic Energy Community (Euratom) for cooperation in developing nuclear energy. European Commission said that the treaty came into force in 1958.

The EEC and Euratom were created separately from ECSC, although they shared the same courts and the Common Assembly. The executives of the new communities were called Commissions, as opposed to the “High Authority”. The EEC was headed by Walter Hallstein (Hallstein Commission) and Euratom was headed by Louis Armand (Armand Commission) and then Etienne Hirsch. A European Atomic Energy Community explained Euratom would integrate sectors in nuclear energy while the EEC would develop a customs union between members.

Throughout the 1960s tensions began to show with France seeking to limit supranational power. However, in 1965 an agreement was reached and hence in 1967 the Merger Treaty was signed in Brussels. It came into force on 1 July 1967 and created a single set of institutions for the three communities, which were collectively referred to as the *European Communities* (EC), although commonly just as the *European Community* (“Merging the executives”, European Navigator). Rey presided the first merged Commission (Rey Commission) (“Discover the former Presidents: The Rey Commission”, Europe web portal).

In 1973 the Communities enlarged to include Denmark (including Greenland, which later left the Community in 1985), Ireland, and the United Kingdom (“The first enlargement”, European Navigator). Norway had negotiated to join at the same time but Norwegian voters rejected membership in a referendum and so Norway remained outside. In 1979, the first direct, democratic elections to the European Parliament were held (“The new European Parliament”, European Navigator).

Greece joined in 1981, Portugal and Spain in 1986 (“Negotiations for enlargement”, European Navigator). In 1985, the Schengen Agreement

led the way toward the creation of open borders without passport controls between most member states and some non-member states (BBC News, 2001). In 1986, the European flag began to be used by the Community (“History of the flag”, Europe web portal), and the Single European Act was signed.

In 1990, after the fall of the Iron Curtain, the former East Germany became part of the Community as part of a newly united Germany (“1980–1989 The changing face of Europe – the fall of the Berlin Wall”, Europe Web portal). With enlargement towards European formerly communist countries as well as Cyprus and Malta on the agenda, the Copenhagen criteria for candidate members to join the European Union were agreed. The introduction of the euro in 2002 replaced several national currencies.

Craig (2007,15) explained the European Union was formally established when the Maastricht Treaty came into force on 1 November 1993, and in 1995 Austria, Finland and Sweden joined the newly established EU. In 2002, euro notes and coins replaced national currencies in 12 of the member states. Since then, the euro zone has increased to encompass 17 countries. In 2004, the EU saw its biggest enlargement to date when Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia joined the Union (“A decade of further expansion”, Europe web portal).

On 1 January 2007, Romania and Bulgaria became the EU’s newest members. In the same year Slovenia adopted the euro (“A decade of further expansion”, Europe web portal), followed in 2008 by Cyprus and Malta, by Slovakia in 2009 and by Estonia in 2011. In June 2009, the elections were held leading to a renewal of Barroso’s Commission Presidency, and in July 2009 Iceland formally applied for EU membership.

On 1 December 2009, the Lisbon Treaty entered into force and reformed many aspects of the EU. In particular it changed the legal structure of the European Union, merging the EU three pillars system into a single legal entity provisioned with legal personality, and it created a permanent President of the European Council, the first of which is Herman Van Rompuy, and a strengthened High Representative, Catherine Ashton.

On 9 December 2011, Croatia signed the EU accession treaty (“Croatia

signs EU accession treaty". Associated Press). The EU accession referendum was held in Croatia on 22 January 2012, with the majority voting for Croatia's accession to the European Union making it the 28th member state as of July 2013.

The European Union is composed of 27 sovereign Member States: Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom ("European Countries", Europa web portal). The Union's membership has grown from the original six founding states—Belgium, France, (then-West) Germany, Italy, Luxembourg and the Netherlands—to the present day 27 by successive enlargements as countries acceded to the treaties and by doing so, pooled their sovereignty in exchange for representation in the institutions ("EU institutions and other bodies". Europa web portal).

To join the EU a country must meet the Copenhagen criteria, defined at the 1993 Copenhagen European Council. These require a stable democracy that respects human rights and the rule of law; a functioning market economy capable of competition within the EU; and the acceptance of the obligations of membership, including EU law. Evaluation of a country's fulfillment of the criteria is the responsibility of the European Council. No member state has ever left the Union, although Greenland (an autonomous province of Denmark) withdrew in 1985. Based on article 50 of the Consolidated Treaty on European Union, the Lisbon Treaty now provides a clause dealing with how a member leaves the EU.

Croatia is an acceding country and will become the 28th member of the EU on 1 July 2013 after a voter referendum approved EU membership on 22 Jan 2012. There are four candidate countries: Iceland, Macedonia (Petersen and Serwer, 2010), Montenegro and Turkey. Albania, Bosnia and Herzegovina and Serbia are officially recognized as potential candidates.<sup>[50]</sup> Kosovo is also listed as a potential candidate but the European Commission does not list it as an independent country because not all member states recognize it as an independent country separate from Serbia ("Enlargement Newsletter", Europe web portal).

Four countries forming the EFTA (that are not EU members) have partly committed to the EU's economy and regulations: Iceland (a candidate country for EU membership), Liechtenstein and Norway, which are a part of the single market through the European Economic Area, and Switzerland, which has similar ties through bilateral treaties ("The EU's relations with Switzerland", Europe web portal). The relationships of the European microstates, Andorra, Monaco, San Marino and the Vatican include the use of the euro and other areas of cooperation ("Use of the euro in the world, The euro outside the euro area, Europe web portal).

### **B. Parliament**

The European Parliament building in Strasbourg, France. The European Parliament (EP) forms one half of the EU's legislature (the other half is the Council of the European Union, see below). The 736 (soon to be 751) Members of the European Parliament (MEPs) are directly elected by EU citizens every five years on the basis of proportional representation to the share of votes collected by each political party. Although MEPs are elected on a national basis, they sit according to political groups rather than their nationality. Fairvote.org explained that each country has a set number of seats and is divided into sub-national constituencies where this does not affect the proportional nature of the voting system.<sup>6</sup>

The Parliament and the Council of the European Union pass legislation jointly in nearly all areas under the ordinary legislative procedure. This also applies to the EU budget. Finally, the Commission is accountable to Parliament, requiring its approval to take office, having to report back to it and subject to motions of censure from it. The President of the European Parliament carries out the role of speaker in parliament and represents it externally. The EP President and Vice Presidents are elected by MEPs every two and a half years ("Institutions: The European Parliament", Europe web portal).

### **C. Council**

The Council of the European Union (also called the "Council"<sup>7</sup> and sometimes referred to as the "Council of Ministers") ("Institutional af-



fairs: Council of the European Union”, Europa Web Portal), forms the other half of the EU’s legislature. It consists of a government minister from each member state and meets in different compositions depending on the policy area being addressed. Notwithstanding its different configurations, it is considered to be one single body. In addition to its legislative functions, the Council also exercises executive functions in relations to the Common Foreign and Security Policy.

#### **D. Military**

The European Union does not have one unified military. Wilkinson said the predecessors of the European Union were not devised as a strong military alliance because NATO was largely seen as appropriate and sufficient for defense purposes.<sup>8</sup> 21 EU members are members of NATO (“NATO Member Countries”, [nato.int.com](http://nato.int.com)). While the remaining member states follow policies of neutrality (“The EU ‘neutrals,’ the CFSP and defense policy”, [aei.pitt.edu](http://aei.pitt.edu)).<sup>9</sup> Based on the presentation of the program of the Finnish presidency (2006) the compatibility of their neutrality with EU membership is questioned (including by the Prime Minister of Finland) and with mutual solidarity in the event of disasters, terrorist attacks and armed aggression covered by TEU Article 42 (7) and TFEU Article 222 of the EU treaties; the Western European Union, a military alliance with a mutual defense clause, was disbanded in 2010 as its role had been transferred to the EU (Statement of the Presidency of the Permanent Council of the WEU, 2006).

The SIPRI Military Expenditure Database explained that according to the Stockholm International Peace Research Institute (SIPRI), France spent more than \$44 billion on defense in 2010, placing it third in the world after the US and China, while the United Kingdom spent almost • 39 billion, the fourth largest. Field (2000) explained that together, France and the United Kingdom account for 45 per cent of Europe’s defense budget, 50 per cent of its military capacity and 70 per cent of all spending in military research and development.<sup>9</sup> In 2000, the United Kingdom, France, Spain, and Germany accounted for 97% of the total military research budget of the then 15 EU member states.<sup>10</sup>

Following the Kosovo War in 1999, the European Council agreed

that “the Union must have the capacity for autonomous action, backed by credible military forces, the means to decide to use them, and the readiness to do so, in order to respond to international crises without prejudice to actions by NATO”. To that end, a number of efforts were made to increase the EU’s military capability, notably the Helsinki Headline Goal process. After much discussion, the most concrete result was the EU Battle group’s initiative, each of which is planned to be able to deploy quickly about 1500 personnel (“Military Capabilities”, Europe web portal).

EU forces have been deployed on peacekeeping missions from Africa to the former Yugoslavia and the Middle East (“EU security and defense Operations”, Europe web portal). EU military operations are supported by a number of bodies, including the European Defense Agency, European Union Satellite Centre and the European Union Military Staff. In an EU consisting of 27 members, substantial security and defense cooperation is increasingly relying on power cooperation (“The Russo-Georgian War and Beyond: towards a European Great Power Concert”, Danish Institute of International Studies<sup>1</sup>).

### **E. Euro**

The euro is the sole currency of 17 EU member states: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain. These countries comprise the “euro zone”, some 326 million people in total.

With all but two of the remaining EU members obliged to join, together with future members of the EU, the enlargement of the euro zone is set to continue further. Outside the EU, the euro is also the sole currency of Montenegro and Kosovo and several European micro states (Andorra, Monaco, San Marino and the Vatican City) as well as in three overseas territories of EU states that are not themselves part of the EU (Mayotte, Saint Pierre and Miquelon and Akrotiri and Dhekelia). Together this direct usage of the euro outside the EU affects over 3 million people.

It is also gaining increasing international usage as a trading currency,

in Cuba (BBC News,1998), North Korea and Syria (BBC News, 2006). There are also various currencies pegged to the euro (see below). In 2009 Zimbabwe abandoned its currency and used major currencies instead, including the euro and the United States dollar (allafrica.com,<sup>2009</sup>).

#### **F. EU International Embassies**

The European Union will open its own embassies under a plan critics fear represents a “power grab” by Brussels officials pushing for a federal super state. The secret plan represents the first time that full EU embassies have been discussed seriously. The “Embassies of the Union” would be controlled by a new EU diplomatic service created by the Lisbon Treaty. *The Daily Telegraph* has seen a high-level Brussels document discussing plans for a “European External Action Service” (EEAS) which was proposed under the new EU Treaty, currently being ratified in Westminster.

Working papers circulating in Brussels suggest that more than 160 EU offices around the world, including in member states, would become embassies. The new service would rival established diplomatic services. Britain, with one of the world’s largest, maintains 139 embassies and high commissions in capital cities. Equally controversial is a proposal for EU ambassadors who would be accountable to the European Parliament. “Parliament should aim for proper hearings of special representatives and ambassadorial nominees in the tradition of the US Congress for nominations of a clearly political nature,” says the document. Plans for the new Foreign Service have raised highly sensitive political issues by giving trappings of statehood to the EU and by fusing, for the first time, national diplomats with existing “autocrats”.

A vicious battle over who should control the diplomatic corps has broken out between national governments and the European Commission. Countries such as Britain are alarmed that the EEAS, which is expected to take on some consular activities, would be a stepping stone to a single “supranational” euro-diplomatic service. Meanwhile, Brussels officials fear that, if controlled by national governments, the new EEAS would draw power from “Community” bodies, such as the Commission, to inter-governmental institutions such as the Council of the EU, which represents member states.

Any inter-governmentalism of policy areas under Community competence has to be avoided. The EEAS will have to be in a specific way administratively connected to the European Commission. The EEAS will number between 2,500 to 3,000 officials at its inception in January next year. It is then expected to grow to 7,000, or even up to 20,000, according to different estimates. Britain, which loses its veto over the EEAS after it is created by a European summit decision expected in October, is expected to contribute around 20 to 30 senior diplomats to the EU service. The UK opposes and will argue against naming EEAS offices embassies.

#### **G. The Cost of Integration, The Questions of Sovereignty**

What EU, as an organization, has achieved is excellent. EU and UN are almost similar in term of outstanding supranational organization. But EU has started the history since 1957; so far only 27 of 57 European States are decided to be member of EU. Only around 502 million people out of 739 million European populations to be reckoned as member of the Union. There is still more less 30 states in Europe or approximately 237 million European citizen stayed out of the membership of the Union.

Even not all among the members of the Union are using Euro as their official currency. Only 17 out of 27 state members of EU declared Euro as their official currency. Sweden has ever used Euro in 1994 but then stop adopting the Euro in 2003. Sweden decided to proudly using Krona for their currency. British stay steady with their Pound sterling. This means that the existence of EU is not supported with enough sovereign, even from within the membership of EU.

#### **H. The European Sovereign Debt Crisis**

The European sovereign debt crisis is an ongoing financial crisis that has made it difficult or impossible for some countries in the euro area to re-finance their government debt without the assistance of third parties.

From late 2009, fears of a sovereign debt crisis developed among investors as a result of the rising government debt levels around the world together with a wave of downgrading of government debt in some European states. Concerns intensified in early 2010 and thereafter

(Matlock,2010), leading Europe's finance ministers on 9 May 2010 to approve a rescue package worth •750 billion aimed at ensuring financial stability across Europe by creating the European Financial Stability Facility (EFSF) (BBC News,2010). In October 2011 and February 2012, the euro zone leaders agreed on more measures designed to prevent the collapse of member economies. This included an agreement whereby banks would accept a 53.5% write-off of Greek debt owed to private creditors (Sels, 2012), increasing the EFSF to about •1 trillion, and requiring European banks to achieve 9% capitalization (BBC News,2011). To restore confidence in Europe, EU leaders also agreed to create a common fiscal union including the commitment of each participating country to introduce a balanced budget amendment (Helen, 2011; and London Guardian, 2011).

While sovereign debt has raised substantially in only a few euro zone countries, it has become a perceived problem for the area as a whole (Der Spiegel, 2011). Nevertheless, the currency has remained stable (The Wall Street Journal, 2011). As of mid-November 2011, the euro was even trading slightly higher against the bloc's major trading partners than at the beginning of the crisis (Reuters, 2011). The three countries most affected, Greece, Ireland and Portugal, collectively account for six percent of the euro zone's gross domestic product (GDP) (Project Syndicate,2011).

### **I. Monetary Policy Inflexibility**

Since membership of the euro zone establishes "able to money" in order to pay creditors and ease their risk of default. (Such an option is not available to a state such as France.) By "printing money" a country's currency is devalued relative to its (euro zone) trading partners, making its exports cheaper, in principle leading to an improving balance of trade, increased GDP and higher tax revenues in nominal terms (Project Syndicate,2011). In the reverse direction moreover, assets held in a currency which has devalued suffer losses on the part of those holding them. For example by the end of 2011, following a 25 percent fall in the rate of exchange and 5 percent rise in inflation, euro zone investors in Sterling, locked in to euro exchange rates, had suffered an approximate 30 per-

cent cut in the repayment value of this debt (Phillip, 2012).

### **J. The Case of Krona**

Sweden joined the Union in 1995 and its accession treaty obliged it to join the euro. However, one of the requirements for euro zone membership is two years' membership of ERM II, and Sweden has chosen not to join this mechanism and as a consequence tie its exchange rate to the euro  $\pm 2.25\%$ . While there is government support for membership, all parties have pledged not to join without a referendum in favor of doing so. The EU has accepted that Sweden is staying outside the euro zone on its own decision. Olli Rehn, the EU commissioner for economic affairs has said that this is up to Swedish people to decide. Despite this, the euro can be used to pay for goods and services in some places in Sweden.

In 1995 Sweden joined the EU and its Accession Treaty ("European Union Agreement Details", Council of the European Union) has been approved in Sweden by referendum (52% in favor of the treaty). According to the treaty Sweden is obliged to adopt the euro once it meets convergence criteria.

A referendum held in September 2003 saw 56.1 percent vote against membership of the euro zone. As a consequence, Sweden decided in 2003 not to adopt the euro for the time being. Had they voted in favor, Sweden would have adopted euro on 1 January 2006 (Sveriges Riksbank, 2003).

A majority of voters in Stockholm county voted in favor of adopting the euro (54.7% "yes", 43.2% "no"). In Skåne county the people voting "yes" (49.3%) outnumbered the people voting "no" (48.5%), although the invalid and blank votes resulted in no majority for either option. In all other polls in Sweden, the majority voted no (Electoral Geography, 2003).

### **K. PASSPORT WITHOUT BORDER**

The European Union does not issue passports, but the passports issued by its 27 member states do share a common design (Europa Web Portal). These include the burgundy colored cover, the use of the words

“European Union” in the country’s official language or languages on the cover, as well as common security features and biometrics.<sup>11</sup>

Some EU member states also issue non-EU passports to certain people who have a nationality which does not render them citizens of the European Union (e.g., British Overseas Territories Citizens except those with a connection to Gibraltar, British Nationals (Overseas), British Overseas Citizens, British Protected Persons and British Subjects).<sup>12</sup> The European Union does issue European Union Laissez-Passers to the members and certain civil servants of its institutions.

### **L. Euroscepticism**

Euro skepticism is a general term used to describe criticism of the European Union (EU), and opposition to the process of European integration, existing throughout the political spectrum. Traditionally, the main source of euroscepticism has been the notion that integration weakens the nation state. Other views occasionally seen as eurosceptic include perceptions of the EU being undemocratic or too bureaucratic (Kopel; and Hannan, 2007). A Euro barometer survey of EU citizens in 2009 showed that support for membership of the EU was lowest in Latvia, the United Kingdom, and Hungary (The Daily Telegraph, London).

There can be considered to be two different types of Eurosceptic thought, which differ in the extent to which adherents reject European integration and in their reasons for doing so. Aleks Szczerbiak and Paul Taggart described these as ‘hard’ and ‘soft’ euroscepticism.

*Hard euroscepticism* is the opposition to membership of, or the existence of, the European Union as a matter of principle. The Europe of Freedom and Democracy group in the European Parliament, typified by such parties as the United Kingdom Independence Party, is hard eurosceptic. In western European EU member countries, hard euroscepticism is currently a hallmark of many anti-establishment parties (Harmsen et al, 2005: 31–2).

*Soft euroscepticism* is support for the existence of, and membership of, a form of European Union, but with opposition to specific EU policies, and opposition to a federal Europe (Szczerbiak et al, 2008: 8). The European Conservatives and Reformists group, typified by such parties as the

British Conservative Party, along with the European United Left-Nordic Green Left which is an alliance of left-wing parties in the European Parliament, is soft eurosceptic.

Alternative names for 'hard' and 'soft' euroscepticism are respectively 'withdrawalist' and 'reformist' euroscepticism. Some 'hard' eurosceptics such as UKIP prefer to call themselves euro-realists rather than 'sceptics', and regard their position as pragmatic rather than "in principle". Also many on the left such as Tony Benn tend not to use the phrase to refer to themselves even though they share many of their criticisms of the European Union and they may use phrases such as euro-critical or just call themselves democrats or socialists and their scepticism as part of their wider belief in democracy or socialism.

## CONCLUSION

Nations and nationality come before nationalisms. Mankind is still at the early stage of the formation of nation states, as the democratic principle of the French revolution - the right of nations to self-determination - works itself out in history.

Multinational states, federal or unitary, must respect the right to self-determination of the nations composing them, if they are to be stable and endure. The European Union is fundamentally undemocratic and cannot be democratized. Respect for state sovereignty is a fundamental democratic principle and the cornerstone of international law.

The EU's concept of "pooling sovereignty" is a propaganda cover for domination by others and the effective rule of the bigger EU states. Democracy means rights of equality, which people agree to accord one another and which the state recognizes. Globalization changes the environment of the nation state, but does not make it out of date. Internationalism, not globalization, is the way to a human future.

## ENDNOTES

<sup>\*)</sup> This paper was revised paper and previously presented at *International Conference on Public Organization (ICONPO)*, Korea University, Seoul Korea on 11 May 2011.

<sup>1</sup> It is effectively treated as one of the Copenhagen criteria. It should be



noted that this is a political and not a legal requirement for membership

- <sup>2</sup> The European Convention on Human Rights was previously only open to members of the Council of Europe (Article 59.1 of the convention, and even now only states may become member of the Council of Europe (Article 4 of the Statute of the Council of Europe).
- <sup>3</sup> To do otherwise would require the drafting of legislation which would have to cope with the frequently divergent legal systems and administrative systems of all of the now 27 member states
- <sup>4</sup> Council Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin. Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation.
- <sup>5</sup> In order to meet the euro convergence criteria it is necessary first to join the European Exchange Rate Mechanism, something Sweden has declined to do.
- <sup>6</sup> MEPs must be elected on the basis of proportional representation, the threshold must not exceed 5%, and the electoral area may be subdivided in constituencies if this will not generally affect the proportional nature of the voting system.
- <sup>7</sup> The Latin word *consilium* is occasionally used when a single identifier is required, as on the Council Web site
- <sup>8</sup> The EU states have never felt the need to make the organization into a powerful military alliance. They already have NATO to undertake that task.
- <sup>9</sup> According to the Stockholm International Peace Research Institute (SIPRI), Britain spent more than US\$ 69 billion on defense last year, placing it third in the world after the United States and China, while France spent US\$ 67.31 billion, the fourth largest. Together, Britain and France account for 45 per cent of Europe's defense budget, 50 per cent of its military capacity and 70 per cent of all spending in military research and development.
- <sup>10</sup> European civil research did not benefit from the decline in military research budgets PDF

- <sup>11</sup> "Council Regulation (EC) No 2252/2004 on standards for security features and biometrics in passports and travel documents issued by Member States".
- <sup>12</sup> Non-European look alike passports, UK Passport office

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