



UNITEE

New European Business Confederation



**European
Movement
International**

CONFERENCE REPORT

THE COSTS OF NON EUROPE

**HOW EUROSCEPTICISM IS HARMING
EUROPEAN INTEGRATION**

Introduction

On the 15th of October 2014, **UNITEE**, The New European Business Confederation, and **The European Movement International** (EMI) organised the conference ‘The Costs of Non-Europe: How Euroscepticism is harming European Integration’ in order to discuss the limits and opportunities of European integration, taking into account both the Eurosceptic sentiments but also the costs of non-integration.

The latter have been identified and presented through an extensive report by the European Parliamentary Research Service in July 2014, ‘Mapping the Cost of Non-Europe 2014/2019’. According to the report, if the policies suggested in all the different areas would be pursued over time, the economic benefit for the European Union might be as much as €990 billion, with €340 billion in the area of the Digital Single Market and €300 billion from the Single Market for Consumers and Citizens. The benefits of further integration are regularly invoked in light of the current economic crisis. In the report, both the lack of European integration which aggravated the economic crisis (see e.g. the lack of coordination in rescuing banks) and the opportunities of further integration in tackling unemployment and stimulating growth and investment are often mentioned.

The panel included

- **Klaus WELLE**, Secretary General of the European Parliament – whose office was responsible for the report publication;
- **Isabelle DURANT**, Vice-President Union of European Federalists;
- **Peter FAROSS**, Secretary General of UEAPME.

Kristina BELIKOVA, EU affairs correspondent at GBtimes, moderated the event.

The President of EMI, **Jo LEINEN**, welcomed the participants by expressing his concern about the rising Eurosceptic sentiment and his conviction that we must show

the benefits of the EU to the citizens, not only in economic terms, but also regarding the values that it represents. He said we had to get back to the core concept of Europe, which seems to have been lost 20 years ago.

Adem KUMCU, President of UNITEE, pointed out how important European integration is for small and medium sized businesses (SMEs) and their ability to do business beyond borders. At the same time, he agreed that, fundamentally, Europe is all about shared values. The 2014 elections have been a harsh reminder that many people take our common achievements regarding these democratic values for granted. He stressed how the risk of not having Europe is more than losing out on business and growth opportunities for SMEs; it is the risk to lose our ability to stand up for our values and believes in a more a more globalised world. Only united can we face rising super powers like China and India. According to him, ‘it is our role, as civil society and business organizations, to remind European citizens about the costs of non-Europe and to propose solutions’. He added that, in order to achieve a more united Europe, another barrier needs to fall first, namely the narrow nationalistic mental barrier. Finally, he stated that Europeans need to become more open to diversity, as diversity is key to economic and social development and ‘this is actually the best of what the EU has to offer: a place of diversity and a chance to create a sense of belonging among this diversity, or as the motto says it: “Unity in Diversity”.’



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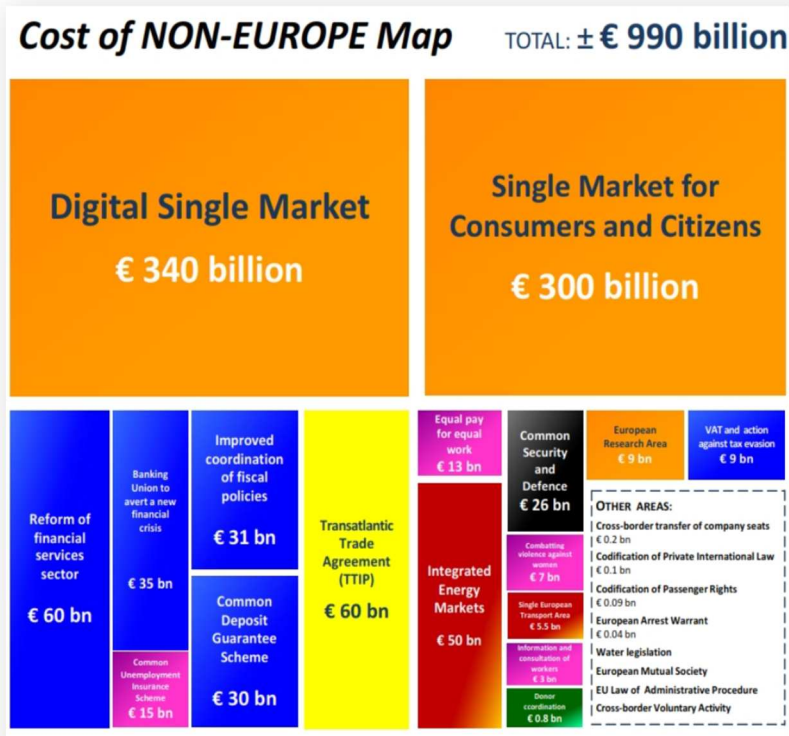
We have to give up our national lenses for European ones. Our vision will thereby be enlarged, such as our opportunities.

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Adem KUMCU

The Report 'Mapping the Cost of Non-Europe 2014/2019'

In his speech **Klaus WELLE** highlighted that the report 'Mapping the Cost of Non-Europe 2014/2019' is offering a different approach compared to the usual cost of regulation assessment. 'An effective impact assessment does not only have to take into consideration the costs of regulating something; we also have to consider the costs of *not* regulating, which is even more important.' Accordingly, the Secretary General of the European Parliament mentioned the benefits of readopting this approach already utilized in the very well-known Cecchini report that highlighted the benefits of a common European market. In particular, he underlined that there is a need to re-establish a positive vision of Europe, a positive agenda on EU integration and that therefore the report focuses on very precise outcomes instead of processes. European citizens want to see results.



A visual summary of the report 'Mapping the Cost of Non-Europe 2014/2019'

He added that it also represents an opportunity to quantify the subsidiarity principle: if it can be proved that there are costs in non-Europe, or in other words, that it would be more expensive to let the single member states regulate on their own, support for EU-level regulation is expected to increase.

Concerning the Eurosceptics, he affirmed that the study could represent a tool to increase dialogue, as it offers concrete figures and facts, which are not easily denied, thus possibly reaches the negative voices with its tangible argument and clear benefits.

Furthermore, the Secretary General of the European Parliament stressed that the report can help the building of a basis of consensus among the institutions on multiannual planning. Especially the Single Digital Market and the Single Market for Consumers and Citizens bear extensive added-value. In general, new European legislation should tackle the areas that are highlighted as most important in the report. Jean Claude Juncker's new Commission has already taken up this advice and is now focusing a lot more on the areas where Europe can be of real benefit, while trying to increase its output of concrete results.

Finally, he stressed that external scientific studies show that the numbers used in the report by the Parliament are even likely to increase, as the Parliament research used a very cautious approach.

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Klaus WELLE



SMEs and the Benefits of European Integration

Peter FAROSS focused on what SMEs expect when asking for more European integration. He stressed that Europe, like it or not, is a reality and rebuilding national borders will mean having less growth, less economic collaboration and possibly less democracy. He pointed out that empirical studies normally tend to use macro-economic results. However, in order to fight against Euroscepticism, only micro-economic factors addressing individuals will be convincing. ‘This study about the costs of non-Europe is very welcome and interesting, but what concrete meaning does it have for SMEs?’.

The speaker further underlined a problem in communicating what Europe really means. ‘We need to show SMEs that the EU is not the bureaucratic monster they believe it to be, we have to cut red tape’. According to him this is extremely important because it is much more expensive for SMEs to deal with bureaucracy than it is for big companies. The report offers concrete sectors where EU regulation can help cutting unnecessary burden.

The Secretary General of UEAPME finally stressed that the Commission should really apply the ‘*think small first principle*’ in legislation and take into consideration the needs of SMEs. Finally, ‘We are all part of a globalised world; we need integration, not separation, if we want to influence it’.



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Rebuilding national borders in Europe will mean having less growth, less economic collaboration and possibly less democracy.

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Peter FAROSS

The Democratic Deficit is our Greatest Problem

Isabelle DURANT began her opening statement by declaring full support to the ‘The costs of non-Europe’ approach. At the same time, she pointed out that since the author of the report is the European Parliament itself, the figures might still not be completely convincing to Eurosceptics. Also, a point was made that the report seems to be a part of the EU’s defensive strategy against the arising doubts questioning the core sense of the European integration and its benefits, whilst the issue policymakers need to address is how to become more offensive? ‘Let us be more vocal than Eurosceptics and change the stance to offensive’, Ms Durant called, indicating the three factors necessary for the European ‘offensive’ figures, qualitative approach and mobilization of citizens.

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We have to win the citizens.
We have to build more European
identity among them. ”

Isabelle DURANT



She explicitly stressed the need to look at the needs and convictions of the citizens, and to listen to their concerns. We have to build more European identity among them. This starts with democracy, and with listening to the people. The EU needs to answer their concern if we want to stop the rise of Eurosceptic parties.

According to the Vice-President of the Union of European Federalists, ‘the reduction of roaming costs is important, but it is not sufficient to motivate citizens. If you have no job and no money, what do you care about roaming charges? Little results are not enough. The interest of European integration is obvious but the problem is that those results must be clear to citizens’. The speaker also referred to the very topical

migration problem in southern countries and stressed that more diversity is an added value. Instead of fostering negative attitudes towards immigrants, the European Union and the member states should embrace diversity and do more for immigrants and for their ability to be active citizens.

The Challenge of Multilevel Governance

According to **Klaus WELLE**, one main problem that is causing Euroscepticism are difficulties in local and regional developments. The benefits of European integration are not always equally spread, and the local levels often struggle to access the cohesion funds. We have to improve this if we want to be more positive about the role of Europe. All levels of governance have to profit from European integration. He strongly stressed that a well working multilevel governance is fundamental for Europe's success.

Isabelle DURANT recognized that there are many angles to consider when discussing Euroscepticism. To solve the problem by only focusing on the institutional level is not enough. One has to win over the citizens. 'We have to do more to develop transnational debates. For example through a European list during European Parliamentary elections, through a truly European TV-channel and through the possibilities for Europe-wide citizen's debate. Also, the acknowledgement of local identity is fundamental in creating this sense of belonging'.



How to deal with the Eurosceptics in the European Parliament?

Peter FAROSS stated that the MEPs from the Eurosceptic camps are elected people. Therefore their opinion has to be accepted and as a lobbyist he will work with all MEPs, regardless of their political colour. However, he added: 'I don't know if they have an effective political agenda for the next five years that would make collaboration even possible'.

A similar opinion was expressed by **Klaus WELLE**, who pointed to the biggest strengths of the European Parliament: majority decisions are taken on the basis of discussion and solid arguments not necessarily along party lines. 'This is a huge advantage for a creative process, and could be a way to make the Eurosceptics participate'.

Interestingly, when asked if the Eurosceptics could be useful for the development of Europe, **Peter FAROSS** admitted that it might be a bit of a stretch. **Isabelle DURANT**



stressed additionally that Eurosceptics are not all the same: some are totally against the EU, but others for example, are in favour of human rights and against some other specific elements of the EU. It is a collaboration that can be taken step by

step, on specific projects, and might prove fruitful in the end.

To conclude, **Klaus WELLE** stated that 'it is not that Eurosceptics cannot have valid arguments. The European Parliament is ready to listen and see where we can collaborate'.

Conclusion

There is no doubt that more European integration is backed by a plethora of good reasons and tangible arguments. The financial benefits are clearly outlined by the EP report 'Mapping the Cost of Non-Europe', which can serve as a useful tool when refuting anti-EU arguments. In the end however, to listen and take seriously the concern of the citizens who voted for Eurosceptic parties, is the only way to overcome the deadlock the EU is in right now. More integration is beneficial not only for the economy and business but most of all - for the citizens of Europe.

For more information

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