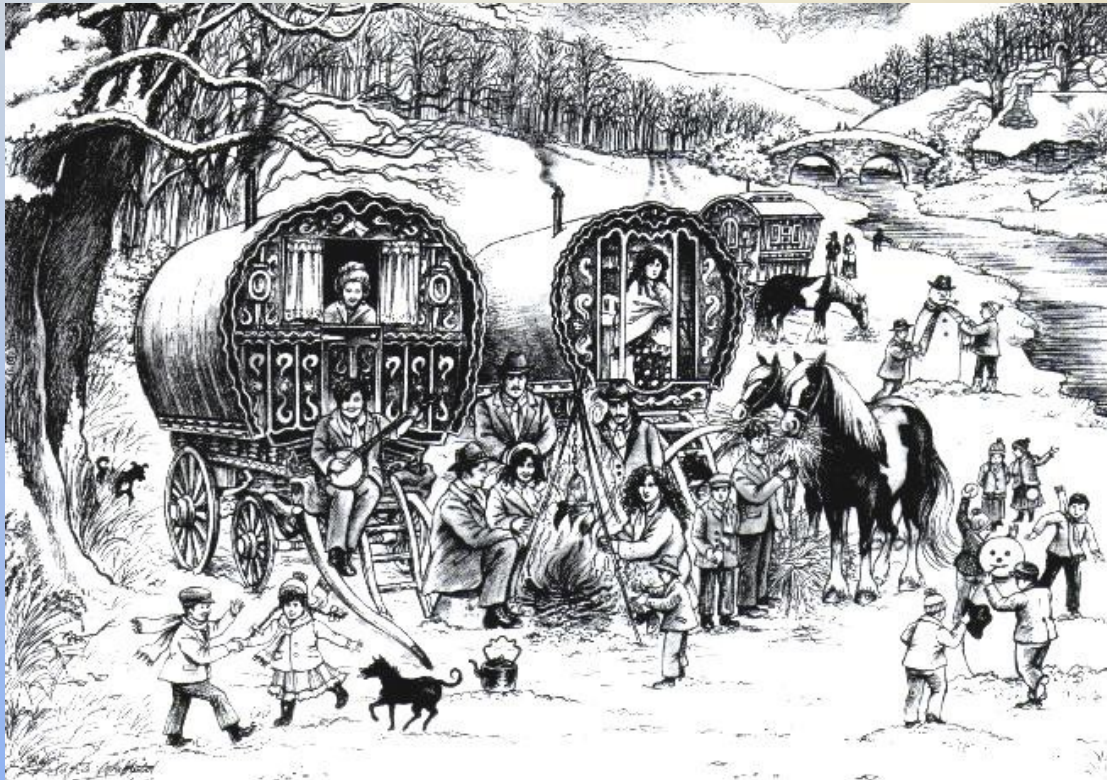


**Dogs Bark and the Caravan Moves on:**  
**Why should we care??**



**Dr. Nellie Munin**

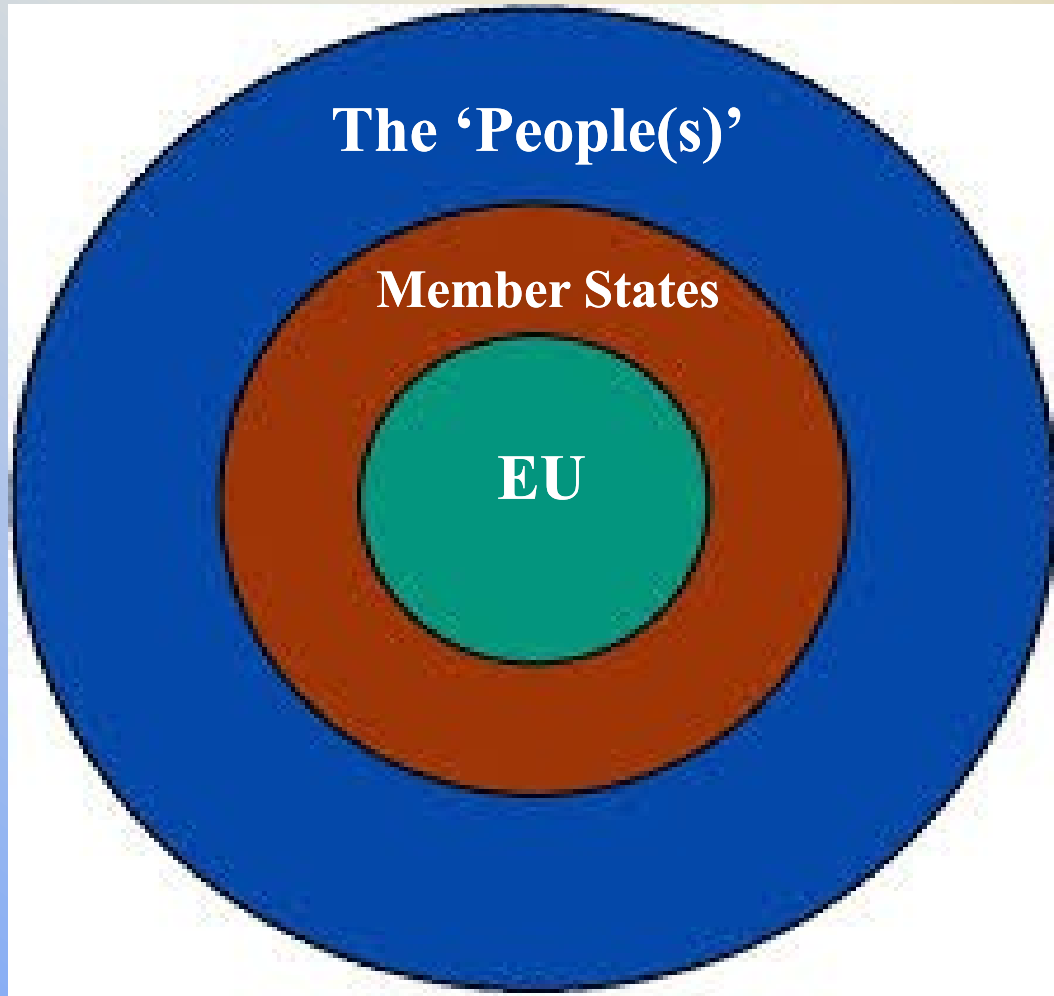
## Four Crises at One Price

- **Economic and Financial crisis.**
- **Immigration and refugees crisis.**
- **Security crisis.**
- **Political crisis.**

**Prof. Steve Ohana, ESCP Europe school of Management**



# Three Circles of Interests



# **EU Institutions:**

## **The Five President Report: A Symptom**

- **Timing: crisis as leverage.**
- **Tactics: ‘technical’ steps.**
- **Aim: enhancing integration.**
- **Final goal: federation?**



# The Member States Circle

- **‘Contributors’ vs. ‘Contributors’**
- **‘Contributors’ vs. ‘Beneficiaries’**
- **EMU vs. non-EMU**
- **East vs. West?**



# The Crisis Definition Implies the Solution

**‘Contributing’ Member States:**

**Debt Crisis**

**‘Beneficiary’ Member States:**

**Systemic imbalances**



# European 'People(s)'?

- **Weiler, Grimm (1995):** European 'demos' (=people): value driven.
- **Nicolaides (2013):** demoi (=peoples). Demoi-cracy: A union of people who govern together but not as one.
- **Scharpf (1997):** *ad hoc* common interests.



# Democracy= Demos+Cratos

- **Demos:**

- Is there a 'European People'?
- Who is it?
- What is its will?

- **Cratos:**

- Does it have the power to govern?
- Is representation at EU level satisfactory?

Democracy in  
the contemporary world





# European 'People(s)' Position

- **Do they have a position?**
  - **Are they sufficiently informed?**
  - **Are they sufficiently equipped to decide?**
- (Majone, 2002)**
- **Do they play a 'double game'?**



# The Five Presidents Report: Why is it important?

- Sums up previous consultations.
- Puts forward a complete, clear vision + a detailed action plan.
- Supported by the representatives of all important decision-makers at EU level.
- Became applicable one month after publication.



# Five Presidents Report Becomes Reality: ESM, Six Pack, Two Pack

- **Financial assistance subject to:**
  - **Financial contribution to the fund**
  - **Sanctions if commitments are not met**
  - **Strict economic and monetary discipline**
- **Constant national budget monitoring**



# **Five Presidents Report Becomes Reality: Single Banking Supervision**

- **ECB relies on national supervisors.**
- **11 authorities, most of them new.**
- **New ECB staff, additional budget.**
- **Conflicting interests between authorities.**
- **Overlapping powers.**



# Why Should We Care??

Many of the new instruments apply to all EU Members, e.g.:

- **Stricter economic and financial discipline: ‘European Semester’.**
- **National budget surveillance by the Commission.**
- **Certain aspects of banking supervision, e.g. supervision of branches of banks from SSM countries.**
- **General spillover effect: competitiveness, investment attraction.**
- **Future of the EU.**





**Thank You**

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